

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY ON THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Lithuania, and the Government of the Republic of Turkey hereinafter referred to as "the Contracting Parties";

Desiring to promote greater economic cooperation between them, particularly with respect to investments by investors of the State of one Contracting Party in the territory of the State of the other Contracting Party;

Recognizing that agreement upon the treatment to be accorded to such investments will stimulate the flow of capital and technology and the economic development of both countries;

Agreeing that fair and equitable treatment of investments is desirable in order to maintain a stable framework for investment and will contribute to maximizing effective utilization of economic resources and increase the prosperity of both countries;

Recognising that these objectives should be achieved in a manner consistent with the protection of public health, environment, security, safety, and sustainable development as well as with the promotion of internationally recognised labour rights and principles of corporate social responsibility;

Recognising the importance of international security, democracy, human rights and the rule of law for the development of international economic cooperation;

Reaffirming their commitment to the Charter of the United Nations signed in San Francisco on 26 June 1945 and having regard to the principles articulated in the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on 10 December 1948;

Acknowledging the rights and responsibilities of the Contracting Parties to regulate investments within the territories of their States in order to meet their own policy objectives,

and

Having resolved to conclude an Agreement on the Reciprocal Promotion and Protection of Investments;

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means every kind of asset, invested or acquired in the territory of the State of the Contracting Party in conformity with its laws and regulations and that has the characteristics of an investment, including such characteristics as the commitment of capital or other resources, the expectation of gain or profit, the assumption of risk, contribution to economy, or a certain duration, and shall include in particular, but not exclusively:

(a) movable and immovable property, as well as any other rights as mortgages, liens, pledges, and any other similar rights as defined in conformity with the laws and regulations of the Contracting Party in whose territory the property is situated;

(b) returns, claims to money or any other rights having economic value related to an investment;

(c) shares, stocks, bonds, debentures of a company or any other form of participation in a company;

(d) intellectual property rights, in particular copyrights, industrial property rights, such as patents, industrial designs and

models, trademarks, trade names, and know-how:

(e) goodwill:

(f) licenses, authorizations, permits and similar rights conferred pursuant to applicable law or under contract, including any concession to search for, cultivate, extract or exploit natural resources.

Any alteration of the form in which assets are invested shall not affect their character as investment, provided such an alteration is made in accordance with the laws and regulations of the host Contracting Party.

2. The term "investor" means:

(a) natural persons having the nationality of a State of a Contracting Party according to its laws and regulations:

(b) any legal entity, including companies, corporations, firms, business partnerships, incorporated or constituted under the laws and regulations in force of a Contracting Party and having their registered offices together with substantial business activities in the territory of the State of that Contracting Party; who have made an investment in the territory of the State of the other Contracting Party.

3. The term "laws and regulations" means in respect of either Contracting Party the laws and regulations applicable in the territory of the State of that Contracting Party.

4. The term "measure" includes a law, regulation, rule, procedure, decision, administrative action, requirement, practice or any other form of measure by a Contracting Party or applicable in the territory of that Contracting Party.

5. The term "previous Agreement" means the Agreement between the Republic of Lithuania and the Republic of Turkey concerning the Reciprocal Promotion and Protection of Investments, signed on July 11, 1994.

6. The term "returns" means the amounts yielded by an investment and includes in particular, though not exclusively, profit, interest, capital gains, royalties, fees and dividends.

7. The term "territory" means:

(a) in respect of the Republic of Turkey; the land territory, internal waters, the territorial sea and the airspace above them, as well as the maritime areas over which Turkey has sovereign rights or jurisdiction for the purpose of exploration, exploitation and preservation of natural resources whether living or non-living, pursuant to international law.

(b) in respect of the Republic of Lithuania; the territory under its sovereignty and other areas over which the Republic of Lithuania exercises sovereign rights or jurisdiction in accordance with international law.

Article 2. Scope of Application

1. This Agreement shall apply to investments in the territory of the State of one Contracting Party, made in accordance with its laws and regulations, by investors of the other Contracting Party, whether prior to, or after the entry into force of the present Agreement.

2. The disputes that have arisen after the date of the entry into force of this Agreement shall be settled in accordance with the provisions of this Agreement. However, this Agreement shall not apply to any disputes that have arisen before its entry into force. The disputes that have arisen before the entry into force of this Agreement shall be settled in accordance with the previous Agreement.

