

1) With respect to the claims set forth in the Complaint by the Libyan government against Fairfax County, the Libyan government agrees to pay to Fairfax County the sum of \$4,762.68, which represents the total amount of real property taxes due and owing on Tax Map. No. 29-3((17))(4) parcel 914 (the subject Fairfax County property) for tax year 2006;

2) Further with respect to the claims set forth in the Complaint by the Libyan government against Fairfax County, Fairfax County agrees to exonerate and relieve the Libyan government for all County taxes due and owing on the subject Fairfax County property for tax year 2007;

3) With respect to the claims set forth in the Complaint by the Libyan government against Arlington County for tax year 2006, the Libyan government agree to pay Arlington County the sum of \$3,224.12, which represents the total amount of real property taxes due and owing on three real estate parcels designated with Arlington County real property codes 28-004-130, 28-004-143, and 28-004-157 (collectively the “subject Arlington County property”) for the period of January 1, 2006 through May 11, 2006, as follows:

Parcel 28-004-130:	\$1,087.13
Parcel 28-004-143:	\$1,057.19
Parcel 28-004-157:	\$1,079.80
TOTAL:	\$3,224.12

For the period of May 12, 2006 through December 31, 2006, Arlington County agrees to exonerate and relieve the Libyan government for all County real estate taxes due and owing on the subject Arlington County property. Except as set forth in paragraph 5,

below, Arlington County agrees to continue to regard the subject Arlington County property as exempt from local real estate taxation for tax year 2007.

4) Further with respect to the claims set forth in the Complaint by the Libyan government against Fairfax County, Fairfax County will formally regard the subject Fairfax County property exempt from local real estate taxation by Fairfax County in the future so long as there is no change in the subject Fairfax County property's ownership or use, there is no change in applicable federal law or international law that would negate the subject Fairfax County property's tax exempt status, and the subject Fairfax County property's tax exempt status is not formally revoked by the United States Department of State;

5) Further with respect to the claims set forth in the Complaint by the Libyan government against Arlington County, Arlington County will formally regard the subject Arlington County property exempt from local real estate taxation by Arlington County in the future so long as there is no change in the subject Arlington County property's ownership or use, there is no change in applicable federal law or international law that would negate the subject Arlington County property's tax exempt status, and the subject Arlington County property's tax exempt status is not formally revoked by the United States Department of State;

6) With respect to any claims for a refund of real estate taxes or any challenge to the real estate tax assessments for tax years prior to 2006 on the subject Fairfax County property and on the subject Arlington County property, the Plaintiff agrees to waive and release any such claims against Fairfax County and Arlington County;

7) This action is dismissed with prejudice.

Date:

7/31/07


T. S. Ellis, III

United States District Judge

United States District Judge

Respectfully submitted

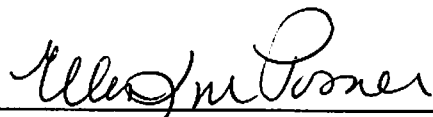
COUNTY OF FAIRFAX, VIRGINIA

By Counsel

DAVID P. BOBZIEN

COUNTY ATTORNEY

By



Ellen F.M. Posner, Assistant County Attorney
Virginia Bar Number 22086
Attorney for County of Fairfax, Virginia
Office of the County Attorney
12000 Government Center Parkway, Suite 549
Fairfax, Virginia 22035-0064
Phone: 703-324-2421
Fax: 703-324-2665
ellen.posner@fairfaxcounty.gov

Respectfully submitted,

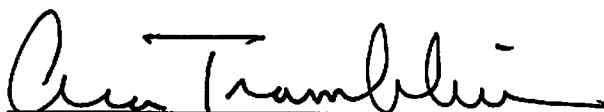
COUNTY OF ARLINGTON, VIRGINIA

By Counsel

STEPHEN MACISAAC

COUNTY ATTORNEY

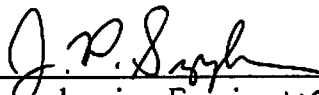
By



Ara L. Tramblian, Deputy County Attorney
Virginia Bar Number 23450
Arlington County Attorney's Office
2100 Clarendon Boulevard, Suite 403
Arlington, VA 22201
Phone: 703-228-3100
Fax: 703-228-7106
atramblian@arlingtonva.us

Respectfully submitted,

GREAT SOCIALIST LIBYAN ARAB JAMAHIRIYA

BY: 

J.P. Szymkowicz, Esquire VSB 39120
Szymkowicz & Szymkowicz, LLP
1220 19th Street, N.W., Suite 400
Washington, D.C. 20036-2438
Phone: 202-862-8500
Fax: 202-862-9825
jp@szymkowicz.com