IRAN-UNITED STATES CLAIMS TRIBUNAL

دیوان داوری دعاوی ایران - ایالات متحده

CASES NOS. A15 (IV) AND A24
FULL TRIBUNAL
DECISION NO. DEC 136-A15(IV)/A24-FT

THE ISLAMIC REPUBLIC OF IRAN,
Claimant,

and

THE UNITED STATES OF AMERICA,
Respondent.

CORRECTION TO AWARD

AND

DECISION ON REQUEST FOR ADDITIONAL AWARD

I. INTRODUCTION

A. Award No. 602-A15(IV)/A24-FT

1. On 2 July 2014, the Tribunal rendered Award No. 602[1] ("Award No. 602") in Cases Nos. A15 (IV) and A24 (hereinafter referred to as "Case No. A15 (IV)" or "this Case"). At issue in that Award was a claim brought by the Islamic Republic of Iran ("Iran") for compensation from the United States of America ("United States") for losses that Iran alleged to have suffered as a result of the United States' violation of its obligation under the Algiers Declarations[2] to terminate litigation initiated by United States nationals against Iran in United States courts.

2. In Award No. 602, the Tribunal upheld some of Iran's claims and dismissed others. Among the claims it dismissed were thirteen claims for attorney expenses (the "Thirteen Claims") that the Tribunal found had already been settled through a 9 February 1996 settlement agreement between Iran and the United States ("Tribunal Settlement Agreement") (the Tribunal Settlement Agreement was subsequently recorded as a Partial Award on Agreed Terms, terminating, among others, Claim C in Case No. A15 (IV)).[3] In the Thirteen Claims, Iran had sought litigation expenses it allegedly incurred in relation to thirteen United States court cases.[4] In dismissing the Thirteen Claims, Award No. 602 held:

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[1] *Islamic Republic of Iran* and *United States of America*, Award No. 602-A15(IV)/A24-FT (2 July 2014).

[2] Declaration of the Government of the Democratic and Popular Republic of Algeria (General Declaration), 19 Jan. 1981, *reprinted in* 1 IRAN-U.S. C.T.R. 3, and Declaration of the Government of the Democratic and Popular Republic of Algeria Concerning the Settlement of Claims by the Government of the United States of America and the Government of the Islamic Republic of Iran (Claims Settlement Declaration), 19 Jan. 1981, *reprinted in* 1 IRAN-U.S. C.T.R. 9 (collectively, "the Algiers Declarations").

[3] *See Islamic Republic of Iran* and *United States of America*, Award No. 568-A13/A15 (I and IV:C)/A26 (I, II, and III)-FT (22 Feb. 1996), *reprinted in* 32 IRAN-U.S. C.T.R. 207. In Claim C, Iran sought the nullification of injunctions obtained by United States nationals in United States courts that enjoined United States banks from honoring calls made by Iran on certain standby letters of credit, performance bonds, and similar instruments at issue in contracts between United States plaintiffs and Iran.

[4] Those United States court cases are: *Aeronutronic Overseas Services, Inc. et al. v. Islamic Republic of Iran et al.*, 80-2098 (N.D. Cal.); *Aeronutronic Overseas Services, Inc. et al. v. Telecommunication Co. of Iran*, C-82-6910 (N.D. Cal.); *Allen v. Iran*, 79-5263 ((N.D. Ill.); *E-Systems, Inc. v. Iran et al.*, 3-79-1487 (N.D. Tex.); *Granger Associates v. Iran*, 80-0169 (N.D. Cal.); *Harris Corp. v. Iran*, 80-0023 (M.D. Fla.); *Itek Corp. v. Iran et al.*, 79-2383-MA (D. Mass.); *Pan American World Airways Inc. v. Bank Melli Iran*, 79-1190 (S.D.N.Y.); *Sylvania Technical Systems Inc. v. Iran*, 80-2192 (N.D. Cal.); *TAI, Inc. v. Iran*, 3-79-1500-D (N.D.Tex.); *T.C.S.B., Inc. v. Iran et al.*, 80-0101 (N.D. Cal.); *John Carl Warnecke & Associates v. Bank of America N.T. & SA, Foreign Trade Bank of Iran*, 80-2035 (Sup. Ct. Cal.); *Watkins Johnson Co. v. Iran*, 79-3963 (N.D. Cal.).

