

ORIGINAL DOCUMENTS IN SAFE

Case No. 832

Date of filing: 16/6/1997

832-159

\*\* AWARD - Type of Award \_\_\_\_\_  
- Date of Award \_\_\_\_\_  
\_\_\_\_\_ pages in English \_\_\_\_\_ pages in Farsi

\*\* DECISION - Date of Decision \_\_\_\_\_  
\_\_\_\_\_ pages in English \_\_\_\_\_ pages in Farsi

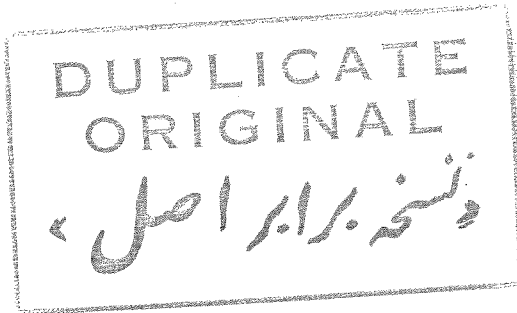
\*\* CONCURRING OPINION of \_\_\_\_\_  
- Date \_\_\_\_\_  
\_\_\_\_\_ pages in English \_\_\_\_\_ pages in Farsi

\*\* SEPARATE OPINION of \_\_\_\_\_  
- Date \_\_\_\_\_  
\_\_\_\_\_ pages in English \_\_\_\_\_ pages in Farsi

\*\* DISSENTING OPINION of \_\_\_\_\_  
- Date \_\_\_\_\_  
\_\_\_\_\_ pages in English \_\_\_\_\_ pages in Farsi

\*\* OTHER; Nature of document: Correction To The Award

- Date 13/6/1997  
7 pages in English \_\_\_\_\_ pages in Farsi



CASE NO. 832  
CHAMBER THREE  
AWARD NO. 580-832-3

VIVIAN MAI TAVAKOLI,  
JAMSHID DAVID TAVAKOLI,  
KEYVAN ANTHONY TAVAKOLI,  
Claimants,  
and  
THE GOVERNMENT OF THE  
ISLAMIC REPUBLIC OF IRAN,  
Respondent.

IRAN-UNITED STATES CLAIMS TRIBUNAL	دیوان داری دعاوی ایران - ایالات متحدہ
FILED	ثبت شد
DATE	16 JUN 1997
	تاریخ ۱۳۷۶ / ۳ / ۲۶

CORRECTION TO THE AWARD

The following corrections of a typographical nature are hereby made to the English version of Award No. 580-832-3, filed on 23 April 1997.


On page 5, in the Table of Contents, the paragraph number for the commencement of the section on "Interest" is "250", not "225."

In paragraph 149, line 11, the word "was" is deleted and is replaced by the word "were."

In paragraph 192, line 8, the figure "U.S.\$200,000" is deleted and is replaced by the figure "U.S.\$2,000,000."

A copy of the corrected pages is attached.

Dated, The Hague  
13 June 1997

  
Gaetano Arangio-Ruiz  
Chairman  
Chamber Three



In the Name of God

Richard C. Allison

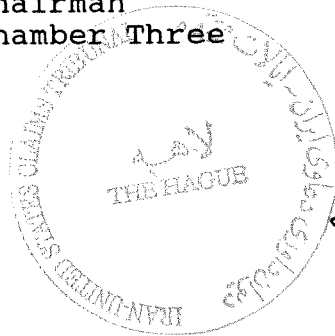
Mohsen Aghahosseini

In paragraph 192, line 8, the figure "U.S.\$200,000" is deleted and is replaced by the figure "U.S.\$2,000,000."

A copy of the corrected pages is attached.

Dated, The Hague  
13 June 1997

Gaetano Arangio-Ruiz  
Chairman  
Chamber Three



In the Name of God

Mohsen Aghahosseini

Richard C. Allison

In paragraph 192, line 8, the figure "U.S.\$200,000" is deleted and is replaced by the figure "U.S.\$2,000,000."

A copy of the corrected pages is attached.