3. This Agreement shall apply without prejudice to the obligations of the Contracting Parties deriving from their membership or participation in any existing or future customs unions, economic union, regional economic integration agreement or similar international agreement, such as the European Union. Consequently, the provisions of this Agreement may not be invoked or interpreted, neither in whole nor in part, in such a way as to invalidate, amend or otherwise affect the obligations of the Contracting Parties from such membership or participation.

4. For greater certainty, this Agreement provides only post establishment treatment and protection and does not cover the pre-establishment phase or matters of market access.

Article 3. Investment and Regulatory Measures

1. The Contracting Parties reaffirm their right to regulate within their territories to achieve legitimate policy objectives, such as the protection of public health, social services, public education, safety, environment or public morals, social or consumer

protection, privacy and data protection.

2. For greater certainty, the mere fact that a Contracting Party regulates, including through a modification of its laws and regulations, in a manner which negatively affects an investment or interferes with an investor's expectations, including its expectations of profits, does not amount to a breach of an obligation under this Agreement.

3. For greater certainty, a Contracting Party's decision not to issue, renew or maintain a subsidy or grant:

(a) in the absence of any specific commitment under law or contract to issue, renew, or maintain that subsidy or grant; or

(b) if the decision is made in accordance with the terms or conditions attached to the issuance, renewal or maintenance of the subsidy or grant, if any, does not constitute a breach of the provisions of this Agreement.

4. For greater certainty, nothing in this Agreement shall be construed as preventing a Contracting Party from discontinuing the granting of a subsidy or requesting its reimbursement where such measure has been ordered by a competent court, administrative tribunal or other competent authority, or requiring that Contracting Party to compensate the investor therefor.

Article 4. Promotion and Admission of Investments

1. Subject to its laws and regulations, each Contracting Party shall in its territory promote as far as possible investments by investors of the other Contracting Party.

2. Each Contracting Party shall admit such investments in accordance with its laws and regulations.

Article 5. Protection and Treatment of Investments

1. Investors of each Contracting Party and their investments shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party. Neither Contracting Party shall in any way impair the management, maintenance, use, operation, enjoyment, expansion, sale, liquidation or disposal of such investments by arbitrary or discriminatory measures.

2. A breach of the obligation of fair and equitable treatment referenced in paragraph 1 may be found only where a measure or series of measures constitutes:

(a) denial of justice in criminal, civil or administrative proceedings;

(b) fundamental breach of due process, including a fundamental breach of transparency, in judicial and administrative proceedings;

(c) manifest arbitrariness;

(d) abusive treatment of investors, such as coercion, duress and harassment; or

(e) targeted discrimination on the grounds of nationality.

3. For greater certainty, "full protection and security" refers to the Contracting Party's obligations relating to physical security of investors and investments.

4. A determination that there has been a breach of another provision of this Agreement, or of a separate international agreement, does not establish that there has been a breach of fair and equitable treatment or full protection and security under this Article.

5. Each Contracting Party shall in its territory accord to investors of the other Contracting Party and their investments treatment which is no less favorable than that which it accords, in like situations, to its own investors or their investments with respect to the management, conduct, operation, maintenance, use, enjoyment and sale or other disposition of investments in its territory.

6. Each Contracting Party shall in its territory accord to investors of the other Contracting Party and their investments treatment which is no less favorable than that which it accords, in like situations, to the investors of any third State or their investments with respect to the management, conduct, operation, maintenance, use, enjoyment and sale or other disposition of investments in its territory.

7. A measure of the Contracting Party that treats investors of the other Contracting Party or their investments less favorably

than:

(a) its own investors or their investments is not inconsistent with paragraph 5 of this Article; or

b) investors of another State or their investments is not inconsistent with paragraph 6 of this Article,

if it is adopted and applied by the Contracting Party in pursuit of a legitimate public purpose that is not based on the nationality of the investor or of nationality of the owner of an investment, either explicitly or factually, including the protection of health, safety, the environment, and internationally and domestically recognized labor rights, or the elimination of bribery and corruption, and it bears a reasonable connection to the stated purpose.

