

CLAIMS SETTLEMENT AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA AND
THE GREAT SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA

In order to further the process of normalization of relations on the basis of equality and mutual benefit, the United States of America and the Great Socialist People's Libyan Arab Jamahiriya (collectively "the Parties") have agreed on the following:

ARTICLE I

The objective of this Agreement is to:

- (1) reach a final settlement of the Parties' claims, and those of their nationals (including natural and juridical persons);
- (2) terminate permanently all pending suits (including suits with judgments that are still subject to appeal or other forms of direct judicial review); and
- (3) preclude any future suits that may be taken to their courts

if such claim or suit is against the other Party or its agencies or instrumentalities, or against officials, employees, or agents thereof (whether such officials, employees, or agents are sued in an official and/or personal capacity), or (where the claim or suit implicates in any way the responsibility of any of the foregoing) against the other Party's nationals; and such claim or suit is brought by or on behalf of a Party's nationals (including natural and juridical persons) or such suit is brought by or on behalf of others (including natural and juridical persons); and such claim or suit arises from personal injury (whether physical or non-physical, including emotional distress), death, or property loss caused by any of the following acts occurring prior to June 30, 2006:

- (a) an act of torture, extrajudicial killing, aircraft sabotage, hostage taking or detention or other terrorist act, or the provision of material support or resources for such an act; or
- (b) military measures.

ARTICLE II

1. The two Parties agree to authorize the establishment of a humanitarian settlement fund ("the Fund") as the basis for settling the claims and terminating and precluding the suits specified in Article I.
2. The Fund shall be established, operated, and financed as set out in the Annex to this Agreement. The Fund will allocate resources for distribution in accordance with the Annex.

ARTICLE III

1. Each Party shall accept the resources for distribution as a full and final settlement of its claims and suits and those of its nationals as specified in Article I.
2. Upon receipt of resources from the Fund in accordance with the Annex, each Party shall:
 - (a) Secure, with the assistance of the other Party if need be, the termination of any suits pending in its courts, as specified in Article I (including proceedings to secure and enforce court judgments), and preclude any new suits in its courts, as specified in Article I.
 - (b) Provide the same sovereign, diplomatic and official immunity to the other Party and its property, and to its agencies, instrumentalities, officials and their property, as is normally provided within its legal system to other states and their property and to their agencies, instrumentalities, officials and their property.
 - (c) Refrain from presenting to the other Party, on its behalf or on behalf of another, any claim specified in Article I. If any such claim is presented directly by a national of one of the Parties to the other Party, the other Party should refer it back to the first Party.

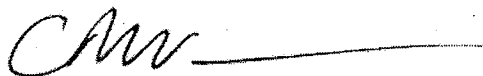
ARTICLE IV

Each Party shall take necessary measures to ensure that the Fund resources shall not be subject to attachment or any other judicial process that would in any way interfere with the Fund's possession of resources or the transfer of resources to the Fund or from the Fund in accordance with this Agreement.

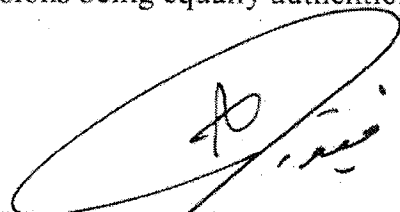
ARTICLE V

The Annex attached hereto is an integral part of this Agreement. The Agreement shall enter into force on the date of signature.

This Agreement was signed on August 14th, 2008 at Tripoli, in duplicate, in the English and Arabic languages, both versions being equally authentic.



FOR THE UNITED STATES
OF AMERICA



FOR THE GREAT SOCIALIST
PEOPLE'S LIBYAN ARAB
JAMAHIRIYA

ANNEX

1. The Parties have agreed to authorize the establishment of a humanitarian settlement fund (the "Fund") in furtherance of their Claims Settlement Agreement (the "Agreement"), of which this Annex is an integral part.
2. The Fund shall be established in accordance with the authorization. The Fund shall open an interest-bearing account (the "Fund Account") for the purpose of receiving contributions.
3. Each Party directly, or through its authorized representative, will direct the opening of an account for the purpose of depositing money received from the Fund Account. Account A will hold funds for distribution by the United States of America. Account B will hold funds for distribution by the Great Jamahiriya or its authorized representative. Funds held for distribution by each Party may be invested as is acceptable to the competent authorities of that Party.
4. Once contributions to the Fund Account reach the amount of U.S. \$1.8 billion (one billion eight hundred million U.S. dollars), the amount of U.S. \$1.5 billion (one billion five hundred million U.S. dollars) shall be deposited into Account A and the amount of U.S. \$300 million (three hundred million U.S. dollars) shall be deposited into Account B, which in both cases shall constitute the receipt of resources under Article III (2) of the Agreement.
5. No resources shall be distributed from Account A until the United States of America has implemented Article III (2) (b), and no resources shall be distributed from Account B until the Great Jamahiriya has implemented Article III (2) (b).
6. No resources shall be distributed to any claimant from Accounts A or B unless any suit of that claimant within the scope of Article I is terminated in accordance with Article III (2) (a).
7. The Fund will have a duration of six months from its creation unless otherwise agreed by the Parties. In the event there are any residual balances in the Fund Account at the time of the Fund's expiration, those balances will be transferred pursuant to arrangements agreed between the Parties.