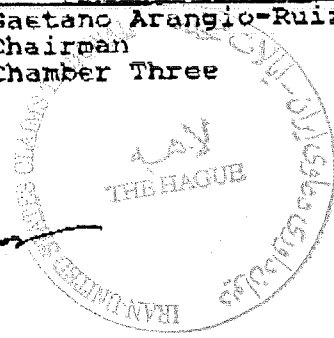
Dated, The Hague

13 June 1997

Gaetano Arangio-Ruiz  
Chairman  
Chamber Three

In the Name of God

  
Richard C. Allison



Mohsen Aghahosseini

	11.	Conclusion on the Value of WIG's Principal Assets . . .	240
F.		<u>Net Value of the Balance of WIG's Assets and Liabilities</u> . . . . .	241
G.		<u>Conclusion on Compensation</u> . . . . .	248
<hr/>			
VII.		<u>INTEREST</u> . . . . .	250
VIII.		<u>COSTS</u> . . . . .	251
IX.		<u>AWARD</u> . . . . .	252

the Revolution, WIG sold 60,000 sqm to the Textile Company, 20,000 sqm to the Wool Company and 10,000 sqm to the Printing Company. These sales reduce the respective areas available for sale as follows (in sqm):

<u>Use</u>	<u>Initial Area</u>		<u>Sold</u>	=	<u>Available</u>
light industry:	985,687	-	30,000	=	955,687
general industry:	753,761	-	60,000	=	693,761
residential:	<u>434,862</u>	-	<u>0</u>	=	<u>434,862</u>
TOTAL:	2,174,310	-	90,000	=	2,084,310

149. Given the presence of independent board members, the Tribunal accepts that the prices paid by the Textile and Wool Companies are the best evidence of the value of the land at the time. However, it is not entirely clear exactly what prices those companies did pay. Dr. Kiaie alleges that the Textile Company purchased land from WIG for an effective real price of Rls. 525 per sqm in 1975, paying Rls. 200 in cash and the rest in infrastructure investment, and that the Wool Company paid an effective price greater than the Rls. 300 per sqm that it paid in cash. The Respondent contends that the real prices paid by these two companies were at most Rls. 200 and 300 per sqm, with Rls. 14 per sqm being paid in cash and the balance paid towards infrastructure development.

150. The undated letter from Dr. Kiaie to the Textile Company, submitted by the Respondent and quoted above, supports the Respondent's position that the Textile Company paid only Rls. 200 per sqm in total; Rls. 14 per sqm was paid in cash and the balance went towards infrastructure expenses. The Respondent's position in this regard is further supported by the Report of the Official Inspector for the year ending 20 March 1977. That Report indicates that WIG received Rls. 11,150,000 from the Textile Company and Rls. 5,720,000 from the Wool Company, both for "infrastructural expenses." Rls. 11,150,000 is equal to 60,000 sqm multiplied by Rls. 186 per sqm (Rls. 200 less Rls. 14) and Rls. 5,720,000 is equal to 20,000 sqm multiplied by Rls. 286 per sqm (Rls. 300 less Rls. 14 per sqm).

191. WIG owned 320 shares in the Printing Company, 9.1% of the stock, purchased for Rls. 3.2 million in 1977.<sup>17</sup> Allegedly the rest of the shares were owned by private individuals and businesses. As at September 1977, a plant for the Printing Company was expected to be operational by late 1977. The Claimant contends that, as a result of all of its different activities, the Printing Company was making enough money from its first year of operation to begin paying for the machinery it had bought on credit.

192. The Claimant contends that the Printing Company had quickly obtained a share of the publishing market in the region. For this reason, the Claimant says, in 1978 the Managing Director of the Royal Organization for Social Services offered to buy the printing shop for Rls. 100 or 120 million. Dr. Kiaie states that the company could not refuse to sell because the offeror was related to the Royal Family and had a monopoly, but instead made a counter-offer of the equivalent of U.S.\$2,000,000. The Revolution occurred before the Organization could respond. On the basis of this offer, adjusted for inflation, the Claimant asserts that the Publishing Company was worth U.S.\$1,933,750 in 1979. WIG's interest would then have been worth U.S.\$212,030.

193. The Respondent challenges Dr. Kiaie's allegations that he received an offer to purchase the Printing Company and points out that there is no supporting evidence of this. The Respondent further contends that the Printing Company was, in any event, in an "improper financial position" in March 1979. It submits a letter to the Printing Company dated 3 March 1979 from the company's Managing Director, Akbar Rafie Tehrani, in support. In that letter, Mr. Tehrani states that he

accepted this responsibility intending to make Kermanshah Printing House so profitable so that shareholders could make profits from their

---

<sup>17</sup> The Claimant earlier alleged that WIG held 10% of the shares in the Printing Company, and then 20%. At the Hearing she corrected this to 9.1%, a figure that is supported by the documentary evidence.