8. Paragraph 6 of this Article shall not apply to:

(a) treatment by the Contracting Party under any bilateral or multilateral international agreement in force prior to the date of entry into force of this Agreement;

(b) treatment by the Contracting Party pursuant to:

i. bilateral or multilateral agreement establishing, strengthening or expanding a free trade area, customs union, common market, labour market integration commitment or similar international agreement; or

ii. an investment contract concluded between host State and an investor promoting investment of such investor; or

iii. a bilateral or multilateral agreement on taxation.

(c) for the avoidance of any doubt, any provisions of Article 12 (Settlement of Disputes between a Contracting Party and an Investor of the Other Contracting Party) of this Agreement.

9. The provisions of paragraphs 5 and 6 of this Article shall not apply to:

(a) government procurement; and

(b) subsidies or grants provided by the Contracting Party, including government-supported loans, guarantees and insurance.

10. The Contracting Parties shall in accordance with their laws and regulations give favorable consideration in granting the necessary permits for the entry, sojourn, residence and work to investors of the other Contracting Party and their key personnel.

11. The provisions of this Article shall not oblige one Contracting Party to accord to investments of investors of the other Contracting Party the same treatment that it accords to investments of its own investors with regard to acquisition of land, real estates, and real rights thereof.

Article 6. General Exceptions

1. Subject to the requirement that such measures are not applied in a manner that would constitute arbitrary or unjustifiable discrimination between investments or between investors, nothing in this Agreement shall be construed to prevent the Contracting Party from adopting or enforcing measures necessary:

(a) to protect public security or public morals or to maintain public order;

(b) to protect human, animal or plant life or health;

(c) to ensure compliance with laws and regulations; or

(d) for the conservation of living or non-living exhaustible natural resources.

2. Nothing in this Agreement shall prevent the Contracting Party from adopting or maintaining reasonable measures for prudential reasons, including:

(a) the protection of investors, depositors, policy holders, policy claimants, as well as financial market participants, or persons to whom a fiduciary duty is owed by a financial institution;

(b) the maintenance of the safety, soundness, integrity or financial responsibility of financial institutions;

(c) ensuring the integrity and stability of the Contracting Party's financial system;

and

(d) non-discriminatory measures of general application taken by any public entity in pursuit of monetary and related credit policies or exchange rate policies. This point shall not affect the Contracting Party's obligations under Article 10 (Transfers).

3. The provisions of this Agreement shall not apply to public health insurance, taxation measures or pension schemes.

Article 7. Essential Security Interests

Nothing in this Agreement shall be construed:

(a) to require a Contracting Party to furnish any information the disclosure of which it considers contrary to its essential security interests; or

(b) to prevent a Contracting Party from taking any action which it considers necessary for the protection of its essential security interests:

i. relating to the traffic in arms, ammunition and implements of war and transactions in other goods, materials, services and technology undertaken directly or indirectly for the purpose of supplying a military or other security establishment;

ii. measures taken in time of war or other emergency in international relations; or

iii. relating to the implementation of national policies or international agreements respecting the non-proliferation of nuclear weapons or other nuclear explosive devices; or

(c) to prevent a Contracting Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

Article 8. Expropriation and Compensation

1. Investments shall not be expropriated, nationalized or subject, directly or indirectly, to measures of equivalent effects (hereinafter referred to as expropriation) except for a public purpose, in a non-discriminatory manner, upon payment of prompt, adequate and effective compensation, and in accordance with due process of law and the general principles of treatment provided for in Article 5 of this Agreement.

2. Except in rare circumstances, such as when a measure or series of measures are so severe in the light of their purpose that they cannot be reasonably viewed as having been adopted and applied in good faith, non-discriminatory measures of the Contracting Party that are designed and applied to protect legitimate public welfare objectives, such as health, safety and the environment, do not constitute measures having equivalent effect to expropriation or nationalization.

3. The determination of whether a measure or series of measures of the Contracting Party constitute measures having equivalent effect to expropriation requires a case-by-case, fact-based inquiry that considers:

(a) the economic impact of the measure or series of measures, although the sole fact that a measure or series of measures of the Contracting Party has an adverse effect on the economic value of an investment does not establish that such measure or series of measures constitute measures having equivalent effect to expropriation or nationalization;

(b) the extent to which the measure or series of measures interfere with distinct, reasonable investment-backed expectations arising out of the Contracting Party's prior binding explicit written commitment directly and specifically to the investor; and

(c) the character of the measure or series of measures, including their nature, purpose, duration and rationale.