> The language of the 9 February 1996 Tribunal Settlement Agreement is sweeping and unambiguous. Therein, Iran agreed, among other things, that, upon the Tribunal's issuance of the Award on Agreed Terms, (i) it "[would] not . . . at any time thereafter . . . pursue arbitral . . . proceedings or otherwise make any claim . . . whatsoever against the United States . . . with respect to, arising out of, in connection with or relating to [Claim C in Case No. A15 (IV)]"; and (ii) it "[would] waive any and all claims for costs, including attorneys' fees, arising out of or related in any way to the arbitration, prosecution or defense of any claim or counterclaim before any forum, including the Tribunal, with respect to, arising out of, in connection with or relating to [Claim C in Case No. A15 (IV)]."[5]

Thus, Award No. 602 dismissed the Thirteen Claims, holding that Iran had expressly waived them in the 9 February 1996 Tribunal Settlement.[6]

3. As compensation for breaches by the United States of its obligations under General Principle B of the General Declaration and Article VII, paragraph 2, of the Claims Settlement Declaration, in Award No. 602, the Tribunal awarded Iran, among other things, litigation expenses Iran incurred in litigating specific United States court cases ("specific litigation expenses") and expenses Iran incurred in monitoring claims pending against it in United States courts ("monitoring expenses").[7] In Award No. 602, the Tribunal thoroughly explained the approach it took in determining the amounts of compensable expenses and the manner in which it chose to state the reasons upon which the Award was based, stating:

> 247. In determining the amounts of compensable expenses that are due and owing by the United States to Iran and, in this connection, in determining, inter alia, whether relevant appearances and filings were made and relevant monitoring activities were carried out, the Tribunal has carefully considered the Parties' arguments, and it has performed an in-depth evaluation of the evidence presented, including the following:
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> a. copies of the invoices issued by the United States law firms representing Iran;
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> b. evidence of payment of invoices, including copies of checks, bank documents, correspondence between Iran and

[5] Award No. 602, para. 175.

[6] *See id.* at para. 176.

[7] *See id.* at paras. 190-204, 227-40.

its United States attorneys, Iranian internal communications, and payment receipts;

c. copies of docket sheets for the relevant United States court cases; United States court decisions; filings and correspondence with United States courts; correspondence with and between attorneys; and

d. copies of United States Government statements of interest filed with United States courts.

248. Further, in making its determinations, the Tribunal has meticulously applied the criteria established in Partial Award No. 590 and in the present Award.

249. In application of its broad discretion to determine the length and detail of its awards, the Tribunal has deemed it inappropriate in the circumstances to relate, and therefore has not related, all the specifics of the Tribunal's analysis of the 179 United States court legal proceedings at issue in these Cases and the thousands of associated documents. Specifically, the Tribunal has elected not to itemize, either in the body of the present Award or in appendices thereto, the individual expenses that it has concluded are compensable or not compensable, to set out the detailed reasons for their compensability *vel non*, to provide a line-by-line analysis of the many invoices for legal services it has found should be honored or to specify which items within such invoices should be honored and why (or, if not, why not), or to provide the details of its calculations. The Tribunal believes that, in the circumstances of these Cases, providing such a mass of detail would obscure the essential points of the Tribunal's decision. In addition, the Tribunal does not believe that it is its duty to set out, in this Award, all the minutiae of its decision, given that the Parties themselves did not provide, in their pleadings, a comprehensive, detailed, line-by-line analysis of the invoices and payment documents on record but rather left it to the Tribunal to do so.

250. The Tribunal has elected, instead, to describe in detail the legal rationale for its conclusions on compensability and to specify the aggregates of the expenses it has deemed to be compensable and the evidence it has relied on in making its determinations. In addition, while the Tribunal believes, as a general matter, that it should avoid attaching documents to its awards, it has nevertheless attached three concise Annexes to this Award, listing: (i) the legal proceedings involving claims arguably falling within the Tribunal's jurisdiction or involving claims that had been filed with the Tribunal in which Iran was reasonably compelled in the prudent defense of its interests to make appearances or file documents after 19 July 1981 [Annex A]; (ii) the lawsuits filed against Iran in United States courts after 19 January 1981 that involved claims arguably falling within the Tribunal's jurisdiction or claims that had been filed with the Tribunal [Annex B]; and (iii)

Claim A cases with respect to which Iran has proven that it has incurred specific litigation expenses [Annex C[8]].

[. . .]

252. While Article 32, paragraph 3, of the Tribunal Rules provides that the Tribunal "shall state the reasons upon which the award is based," it does not prescribe the manner in which the Tribunal must state such reasons.[9] In this regard, the Tribunal echoes the view expressed by the International Court of Justice in its Advisory Opinion in *Application for Review of Judgment No. 158 of the United Nations Administrative Tribunal*:

> [The statement of reasons] must indicate in a general way the reasoning upon which the judgment is based; but it need not enter meticulously into every claim and contention on either side. While a judicial organ is obliged to pass upon all the formal submissions made by a party, it is not obliged, in framing its judgment, to develop its reasoning in the form of a detailed examination of each of the various heads of claim submitted. Nor are there any obligatory forms or techniques for drawing up judgments: a tribunal may employ direct or indirect reasoning, and state specific or merely implied conclusions, provided that the reasons on which the judgment is based are apparent.[10]

[8 Annex C included 44 United States court cases.]

[9] DAVID D. CARON, LEE M. CAPLAN, MATTI PELLONPÄÄ, THE UNCITRAL ARBITRATION RULES – A COMMENTARY 813 (Oxford University Press, 2006) ("The [UNICTRAL Arbitration Rules] provide no direction regarding the substance and form of the arbitral tribunal's statement of reasons for the award.").

