AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF PERU AND THE GOVERNMENT OF ROMANIA FOR THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Peru and the Government of Romania, hereinafter referred to as the "" contracting parties;

Desiring to intensify the economic cooperation in the mutual benefit of both States;

In order to create and maintain favourable conditions for investors of one Contracting Party in the territory of the other contracting party;

Recognizing that the reciprocal promotion and protection of investments in accordance with this Agreement, will lead to increased economic initiative and to the increase of prosperity of both States;

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

(1) The term investment means every kind of assets of an investor of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the latter.

The term designates in particular, though not exclusively:

(a) Property rights on movable and immovable property as well as other rights realescomo mortgages, liens and guarantees;

(b) Shares and any other form of participation in companies;

(c) Reinvestment of profits;

(d) Rights of credit or any other rights derived from having a financial performance or valoreconómico;

(e) Intellectual Property Rights, such as copyrights, patents, designs or modelosindustriales, service marks, trade or technical processes, trade names, know-how, goodwill and other similar rights that are recognized by the legislation of the Contracting Party; and

(f) Concessions conferred by law or under contract, in particular the concesionesrelacionadas with prospecting, exploration or exploitation, extraction of natural resources.

Any alteration of the form in which assets are invested or reinvested shall not affect their character as investments.

(2) The term investor "means:

(i) In respect of the Republic of Peru: natural persons who according to Peruvian legislation having the nationality of larepública of Peru; all the legal entities, including companies, business associations and other civil and legal personality with or without having an economic activity within the scope of this Agreement and that are directly or indirectly controlled by nationals of the Republic of Peru. natural persons who according to Peruvian legislation having the nationality of larepública of Peru; all the legal entities, including companies, business associations and other civil and legal personality with or without having an economic activity within the scope of this Agreement and that are directly or indirectly controlled by nationals of the Republic of Peru.

(ii) In respect of Romania: any person who according to the laws and regulations is considered Romanian suciudadano; any legal person constituted under the laws and regulations rumanasteniendo its headquarters and economic activity in

Romania. any person who according to the laws and regulations is considered Romanian suciudadano; any legal person constituted under the laws and regulations rumanasteniendo its headquarters and economic activity in Romania.

(1) The term means the amounts "" proceeds deriving from an investment and includes in particular, though not exclusively, profits, dividends, interests, capital gains, royalties, fees and other profits.

(4) The term "territory means:

(i) In respect of the Republic of Peru, in the areas within the limits ymarítimos terrestrial, marine and submarine areas over which it exercises sovereign rights and jurisdiction in accordance with its Constitution.

(ii) In respect of Romania the Territory, including the territorial sea, as well as the plataformacontinental and exclusive economic zone over which it exercises, in accordance with international law, sovereign, sovereign rights or jurisdiction.

Article 2 . Promotion and Protection of Investments

(1) Each Contracting Party shall, in its territory to the extent possible, deinversionistas investments of the other Contracting Party and shall admit such investments in accordance with its laws and regulations.

(2) If a Contracting Party has admitted an investment in its territory, it shall deconformidad, with its laws and regulations the necessary permits in connection with such an investment including authorizations to engage managerial and technical personnel of their choice regardless of nationality.

Article 3. Treatment of Investments

(1) Each Contracting Party shall accord to investments made in its territory by investors of the other Contracting Party which is a fair and equitable treatment and no less favourable than that accorded in situations similar to its own investors to investors or of any third State.

(2) Each Contracting Party shall accord to investors of the other contracting party, as regards the management, maintenance, use, sale or disposal of their investments, treatment no less favourable than that it accords to its own investors to investors or of any third State.

(3) The provisions of paragraphs (1) and (2) of this article shall not be interpreted in the sense deobligar a contracting party to extend to investors of the other Contracting Party the advantages resulting from its membership of any existing or future customs or economic union, a free trade area or regional economic cooperation association or a similar international agreement, as well as bilateral agreements to avoid double taxation or any other arrangement relating to taxation.

Article 4. Expropriation and Nationalization

(1) Investments made by investors of one Contracting Party in the territory of the other Contracting States shall not be nationalised, expropriated or subjected to any other measure having similar effects (hereinafter referred as expropriation) unless such measures are taken in the following conditions:

(a) For reasons of public need;

(b) On a non-discriminatory basis;

(c) A legal procedure for the determination of value and payment of lacompensación modality.

(2) The compensation shall correspond to the market value of the investment to a lasmedidas mentioned in paragraph (1) of this article, and shall be prompt, adequate and effective.

(3) The amount of the compensation shall be determined in accordance with generally recognized principles deevaluación, according to the actual market value of the investment from the date of expropriation. at the request of the investor, the amount of compensation and the means of payment will be reviewed by a court or other competent body of the Contracting Party in whose territory the investment was made.

(4) The compensation shall include interest from the date of dispossession until payment, shall be freely transferable realisable effectively and in convertible currency.

Article 5. Compensation for Losses

(1) Investors of one Contracting Party whose investments suffer losses in the territory of laotra contracting party due to war or other armed conflict, revolution, state of emergency, national revolt or other similar events shall be accorded by the other Contracting Party A treatment no less favourable than that accorded to its own investors to investors or of any third State.

(2) Payments that may arise from the application of this article shall be freely transferable.