4. Compensation shall be equivalent to the market value of the expropriated investment immediately before the expropriation was taken or the impending expropriation became public knowledge, whichever is the earlier. Compensation shall be paid without undue delay and be freely transferable as described in Article 10.

5. Compensation shall be payable in a freely convertible currency and it shall include an appropriate and reasonable rate of interest for that currency from the date of expropriation until the date of payment.

6. Investors, whose assets are being expropriated shall, without prejudice to their rights under Article 12 of this Agreement, have the right to review by the appropriate judicial or other competent authorities of the expropriating Contracting Party to determine whether such expropriation and any related compensation conform to the principles of this Article and the laws and regulations of the expropriating Contracting Party.

7. The provisions of this Article shall not apply to the issuance of compulsory licenses granted in relation to intellectual

property rights, or to the revocation, limitation or creation of intellectual property rights to the extent that such issuance, revocation, limitation or creation is consistent with the applicable international agreements on intellectual property.

8. A measure of general application shall not be considered an expropriation of a debt security or loan covered by this Agreement solely on the ground that the measure imposes costs on the debtor that cause it to default on the debt.

Article 9. Compensation for Losses

1. Investors of either Contracting Party whose investments suffer losses in the territory of the other Contracting Party owing to war, insurrection, civil disturbance, riot or other similar events shall be accorded by such other Contracting Party treatment no less favorable than that accorded to its own investors or to investors of any third State, whichever is the most favorable treatment, as regards any measures it adopts in relation to such losses.

2. Without prejudice to paragraph 1, investors of one Contracting Party who in any of the situations referred to in that paragraph suffer losses in the territory of the other Contracting Party resulting from:

(a) requisitioning of their investments by its forces or authorities; or

(b) destruction of their investments by its forces or authorities, which was not caused in combat action or was not required by the necessity of the situation;

shall be accorded restitution or compensation which in either case shall be prompt, adequate and effective. Resulting payments shall be freely convertible.

Article 10. Transfers

1. Each Contracting Party shall guarantee in good faith all transfers related to an investment to be made freely and without delay into and out of its territory. Such transfers shall include, in particular, though not exclusively:

(a) the initial capital and additional amounts to maintain or increase investment;

(b) returns;

(c) proceeds from the sale or liquidation of all or any part of an investment;

(d) compensation pursuant to Articles 8 and 9;

(e) reimbursements and interest payments deriving from loans in connection with investments;

(f) payments in connection with or arising out of an investment dispute.

2. Transfers shall be made in the convertible currency in which the investment has been made or in any convertible currency at the rate of exchange in force at the date of transfer.

3. Notwithstanding the foregoing provisions of this Article, either Contracting Party may maintain equitable, non-discriminatory application in good faith of measures relating to:

(a) bankruptcy, insolvency, or the protection of the rights of creditors;

(b) issuing, trading, or dealing in securities, futures, options, or derivatives;

(c) financial reporting or record keeping of transfers when necessary to assist law enforcement or financial regulatory authorities;

(d) criminal or penal offences;

(e) ensuring compliance with orders or judgments in judicial or administrative proceedings; or

(f) social security, public retirement or compulsory savings schemes.

Article 11. Subrogation

1. If one Contracting Party or its designated agency ("the first Contracting Party") makes a payment under a guarantee or contract of insurance given against non-commercial risks in respect of an investment of the investor of that Contracting Party in the territory of the other Contracting Party ("the second Contracting Party"), the second Contracting Party shall

recognise:

(a) the assignment to the first Contracting Party by law or by legal transaction of all rights and claims of the party indemnified, and

(b) that the first Contracting Party is entitled to exercise such rights and enforce such claims by virtue of subrogation, to the same extent as the party indemnified.

2. The subrogated rights or claims shall not exceed the original rights or claims of the investor.

Article 12. Settlement of Disputes between One Contracting Party and Investors of the other Contracting Party

1. This Article shall apply to disputes between one Contracting Party and an investor of the other Contracting Party concerning an alleged breach of an obligation of the former under this Agreement, causing loss or damage to the investor or its investments.

2. Disputes between one Contracting Party and an investor of the other Contracting Party, in connection with its investment, shall be notified in writing, including detailed information, by the investor to the host Contracting Party of the investment. As far as possible, the investor and that Contracting Party shall endeavor to settle these disputes by consultations and negotiations in good faith.