[10] Application for Review of Judgment No. 158 of the United Nations Administrative Tribunal, Advisory Opinion, 1973 I.C.J. 165, 201-11, ¶ 95 (12 July). A similar approach has been adopted in investment arbitration by *ad hoc* committees deciding requests for annulment of awards issued under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States (opened for signature 18 March 1965, entered into force 14 October 1966) (ICSID Convention). In *Wena Hotels*, for example, in determining whether the ICSID tribunal had failed to state the reasons on which its award was based (a ground for annulment under Article 52 (1) of the ICSID Convention), the *ad hoc* committee stated:

> Neither Article 48 (3) [of the ICSID Convention, which provides that the "award shall deal with every question submitted to the Tribunal, and shall state the reasons upon which it is based"] nor Article 52 (1) (e) specify the manner in which the Tribunal's reasons are to be stated. The object of both provisions is to ensure that the Parties will be able to understand the Tribunal's reasoning. This goal does not require that each reason be stated expressly. The tribunal's reasons may be implicit in the considerations and conclusions contained in the award, provided they can be reasonably inferred from the terms used in the decision.

Wena Hotels Limited v. Arab Republic of Egypt, Decision on Annulment (ICSID Case No. ARB/98/4), para. 81 (5 Feb. 2002).

> 253. The European Court of Human Rights, for its part, in assessing the fairness of national court proceedings in accordance with Article 6, paragraph 1, of the European Convention on Human Rights, has held that "Article 6 § 1 obliges the courts to give reasons for their judgments, but cannot be understood as requiring a detailed answer to every argument [; the] extent to which this duty to give reasons applies may vary according to the nature of the decision."[11]
>
> 254. The present Award, in a manner appropriate to the circumstances of these Cases, adequately addresses the essential issues that the Parties submitted to it, identifies the factual and legal premises upon which the Tribunal based its conclusions, and presents the rationale for the Tribunal's decision.[12]

B. The United States Request for Correction to the Award and Additional Award

4. By submission of 1 August 2014, the United States requested that (1) the Tribunal correct Award No. 602 pursuant to Article 36 of the Tribunal Rules of Procedure ("Request for Correction") and (2) the Tribunal issue an additional award pursuant to Article 37 of the Tribunal Rules of Procedure ("Request for Additional Award").

5. On 8 September 2014, Iran submitted its comments on the United States' Request for Correction and Additional Award ("Iran's Comments").

6. On 3 October 2014, the United States submitted its response to Iran's Comments ("United States Response").

7. On 28 October 2014, Iran submitted its comments on the United States Response.

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[11] Voloshyn v. Ukraine, App. No. 15853/08, Judgment, para. 29 (10 Oct. 2013). *See also* Ivan Stoyanov Vasilev v. Bulgaria, App. No. 7963/05, Judgment, para. 33 (4 June 2013); Lăcătuş and others v. Romania, App. No. 1269/04, Judgment, paras. 97-100 (13 Nov. 2012); García Ruiz v. Spain, App. No. 30544/96, Judgment, para. 26 (21 Jan. 1999); Van de Hurk v. The Netherlands, App. No. 16034/90, Judgment, para. 61 (19 Apr. 1994).

[12] Award No. 602, paras. 247-50, 251-54 (footnotes omitted).

II. CONTENTIONS OF THE PARTIES

A. Request for Correction

1. The United States

8. The United States points outs that Award No. 602 erroneously awarded Iran specific litigation expenses with respect to three of the Thirteen Claims that Award No. 602, in paragraph 176, had dismissed *in toto* as having been waived by Iran in the 9 February 1996 Tribunal Settlement Agreement.[13]

9. Specifically, the United States indicates that, at paragraph 195, Award No. 602 states that it has awarded Iran specific litigation expenses for each of the United States court cases listed in Annex C; Annex C, however, includes two of the thirteen United States court cases with respect to which Iran had sought damages in two of the Thirteen Claims dismissed by Award No. 602 – namely, *Itek Corp. v. Iran et al.*, 79-2383-MA (D. Mass.) ("*Itek*") and *Watkins-Johnson Co. v. Iran et al.*, 79-3963 (N.D. Cal.) ("*Watkins-Johnson*"). The United States further points out that paragraph 196 of the Award indicates that Iran was awarded specific litigation expenses for each of the United States court cases listed in footnote No. 197; footnote No. 197 of Award No. 602, however, includes one of the thirteen United States court cases with respect to which Iran had sought damages in one of the Thirteen Claims dismissed by Award No. 602 – that is, *Aeronutronic Overseas Services, Inc. et al. v. Telecommunication Co. of Iran*, C-82-6910 (N.D. Cal.) ("*Aeronutronic*").

10. The United States asserts that Award No. 602's granting Iran litigation expenses with respect to those three United States court cases is contrary to the holding in paragraph 176 of the same Award dismissing the Thirteen Claims and appears to have been made in error. Consequently, the United States contends, Award No. 602 should be corrected pursuant to Article 36 of the Tribunal Rules of Procedure ("Tribunal Rules") to remove from the damages awarded Iran the amounts awarded as specific litigation expenses related to *Itek*, *Watkins-Johnson*, and

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[13] *See supra* para. 2.