Article 6. Transfers

(1) Each Contracting Party shall guarantee to investors of the other contracting party regarding the free transfer of susinversiones, Revenue from investments, in accordance with the laws and regulations of the Contracting Party in whose territory the investment was made. the income includes in particular, though not exclusively, as follows:

(a) The investment income flows;

(b) The proceeds of the total or partial sale or liquidation of an investment;

(c) Payments made for the reimbursement of the credits for investments, including interest due;

(d) An appropriate portion of the earnings of nationals of the other contracting party originadosde work or services supplied in connection with an investment made in its territory;

(e) The compensation provided for in articles 4 and 5.

(2) Notwithstanding the provisions of paragraph (1) of this article, each Contracting Party, encircunstancias economic or financial exceptional foreign exchange restrictions can, in accordance with its laws and regulations and in accordance with the Articles of Agreement of the International Monetary Fund, if the contracting party is a party to the said Convention.

(3) The transfers mentioned above shall be made without undue delay in a freely convertible monedalibremente at the rate of exchange applicable on the date of transfer pursuant to the exchange of regulations in force the Contracting Party in whose territory the investment was made.

Article 7. Subrogation

If a Contracting Party or its authorized agency a payment to one of its investors against non-commercial risks under a guarantee given in respect of an investment in the territory of the other contracting party, the latter Contracting Party shall recognize, by virtue of the principle of subrogation or transfer of any right or title of the investor in favour of the first Contracting Party or its authorized agency. the other Contracting Party shall be entitled to deduct taxes Public due and payable by the investor.

Article 8. Settlement of Disputes between an Investor of One Contracting Party and the other Contracting Party

(1) Any dispute between a Contracting Party and an investor of the other contracting party serádirimida, as far as possible, by mutual agreement, through consultations and negotiations between the parties to the dispute.

(2) If the dispute cannot be settled by mutual agreement in a term of seismeses counted from the date of the request for dirimencia, the investor shall refer the matter to his choice; or

- Either to the competent courts of the Contracting Party in whose territory the investment was made; or

- The International Centre for Settlement of Investment Disputes (c.i.a.d.i) established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature at Washington on 18 March 1965; or

- Either to an ad hoc arbitration tribunal "" established under the Arbitration Rules of the United Nations Commission on International Trade Law (c.n.u.d.m.i.).

(3) The choice of one or other of the procedure shall be final.

(4) The arbitration shall be based on:

1°. The special agreements concluded with respect to the investment;

2°. The provisions of this Agreement;

3°. The national law of the Contracting Party in whose territory the investment was made, including the rules relating to conflicts of law;

4°. Standards and generally recognized principles of international law.

(5) The arbitral awards shall be final and binding on the contracting parties. cadaparte Contracting Party undertakes to execute the decisions in accordance with its legislation.

Article 9. Settlement of Disputes between the Contracting Parties

(1) Any dispute arising between the contracting parties concerning the interpretation or aplicacióndel this agreement, as far as possible, be settled through diplomatic channels.

(2) If a dispute between the contracting parties cannot be settled in this way a plazode within six months after the beginning of negotiations, the dispute shall be submitted, at the request of either contracting party to an arbitral tribunal.

(3) Such an arbitral tribunal shall be constituted for each individual case in the following way: losdos within months of the receipt of the request for arbitration, each Contracting Party shall appoint one member of the Tribunal. these two members shall select a national of a third State who on approval of the two Contracting Parties shall be appointed Chairman of the Tribunal. the Chairman shall be appointed within two months from the date of appointment of the other two members.

(4) If within the periods specified in paragraph (3) of this article have not been made necessary lasdesignaciones, either Contracting Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments. if the President is a national of one of the contracting parties or, if for any reason is found, prevented from discharging the said function, the Vice-President shall be invited to make the necessary appointments. if the Vice-President is a national of either of the contracting parties or if he is found also prevented from discharging the function, the said member of the International Court of Justice who is next in order of precedence and is not a national of either Contracting Party shall be invited to make the necessary appointments.

(5) The arbitral tribunal shall reach its decision by a majority of votes. such decision shall be binding for the contracting ambaspartes. each Contracting Party shall bear the costs of its own arbitrator and its representation in the arbitral proceedings. the cost of the Chairman and the remaining costs shall be borne in principle in equal parts by the contracting parties. however, the arbitral tribunal shall determine its decision that a higher proportion of costs be borne by one of the two contracting parties, and this award shall be binding on both contracting parties. the tribunal shall determine its own procedure.

Article 10. Implementation of the Convention

(1) This Agreement shall also apply to investments made by investors of either contracting unaparte in the territory of the other contracting party, before its Entry into Force, and admitted in accordance with the laws of each Contracting Party.

(2) However, the Convention shall not apply to claims or disputes arising conanterioridad upon its entry into force.

Article 11. Implementation of other Rules

If the provisions of law of either Contracting Party or obligations under international law existing or future between the Contracting Parties in addition to this Agreement contain rules of a general or special, which accords to investments of investors of the other contracting party to a more favourable treatment than that provided for by the present Agreement, such rules shall prevail over this latter agreement to the extent that it is more favourable.

Article 12. Entry Into Force , Duration and Termination

(1) This Agreement shall enter into force thirty days after the date on which the parties have notified each other, contratantesse compliance with the legal requirements for the Entry into Force of this Agreement.

(2) This Agreement shall remain in force for a period of fifteen years and shall be extended tacitly porperíodos fifteen consecutive years.

(3) Within fifteen years, this Agreement may be denounced with a pre-aviso twelve months.

(4) For investments made prior to the date of termination of this Agreement, susdisposiciones shall remain in force for a period of fifteen years from the date of its termination.

Done at Lima on 16 May 1994 in two originals, the Romanian and Spanish languages, both texts being equally authentic.