3. The request for consultations must be submitted within three (3) years after the date on which the alleged breach of the Agreement occurred. If the claimant fails to submit a request for consultation within this period the claimant shall be deemed to have waived its rights to bring a claim and may not submit a claim to arbitration under this Article.

4. If these disputes cannot be settled by means of consultations within six (6) months following the date of the written notification mentioned in paragraph 2, the disputes can be submitted, as the investor may choose, to:

(a) the competent court of the Contracting Party in whose territory the investment has been made; or

(b) the International Center for Settlement of Investment Disputes (ICSID) set up by the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States for arbitration under ICSID Rules of Procedure for Arbitration Proceedings; or

(c) an ad hoc arbitral tribunal established under the Arbitration Rules of Procedure of the United Nations Commission for International Trade Law (UNCITRAL) approved by the United Nations General Assembly on December 15, 1976, as revised in 2010. The parties to the dispute may agree in writing to modify those Rules.

(d) any other arbitration institution or any other arbitration rules, if the disputing parties so agree.

5. Once the investor has submitted the dispute to one or the other of the dispute settlement forums mentioned in paragraph 4, the choice of one of these forums shall be final.

6. The claim to arbitration must be submitted within eighteen (18) months after the submission of the request for consultation. If the claimant fails to submit a claim within this period the claimant shall be deemed to have waived its rights to bring a claim and may not submit a claim to arbitration under this Article.

7. Arbitrators appointed to arbitration tribunal under this Article shall have expertise or experience in public international law, in particular international investment law. It is desirable that they have expertise or experience in resolution of disputes arising under international investment agreements.

8. Arbitrators and their staff and assistants shall be independent of, and not be affiliated with or take instructions from the claimant or the respondent or the government of a Contracting Party with regard to investment matters. Arbitrators shall not take instructions from any organization, government or disputing parties with regard to matters related to the dispute. They shall not participate in the consideration of any disputes that would create a direct or indirect conflict of interest.

9. Where a disputing party considers that an arbitrator does not comply with the requirements of paragraph 8 of this Article, that disputing party shall send a notice of challenge to the appointing authority, and inform the other disputing party, within fifteen (15) days from the time it became aware of the circumstances underlying the arbitrator's such non-compliance. The notice of challenge shall state the grounds for the challenge. After receiving such a notice, the appointing authority shall, after hearing the disputing parties and after providing the arbitrator subject to the notice of challenge an opportunity to submit any observations, issue a decision within forty five (45) days of receipt of the notice of challenge and notify the disputing parties and the other arbitrators. If the appointing authority decides that an arbitrator has not complied with the

requirements of Paragraph 8 of this Article, such arbitrator shall resign from the tribunal and a new arbitrator shall be appointed by the disputing party that had appointed the resigning arbitrator. If the new arbitrator has not been appointed within thirty (30) days of the date of the appointing authority's decision, the appointing authority, on the request of either disputing party, shall appoint, in his or her discretion, the new arbitrator. The arbitration proceedings shall be suspended for the period taken to carry out the procedure provided for in this paragraph.

10. The Chairman of ICSID Administrative Council shall serve as the appointing authority for arbitration under Paragraph 4 (b) of this Article. The Secretary-General of the Permanent Court of Arbitration at The Hague shall serve as the appointing authority for arbitration under Paragraph 4 (c) or (d) of this Article.

11. The applicable arbitration rules such as ICSID Arbitration Rules or UNCITRAL Arbitration Rules shall govern the arbitration to the extent modified by this Article or in accordance to this Agreement.

12. In deciding whether an investment dispute is within the jurisdiction of ICSID and competence of the tribunal, the arbitral tribunal established under paragraph 4 (b) shall comply with the notifications submitted by the Contracting Parties to [CSID in accordance with Article 25 (4) of ICSID Convention, concerning classes of disputes considered suitable or unsuitable for submission to the jurisdiction of ICSID, including notification submitted by the Republic of Turkey on March 3, 1989.

13. The arbitral tribunal shall take its decisions in accordance with the provisions of this Agreement and principles and rules of international law applicable to the Contracting Parties. The Contracting Parties confirm their mutual understanding that where the law of the host Contracting Party is relevant to a claim, an arbitral tribunal established under this Article shall take into account that law as a matter of fact and in doing so, it shall follow the prevailing interpretation of that provision of law made by the courts or authorities of that Contracting Party and any meaning given to the relevant domestic law by the tribunal shall not be binding upon the courts or authorities of that Contracting Party.