Aeronutronic; similarly, Award No. 602 should be corrected to remove from those damages any monitoring expenses that were allocated for these three United States court cases.

2. Iran

11. Iran contends that the United States has failed to establish the prerequisites of Article 36 of the Tribunal Rules for the correction of an award as interpreted and applied by the Tribunal. According to Iran, the United States Request for Correction does not point to any computational, clerical, typographical, or similar errors in Award No. 602; rather, it alleges an inconsistency between two holdings of the Tribunal with respect to Iran's claims for specific litigation expenses relating to *Itek*, *Watkins-Johnson*, and *Aeronutronic*. Iran asserts that the Tribunal has only granted requests for correction to rectify faulty mathematical calculations and typographical errors, and that, in the Tribunal's practice, errors of a similar nature, also correctable, may consist of a misspelled party's name, inaccurate dates, or mistranslations; the Tribunal, however, has not applied Article 36 of the Tribunal Rules to grant requests for correction arising from any types of internal inconsistency errors and similar mistakes in the awards.

B. Request for Additional Award

1. The United States

12. The United States asserts that the Tribunal, in Award No. 602, did not provide a reasoned decision for each of the 179 claims presented by Iran, as required by Article 32, paragraph 3, of the Tribunal Rules, but limited itself to explaining its legal reasoning generally. Accordingly, the United States requests an additional award pursuant to Article 37 of the Tribunal Rules, providing (i) a short description of the Tribunal's reasoning for each of the 179 claims and (ii) indicating the amount of any specific damages Award No. 602 has awarded for a particular claim.

13. The United States contends that, without the additional award it requests, the United States would be prevented from further exercising its rights under Article 36 of the Tribunal Rules to request a correction of Award No. 602; this is because it cannot check the Tribunal's calculations for errors in computation, compare the awarded amount to the legal bills proffered by Iran, or check for internal inconsistencies in the Award.

2. Iran

14. Iran contends that the purpose of Article 37 of the Tribunal Rules is to authorize the Tribunal to "cover obvious omitted claims and nothing more"; the United States, however, has not pointed to any claims presented to the Tribunal but omitted from Award No. 602.

15. According to Iran, the United States Request for Additional award is, in essence, a request for revision that falls beyond the scope of Article 37; consequently, it should be dismissed.

III. REQUEST FOR CORRECTION TO AWARD NO. 602-A15(IV)/A24-FT

16. Pursuant to Article 36 of the Tribunal Rules, the Tribunal may correct "any errors in computation, any clerical or typographical errors, or any errors of similar nature."

17. The Tribunal acknowledges that, in Award No. 602, the Tribunal has unintentionally allocated compensable specific litigation expenses and "further monitoring expenses" in respect of claims that were the subject of the 9 February 1996 settlement agreement between Iran and the United States.[14] An error in computation has arisen as a result of this mistake that must be corrected pursuant to Article 36 of the Tribunal Rules.

18. Two of the three United States court cases that Award No. 602 mistakenly included among those giving rise to compensable expenses[15] increased the Tribunal's award of specific litigation expenses by U.S.$1,040.62 and the Tribunal's award of "further monitoring expenses" by U.S.$661.46.[16] Interest awarded on these amounts totaled U.S.$3,430.16. Accordingly, the following corrections are made to Award No. 602, and copies of the corrected pages of the Award and Annex C to the Award are attached.

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[14] *See supra* para. 2.

[15] The three cases mistakenly so included are: *Itek Corp. v. Iran et al.*, 79-2383-MA (D. Mass.); *Watkins-Johnson Co. et al. v. Iran et al.*, 79-3963 (N.D. Cal.), and *Aeronutronic Overseas Services, Inc. et al. v. Telecommunication Co. of Iran*, C-82-6910 (N.D. Cal.).

[16] The Tribunal in Award No. 602 has awarded nothing with respect to *Watkins-Johnson Co. et al. v. Iran et al.*, 79-3963 (N.D. Cal.).

(1) Annex C

Entry No. 24 "Itek Corp. v. Iran et al., 79-2383-MA (D. Mass.)" and entry No. 42 "Watkins-Johnson Co. et al. v. Iran et al., 79-3963 (N.D. Cal.)" are deleted.

(2) Footnote No. 197, page 72

In the first two lines, the words "*Aeronutronic Overseas Services, Inc. et al. v. Telecommunication Co. of Iran*, C-82-6910 (N.D. Cal.)" are deleted.

(3) Paragraph 195

In the second line, the figure "44" is replaced by the figure "42."

In the third line, the amount "U.S.$70,144.39" is replaced by the amount "U.S.$69,573.39."

(4) Paragraph 196

In the second line, the amount "U.S.$56,070.32" is replaced by the amount "U.S.$55,600.70."

In the fourth line, the word "nine" is replaced by the word "eight."

(5) Paragraph 289

In the Table, fifth row, second column, the amount "5,527.37" is replaced by the amount "5,057.75."