14. A joint interpretation of the Contracting Parties, exchanged through diplomatic channels, interpreting a provision of this Agreement shall be binding on a tribunal, and any decision or award issued by a tribunal must be consistent with that interpretation.

15. The UNCITRAL rules on transparency in treaty-based investor-State arbitration shall apply to international arbitration proceedings initiated against the Republic of Lithuania under this Agreement. Nothing in this Agreement or the applicable arbitration rules shall prevent the exchange of information related to a dispute between the European Union and the Republic of Lithuania.

16. The awards of arbitration shall be final and binding on the parties to the dispute. Each Contracting Party shall recognize and enforce the award in accordance with its laws and regulations.

Article 13. Denial of Benefits

II. The benefits of this Agreement shall be denied to an investor of the home Contracting Party that is a company of the home Contracting Party and to investments of that investor if natural persons or companies of a non-Contracting Party own or control such investor or any part of it and the host Contracting Party:

(a) does not maintain diplomatic relations with the non-Contracting Party; or

(b) adopts or maintains measures with respect to the non-Contracting Party or a natural person or company of the non-Contracting Party that prohibit transactions with such natural person or company or that would be violated or circumvented if the benefits of this Agreement were accorded to such investor or to its investments.

2. The benefits of this Agreement shall be denied to an investor of the home Contracting Party that is a company of the home Contracting Party and to investments of that investor if natural persons or companies of the host Contracting Party own or control the company or any part of it.

3. For avoidance of any doubt, the benefits of this Agreement shall be denied if the preconditions set down in paragraph 1 and 2 of this Article are fulfilled at time when the dispute is notified pursuant to Article 12.

Article 14. Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall seek in good faith and a spirit of cooperation a rapid and equitable solution to any dispute between them concerning the interpretation or application of this Agreement. In this regard, the Contracting Parties agree to engage in direct and meaningful negotiations to arrive at such solutions. If the Contracting Parties cannot reach an agreement within six (6) months after the beginning of disputes between themselves through the foregoing procedure, the

disputes may be submitted, upon the request of either Contracting Party, to an arbitral tribunal of three members.

2. Within two (2) months of receipt of a request, each Contracting Party shall appoint an arbitrator. The two arbitrators shall select a third arbitrator as Chairman, who is a national of a third State. In the event either Contracting Party fails to appoint an arbitrator within the specified time, the other Contracting Party may request the President of the International Court of Justice to make the appointment.

3. If both arbitrators cannot reach an agreement about the choice of the Chairman within two (2) months after their appointment, the Chairman shall be appointed upon the request of either Contracting Party by the President of the International Court of Justice.

4. If, in the cases specified under paragraphs 2 and 3 of this Article, the President of the International Court of Justice is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the Vice-President, and if the Vice-President is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the most senior member of the Court who is not a national of either Contracting Party.

5. The tribunal shall have three (3) months from the date of the selection of the Chairman to agree upon rules of procedure consistent with the other provisions of this Agreement. In the absence of such agreement, the tribunal shall request the President of the International Court of Justice to designate rules of procedure, taking into account generally recognized rules of international arbitral procedure.

6. Unless agreed otherwise, all submissions shall be made and all hearings shall be completed within eight (8) months of the date of selection of the Chairman, and the tribunal shall render its decision within two (2) months after the date of the final submissions or the date of the closing of the hearings, whichever is later. The arbitral tribunal shall reach its decisions, which shall be final and binding, by a majority of votes.

7. Paragraphs 13 and 14 of Article 12 shall be applicable to the arbitration established under this Article.

8. Each Contracting Party shall bear the costs of its own member of the arbitral tribunal and of its representation in the arbitration proceedings; the costs of the Chairman and remaining costs shall be borne in equal parts by the Contracting Parties. The arbitral tribunal may, however, decide that a higher proportion of costs shall be borne by one of the two Contracting Parties and such award shall be binding on both Contracting Parties.

9. A dispute shall not be submitted to an international arbitral tribunal under the provisions of this Article, if a dispute on the same matter has been brought before another international arbitral tribunal under the provisions of Article 12 and is still before the tribunal. This will not impair the engagement in direct and meaningful negotiations between both Contracting Parties.