In the Table, fifth row, fourth column, the amount "U.S.$10,827.32" is replaced by the amount "U.S.$9,907.40."

In the Table, sixth row, second column, the amount "7,579.85" is replaced by the amount "7,008.85."

In the Table, sixth row, fourth column, the amount "14,155.79" is replaced by the amount "13,089.42."

In the Table, fourteenth row, second column, the amount "133,367.05" is replaced by the amount "132,326.43."

In the Table, fourteenth row, fourth column, the amount "256,707.34" is replaced by the amount "254,721.05."

(6) Paragraph 290, page 106

In the first line, the amount "U.S.$7,456.60" is replaced by the amount "U.S.$6,795.14."

In the Table, third row, first column, the amount "7,456.60" is replaced by the amount "6,795.14."

In the Table, third row, third column, the amount "16,276.68" is replaced by the amount "14,832.81."

In the Table, fifth row, the amount "84,794.72" is replaced by the amount "84,133.26."

In the Table, fifth row, the amount "194,068.62" is replaced by the amount "192,624.75."

(7) Paragraph 292

In the second line, the amount "U.S.$574,306.37" is replaced by the amount "U.S.$570,876.21."

(8) Paragraph 293

In the first line, the amount "U.S.$842,468.14" is replaced by the amount "U.S.$837,335.90."

In the second line, the amount "U.S.$268,161.77" is replaced by the amount "U.S.$266,459.69."

In the third line, the amount "U.S.$574,306.37" is replaced by the amount "U.S.$570,876.21."

In the fifth line, the amount "U.S.$842,468.14" is replaced by the amount "U.S.$837,335.90."

(9) Paragraph 294 (a)

In the ninth line, the figure "44" is replaced by the figure "42."

In the tenth line, the amount "U.S.$70,144.39" is replaced by the amount "U.S.$69,573.39."

(10) Paragraph 294 (b)

In the second line, the amount "U.S.$56,070.32" is replaced by the amount "U.S.$55,600.70."

In the fourth line, the word "nine" is replaced by the word "eight."

In the seventh line, the amount "U.S.$56,070.32" is replaced by the amount "U.S.$55,600.70."

(11) Paragraph 294 (e)

In the sixth line, the amount "U.S.$7,456.60" is replaced by the amount "U.S.$6,795.14."

(12) Paragraph 294 (h)

In the second line, the amount "U.S.$574,306.37" is replaced by the amount "U.S.$570,876.21."

(13) Paragraph 294 (i)

In the third and fourth lines, the words "Eight Hundred Forty Two Thousand Four Hundred Sixty-Eight United States Dollars and Fourteen Cents" are replaced by the

words "Eight Hundred Thirty-Seven Thousand Three Hundred Thirty-Five United States Dollars and Ninety Cents."

In the fourth line, the amount "U.S.$842,468.14" is replaced by the amount "U.S.$837,335.90."

IV. REQUEST FOR ADDITIONAL AWARD

19. Article 37, paragraph 1, of the Tribunal Rules provides that, "[w]ithin thirty days after the receipt of the award, either party, with notice to the other party, may request the arbitral tribunal to make an additional award as to claims presented in the arbitral proceedings but omitted from the award."

20. The United States Request for Additional Award does not contend that the Tribunal has omitted from Award No. 602 any part of the claims Iran presented in these Cases. Rather, the Request is premised on the contention that the Tribunal, in the Award, did not provide a reasoned decision for each of the 179 claims presented by Iran but instead limited itself to explaining its legal reasoning generally.[17]

21. Because it points to no omitted claims, the Request for Additional Award, on its face, does not fall within the scope of Article 37 of the Tribunal Rules. Moreover, the issue raised in that Request has been thoroughly aired in Section III.B.4 (g) of Award No. 602,[18] where the Tribunal explained in great detail precisely why it had decided not to relate "all the specifics of the Tribunal's analysis of the 179 United States court legal proceedings at issue in these Cases and the thousands of associated documents,"[19] but rather only to "describe in detail the legal rationale for its conclusions on compensability and to specify the aggregates of the expenses it has deemed to be compensable and the evidence it has relied on in making its determinations."[20] The Request

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[17] *See supra* para. 12.

[18] *See* Award No. 602, paras. 247-54, and *supra* para. 3.

[19] Award No. 602, para. 249.

[20] *Id.* para. 250.

for Additional Award, in effect, asks that the Tribunal reconsider this decision. Tribunal precedent, however, is clear:

> Insofar as the Request constitutes an attempt . . . to reargue certain aspects of the Case and to disagree with the conclusions of the Tribunal in its . . . Award, there is no basis in the Tribunal's Rules of procedure or elsewhere for review of an Award on such grounds.[21]

22. Based on the foregoing, the Tribunal concludes that no claims were omitted from Award No. 602. Accordingly, the United States Request for Additional Award is denied.

Dated, The Hague,
5 March 2015

Hans van Houtte
President

Bengt Broms

Herbert Kronke

In the Name of God

In the Name of God

H.R. Nikbakht Fini

Charles N. Brower
Separate Opinion

M.H. Abedian Kalkhoran

In the Name of God

Gabrielle Kirk McDonald

Seyed Jamal Seifi

O. Thomas Johnson

[21] *Paul Donin de Rosiere et al.* and *Islamic Republic of Iran et al.*, Decision No. DEC 57-498-1, para. 4 (10 Feb. 1987), *reprinted in* 14 IRAN-U.S. C.T.R. 100, 101; *Avco Corp.* and *Iran Aircraft Industries*, Decision and Correction to Partial Award, para. 4 (13 Jan. 1989), *reprinted in* 19 Iran-U.S. C.T.R. 253, 254; *Norman Gabay* and *Islamic Republic of Iran*, Decision No. DEC 99-771-2, para. 8 (24 Sept. 1991), *reprinted in* 27 Iran-U.S. C.T.R. 194, 195. *See also Islamic Republic of Iran* and *United States of America*, Decision No. DEC 134-A3/A8/A9/A14/B61-FT (1 July 2011) (holding that the Tribunal has no inherent power to revise a final and binding award).

(d) portions of the 1992 settlement agreement between Iran and Shack & Kimball[194] to prove litigation expenses in the amount of U.S.$128,071 for services allegedly provided by the law firm of Shack & Kimball in seven specific United States court cases between June 1982 and March 1983.

193. After having examined all the evidence, the Tribunal makes the following determinations concerning the compensability of the specific litigation expenses claimed by Iran.

(1) Claim A

194. The Tribunal has held that Iran was reasonably compelled in the prudent defense of its interests to make appearances or file documents in United States courts after 19 July 1981 in 84 cases involving claims arguably falling within the Tribunal's jurisdiction or involving claims that had been filed with the Tribunal.[195]

195. The Tribunal holds that Iran has satisfied the requirements for proving its losses set forth in paragraph 102 of Partial Award No. 590 with respect to 42 such cases[196] and proven that it has incurred specific litigation expenses in respect thereto totaling U.S.$69,573.39. Accordingly, the Tribunal awards this amount to Iran.

(2) Claim D

196. The Tribunal holds that Iran has proven that it has incurred specific litigation expenses totaling U.S.$55,600.70 as a result of making appearances or filing documents in United States courts subsequent to 19 January 1981 in the prudent defense of its interests in eight lawsuits filed after 19 January 1981 involving claims arguably falling within the Tribunal's jurisdiction or involving claims that had been filed with the Tribunal.[197] Accordingly, the Tribunal awards this amount to Iran.

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[194] *See supra* paras. 149-156.

[195] *See supra* para. 85 and Annex A.

[196] *See* Annex C.

[197] Those lawsuits are as follows: *American Hospital Supply Co. v. Iran et al.*, 81-1489 (N.D. Ill.); *Gillette Co. et al. v. Iran*, 81-3196 (D.D.C.); *Kianoosh Jafari et al. v. Islamic Republic of Iran*, 81-4043 ((N.D. Ill.); *Otis Elevator Co. v. Islamic Republic of Iran et al.*, 82-3523 (D.D.C.); *Phillips Petroleum Co. v. Iran*, 82-2226 (D.D.C.); *Raygo Wagner, Inc. v. Iran Express Terminal Corp. et al.*, 81-7241 (Hillsborough Count Cir. Ct. Fla.); *James Saghi et al. v. Islamic Republic of Iran et al.*, 83-2165 ((D.D.C.); *Westinghouse Electric Corp. v. Iran et al.*, 83-3837 (D. Md.).

B. Calculation of Pre-Judgment Interest

1. Specific Litigation Expenses

289. The Tribunal holds that simple pre-judgment interest on the specific litigation expenses that the Tribunal has found to be compensable[318] shall run year by year from the assumed date of payment by Iran.[319] Accordingly, the pre-judgment interest on the individual amounts that the Tribunal has awarded Iran,[320] calculated as set forth above,[321] is as follows:

Year of payment	Amount paid $	Date of payment	Pre-judgm. Interest $
1981	2,167.01	11 October 1981	5,259.73
1982	1,254.69	1 July 1982	2,899.66
1983	28,659.16	1 July 1983	62,558.80
1984	55,858.32	1 July 1984	115,554.41
1985	5,057.75	1 July 1985	9,907.40
1986	7,008.85	1 July 1986	13,089.42
1987	620.13	1 July 1987	1,106.84
1988	804.20	1 July 1988	1,364.89
1989	1,714.56	1 July 1989	2,736.88
1991	22,377.37	1 July 1991	31,317.25
1992	5,228.04	1 July 1992	6,932.15
1993	1,576.35	1 July 1993	1,993.62
Total	132,326.43		254,721.05

2. Monitoring Expenses

290. Similarly, simple pre-judgment interest on the monitoring expenses that the Tribunal has found to be compensable shall run from the dates on which those expenses have been deemed by the Tribunal to have been paid by Iran. As a matter of convenience, the Tribunal shall assume that: (i) the U.S.$70,000 in expenses for monitoring services performed by Shack & Kimball[322] were paid on 1 July 1982; (ii) the U.S.$7,338.12 in expenses for monitoring services performed by seven other law firms[323] were paid on 1 July 1983; and (iii)

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[318] *See supra* paras. 194-204.