Article 15. Service of Documents

Notices and other documents in disputes under Articles 12 and 14 shall be submitted to the Government of the Republic of Lithuania by delivery to:

Chancery of the Government of the Republic of Lithuania Gedimino av. 11, 01103 Vilnius

Lithuania

Notices and other documents in disputes under Articles 12 and 14 shall be submitted to the Government of the Republic of Turkey by delivery to:

General Directorate of Law and Legislation of Presidency Presidential Palace 06560 Bestepe - Ankara

Turkey

The Contracting Parties shall promptly inform each other through diplomatic channels in case of any changes of their notification address. These changes shall be made publicly available in both Contracting Parties.

Article 16. Publication and Exchange of Information

1. Each Contracting Party shall publish, or otherwise make publicly available, its laws and regulations of general application as well as international agreements which may affect the investments of investors of the other Contracting Party in the territory of the former Contracting Party.

2. Upon request by either Contracting Party, information shall be exchanged on the laws and regulations, decisions, administrative practices or procedures or policies applicable in the territory of the other Contracting Party regarding the investments covered by this Agreement.
3. Nothing in this Article shall require the Contracting Party to furnish or allow access to any confidential or proprietary information, including information concerning particular investors or investments, the disclosure of which would impede law enforcement or be contrary to domestic laws protecting confidentiality, or would prejudice legitimate commercial interests of particular investors.
4. The provisions of Article 12 (Settlement of Disputes between a Contracting Party and an Investor of the Other Contracting Party) of this Agreement does not apply to this

Article 17. Environmental and Labor Rights and other Standards

1. The Contracting Parties recognize that it is inappropriate to encourage investment by relaxing labor, public health, safety or environmental measures. They shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, such measures as an encouragement for the establishment, acquisition, expansion or retention in their territories of an investment.
2. Recognizing the right of each Contracting Party to establish its own level of environmental protection and its own sustainable development policies and priorities, and to adopt or modify its environmental laws and regulations, each Contracting Party shall ensure that its laws and regulations provide for appropriate levels of environmental protection and shall strive to continue to improve those laws and regulations.
3. Investors and investments should apply national, and internationally accepted, standards of corporate governance for the sector involved, in particular for transparency and accounting practices. Investors and their investments should strive to make the maximum feasible contributions to the sustainable development of the Host State and local community through appropriate levels of socially responsible practices.

Article 18. Consultations

Upon request by either Contracting Party, the other Contracting Party shall agree to hold consultations on the interpretation or application of this Agreement.

Article 19. Entry Into Force, Duration, Amendments and Termination

1. This Agreement shall enter into force on the 30th day after the receipt of the last notification by the Contracting Parties, in writing and through diplomatic channels, of the completion of the respective internal legal procedures necessary to that effect.
2. This Agreement replaces the Agreement between the Republic of Lithuania and the Republic of Turkey Concerning the Reciprocal Promotion and Protection of Investments, signed on July 11, 1994 (the previous Agreement), which shall be terminated on the date of entry into force of this Agreement.
3. This Agreement shall remain in force for a period of fifteen (15) years and shall continue to be in force thereafter unless terminated in accordance with paragraph 6 of this Article
4. This Agreement may be amended by mutual written consent of the Contracting Parties at any time. The amendments shall enter into force in accordance with the same legal procedure prescribed under the first paragraph of the present Article.
5. Upon the entry into force between the Contracting Parties of an international agreement providing for a multilateral investment tribunal and/or a multilateral appellate mechanism applicable to disputes under this Agreement, the relevant parts of this Agreement shall cease to apply.
6. Either Contracting Party may, by giving one (1) year's prior written notice to the other Contracting Party, terminate this Agreement at the end of the initial fifteen (15) year period or at any time thereafter.
7. With respect to investments made or acquired prior to the date of termination of this Agreement, the provisions of this Agreement shall remain effective for a further period of ten (10) years from such date of termination.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Vilnius on 28 August 2018 in the Lithuanian, Turkish, and English languages, all texts being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.

For the Government of the Republic of Lithuania

Linas LINKEVICIUS

Minister of Foreign Affairs

For the Government of the Republic of Turkey

Mevliitt CAVUSOGLU

Minister of Foreign Affairs