[319] As a matter of convenience, the Tribunal assumes that all expenses paid in a given year were paid on a single date in the middle of the relevant period of payment.

[320] *See supra* paras. 195, 196, 204.

[321] *See supra* para. 288.

[322] *See supra* para. 236

[323] *See supra* para. 239.

the U.S.$6,795.14 in further monitoring expenses [324] were paid on 1 July 1983. Accordingly, the pre-judgment interest on those amounts, calculated as set forth above,[325] is as follows:

Amount paid $	Date of payment	Prejudgment interest $
70,000	1 July 1982	161,773.88
7,338.12	1 July 1983	16,018.06
6,795.14	1 July 1983	14,832.81
Total 84,133.26		192,624.75

3. Marriott "Other Losses"

291. Simple pre-judgment interest on the U.S.$50,000 awarded as "other losses" related to the Marriott lawsuit[326] shall run from 19 July 1981, the date on which the United States' obligation to nullify the 5 May 1981 Order of the New York State Supreme Court accrued. The pre-judgment interest on that amount, calculated as set forth above,[327] is U.S.$123,530.41.

4. Aggregate Pre-judgment Interest

292. Accordingly, the aggregate pre-judgment interest awarded on the amounts found due and owing to Iran under this Award is U.S.$570,876.21.

V. TOTAL AMOUNT AWARDED

293. In light of the foregoing, the Tribunal awards Iran a total of U.S.$837,335.90 in these Cases. This sum includes U.S.$266,459.69, the total of the amounts found due and owing to Iran under this Award, and U.S.$570,876.21, the aggregate pre-judgment interest on those amounts. Further, the Tribunal awards Iran simple post-judgment interest on U.S.$837,335.90 at the successive prevailing prime bank lending rates in the United States for the period of non-payment of this Award.

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[324] *See supra* para. 241.

[325] *See supra* para. 288.

[326] *See supra* para. 281.

[327] *See supra* para. 288.

VI. AWARD

294. In view of the foregoing,

THE TRIBUNAL DETERMINES AS FOLLOWS:

(a) On Claim A, the Tribunal holds that Iran was reasonably compelled in the prudent defense of its interests to make appearances or file documents in United States courts subsequent to 19 July 1981 in respect of 84 cases involving claims arguably falling within the Tribunal's jurisdiction or involving claims that had been filed with the Tribunal. To that extent, the United States has not complied with its obligations under General Principle B of the General Declaration or Article VII, paragraph 2, of the Claims Settlement Declaration, as the case may be. The Tribunal further holds that, with respect to 42 of those cases, Iran has proven that it has incurred specific litigation expenses totaling U.S.$69,573.39. Consequently, the Tribunal awards this amount to Iran.

(b) On Claim D, the Tribunal holds that Iran has proven that it has incurred specific litigation expenses totaling U.S.$55,600.70 as a result of making appearances or filing documents in United States courts subsequent to 19 January 1981 in the prudent defense of its interests in eight lawsuits filed after 19 January 1981 involving claims arguably falling within the Tribunal's jurisdiction or involving claims that had been filed with the Tribunal. Consequently, the Tribunal awards U.S.$55,600.70 to Iran.

(c) On Claim G, the Tribunal holds that six post-14 November 1979 attachments remained in effect and actually restrained Iranian assets in the United States after 19 July 1981. By failing to nullify those attachments, the United States has not complied with its obligation under General Principle B of the General Declaration to nullify post-14 November 1979 attachments in a timely fashion. The expenses that Iran has incurred in litigation to lift those attachments are included in the specific litigation expenses that the Tribunal has awarded Iran on Claim A.

(d) On Claim H, the Tribunal holds that two United States court judgments against Iran that remained in existence after 19 July 1981 were subject to the United States' obligations under the Algiers Declarations concerning nullification of judgments against Iran and that Iran reasonably incurred legal expenses in relation thereto totaling U.S.$7,152.34. To that extent, the United States has not complied with its obligations under the Algiers Declarations. Consequently, the Tribunal awards U.S.$7,152.34 to Iran.

(e) The Tribunal holds that expenses that Iran has reasonably incurred in monitoring the suspended litigation against it in the United States are in principle compensable. The Tribunal therefore awards Iran (i) U.S.$70,000 for monitoring services performed by Shack & Kimball; (ii) U.S.$7,338.12 for monitoring services performed by seven other law firms; and (iii) U.S.$6,795.14 in further monitoring expenses.

(f) Finally, the Tribunal awards Iran U.S.$50,000 as "other losses" related to the Marriott lawsuit.

(g) The remaining claims by Iran are dismissed.

(h) The Tribunal further awards Iran pre-judgment interest in the aggregate amount of U.S.$570,876.21.

(i) Accordingly, under the present Award, the Respondent, the United States of America, is obligated to pay the Claimant, the Islamic Republic of Iran, the total sum of Eight Hundred Thirty-Seven Thousand Three Hundred Thirty-Five United States Dollars and Ninety Cents (U.S.$837,335.90), plus simple interest at the successive prevailing prime bank lending rates in the United States for the period of non-payment of this Award.

Annex C

1. American Motors Corp et al. v. Iran, 80-2140 (D.N.J.)
2. Backer, N. et al. v. Uiterwyk Corp. et al. v. Iran et al., 80-1288 (M.D. Fla)
3. Behring Int'l, Inc. v. Iran, 79-675 (D.N.J. & 3rd Cir.)
4. Blount Bros. Corp. v. Iran et al., 79-4987 (C.D. Cal.)
5. Blount Bros. Corp. v. Iran et al., 79-5431(N.D. Ill.)
6. Brown & Root S.A. et al. v. Iran, 80-2961 (D. Md.)
7. Cabot Int'l Capital Corp. et al. v. Iran, 79-3448 (D.D.C.)
8. Cabot Int'l Capital Corp. et al. v. Iran, 80-0565 (N.D. Cal.)
9. Chicago Bridge & Iron Co. v. Nat'l Iranian Oil Co. et al., 79-5411 (N.D. Ill.), 80-2377 (7th Cir.)
10. Chicago Bridge & Iron B, 80-2864, 80-8064 (N.D. Ill.)
11. Combustion Eng'g v. Iran et al., 80-4094 (N.D. Cal.)
12. Computer Sciences Corp. v. Iran et al., 80-0570 (C.D. Cal.)
13. Continental Mech. of Mid-East v. Iran Elec. Indus. et al., 3-79-1534-D (N.D. Tex.)
14. Cotco Leasing Co. v. Uiterwyk Corp. v. Iran Express Lines et al., 80-706 (E.D. Pa.)
15. Dresser Indus. et al. v. Iran et al., 80-1535 (N.D. Tex.)
16. First Chicago Int'l Bank Corp. v. Bank Melli Iran et al., 79-1002 (E.D. Wisc.)
17. First Nat'l Bank of Chicago v. Agricultural Dev. Bank of Iran et al., 79-1010 (E.D. Wisc.)
18. Gifted, Inc. v. Bank Markazi Iran, 80-1007 (C.D. Cal.)
19. Herman Blum Consulting Eng'rs., Inc. v. Iran et al., 80-0025 (N.D. Tex.)
20. Hoffman Export Corp. v. Iran, 80-0524 (C.D. Cal.) 81-5432 (9th Cir.)
21. Int'l Harvester Co. et al. v. Iran et al., 80-1714 (S.D. Cal.), 81-5643 (9th Cir.)
22. Int'l Schools Services, Inc. v. Iran, 80-0277, 80-0278, 80-0279 (D.N.J.)
23. Itek Corp. v. Iran et al., 79-1492 (N.D. Tex.)
24. Itek Corp. v. Iran et al., 79-6468 (S.D.N.Y.)
25. Kollmorgen Corp. v. Brown & Root S.A. v. Iran, 80-276 (D. Mass)
26. Lockheed Corp. v. Iran et al., 79-4697 (C.D. Cal.)
27. Mackay, J. v. Iran et al., EC 80-0171 WK-P (N.D. Miss.)
28. Mohajer-Shojaee, R. et al. v. Iran, 80-4097 (E.D. Mich.)
29. Mohtadi, J. et al. v. Iran, 80-4501 (E.D. Mich.)
30. National Airmotive Corp. v. Iran et al., 79-3920 (N.D. Cal.)

31. Pfizer, Inc. et al. v. Iran et al., 80-2791 (D.D.C.), 80-2541 (D.C. Cir.)
32. Raji, S. et al. v. Bank Sepah Iran et al., 20658/80 (Sup. Ct. N.Y.)
33. Santa Fe Int'l Corp. v. Nat'l Iranian Oil Co. et al., 79-4780 (C.D. Cal.)
34. Security Pacific Nat'l Bank v. Iran et al., 79-1047 (E.D. Wis.)
35. Smith Int'l, Inc. v. Iran et al., 80-4743-WMB (C. D. Cal.)
36. Starrett Housing Corp. et al. v. Iran et al., 79-1011 (E.D. Wis.)
37. Tchacosh Co. Inc. et al. v. Iran et al., 79-4932 (C.D. Cal.)
38. Touche Ross & Co. v. Iran, 80-0128 (C.D. Cal.)
39. Uiterwyk Corp. v. Iran et al., 80-2-0823-8 (Super. Ct., Clark County, Wash.)
40. VSI Corp. v. Iran et al., 80-0591 (C.D. Cal.)
41. Wells Fargo Bank, N.A. v. Polyacryl Iran Corp. et al., 79-3554 & 79-3555 (N.D. Cal.)
42. Xtra, Inc. v. Uiterwyk Corp. et al., 79-1021 (M.D. Fla.)