ACRE EMBMT

BETWEEN

T1 IE GOVERNMENT OF THE SULTANATE OF OMAN

AND

THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

FOR THE PROMOTION AND RECIPROCAL PROTECTION OF

INVESTMENTS

The Government of the Sultanate of Oman and the Government of the Socialist Republic of Viet Nam (hereinafter referred to as the "Contracting Parties"')

Desiring to create favorable conditions for the development of economic cooperation between them and in particular for investments by investors of one Contracting Party in the territory of the other Contracting Parly;

Recognizing that the encouragement and reciprocal protect ion of such investments will be conducive to the stimulation of business initiative and to the increase of prosperity in both Contracting Parties;

Have agreed as follows:

Article 1.

Definitions

For the purposes of this Agreement:

1. The term 'investment' shall mean every kind of asset effected as a long-term investment in the territory of one Contracting Party invested by an investor of the other Contracting Parly in accordance with the laws and regulations of that former Contracting Party,, and includes in particular though not exclusively:

(a) shares, stocks, bonds, debentures, or other securities and any other forms of equity or debt participation in companies;

(b) claims to money and claims to any other assets or performance pursuant to contract having an economic value;

(c) intellectual properly rights, including copyrights, trademarks, patents, industrial designs and patterns and technical processes, know-how, trade secrets, trade names and goodwill;

(d) any right conferred by law, contract or by virtue of any licenses or permits granted pursuant to law, including rights to prospect, explore, extract, or cultivate or utilize natural resources;

(e) any other tangible and intangible, movable and immovable property, and any related property rights, such as leases, mortgages. Hens and pledges.

Any change in the form in which assets or rights are invested or reinvested shall not affect their character as investments provided that such change is in accordance w ith the laws and regulations of the host Contracting Party.

2. The term "investor" with respect to a Contracting Party shall mean:

(a) a natural person holding the nationality of that Contracting Party in accordance with its applicable laws;

(b) a legal person incorporated, constituted or established under the laws and regulations of that Contracting Party, and having substantive business operations in the territory of that Contracting Party' in accordance with its laws and regulations.

3. The term "returns" shall mean amounts y ielded by an investment or reinvestment, irrespective of the form in which they are paid, and in particular, though not exclusively, include profits, interest, capital gains, dividends, royalties, and other payments or fees, and payments in kind, regardless of its type.

4. The term "territory" shall mean:

(a) As regards the Sultanate of Oman, all the territorial land and waters (including islands), maritime and submarines areas and air space under its sovereignty, including the exclusive economic zone and the continental shelf over which the Sultanate of Oman exercises, in accordance with national and international law, sovereignty, sovereign rights and jurisdiction.

(b) As regards the Socialist Republic of Viet Nam, its land territory, islands, internal waters, territorial sea and airspace above them, the maritime areas beyond territorial sea including seabed and subsoil thereof over which the Socialist Republic of Viet Nam exercises sovereignty, sovereign rights and jurisdiction in accordance with national legislation and international law.

5. The term "freely convertible currency" shall mean any currency that the International Monetary Fund determines, from time to time, as

Freely usable currency in accordance with the Articles of Agreement of the International Monetary Fund and any amendment thereto.

Article 2. Scope of Application

1. This Agreement shall apply to investments made by investors of a Contracting Party in the territory' of the other Contracting Party prior to as well as after the entry' into force of this Agreement and which have been admitted in accordance with the laws and regulations of the Host Contracting Parly.

2. This Agreement shall not apply to investment disputes arising out of events which occurred, or to investment disputes which had been settled, or w hich were already under judicial or arbitral process, prior to the entry into force of this Agreement.

Article 3. Promotion and Protection of Investments

1. Each Contracting Party shall encourage and create favourable conditions for investors of the other Contracting Party to make investments in its territory, and, subject to its right to exercise powers conferred by its laws, shall admit such investments.

2. Investments and returns of investors of each Contracting Party' 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 by unreasonable or discriminatory measures the management, maintenance, use, enjoyment or disposal of investments in its territory' of investors of the

Other Contracting Party.

3. A Contracting Party' shall, subject to its applicable laws and regulations relating to the entry and sojourn of non-citizens, permit natural persons of the other Contracting Party and other person appointed or employed by investors of the other Contracting Party to enter and remain in its territory for the purpose of engaging in activities connected with investments.

Article 4. Treatment of Investments

1. With respect to the use, management, conduct, operation, expansion and sale or other disposition of investments, each Contracting Party shall, subject to its laws and regulations, accord to investors of the other Contracting Party' and their investments in its territory', treatment no less favorable than that it accords, in like situations, to its own investors or to investors of any third state and their investments and returns.

2. The provision of this Article shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party the benefit of any treatment, preference or privilege resulting from:

(a) any customs union, economic union, free trade area, monetary union, or other form of regional or bilateral economic

agreement or other simitar international agreements, to which cither of the Contracting Parties is or may become a party;

(b) any Agreement on the Avoidance of Double Taxation or international, regional or bilateral agreements or other similar

Arrangements or any domestic legislation relating wholly or mainly to taxation.

3. For greater certainty, the provision of paragraph (I) of this Article shall not oblige either Contracting Party' to accord investors of the other Contracting Party the same treatment that it accords to its own investors with regard to ownership of land and real estates; obtaining grants, subsidies and soft loans; government procurement; and services supplied in the exercise of governmental authority.

Article 5. Compensation for Losses

1. investors of one Contracting Party whose investments have suffered a loss owing to war or other armed conflicts, a state of national emergency, revolt, civil disturbances, insurrection, riot or other similar events in the territory of the other Contracting Party, shall be accorded by the latter Contracting Party', treatment, as regards restitution, indemnification, compensation or other settlement, not less favorable than that the latter Contracting Party accords to its own investors or investors of any third state, whichever is more favorable to the investor.

2. Without prejudice to Paragraph 1, investors of one Contracting Party who in any of the events referred to in that paragraph suffer a loss in the territory of the other Contracting Parly resulting from;

(a) requisitioning of its investments or part thereof by the forces or authorities of the latter Contracting Party, or;

(b) destruction of its investments or part thereof by the forces or authorities of the latter Contracting Party' 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.

Article 6. Expropriation

1. (a) Investments of investors of either Contracting Party shall not

Be nationalized, expropriated or subjected to any measures having effect equivalent to nationalization or expropriation (hereinafter referred to as "expropriation") in the territory of the other Contracting Party except for public purpose, as determined by the expropriating Contracting Party, and against prompt, adequate and effective compensation. The expropriation shall be carried out on anon-discriminatory basis in accordance with legal procedures of that expropriating Contracting Party.

(b) Such compensation shall amount to the market value of the expropriated investments at the time of its expropriation or at the lime of announcement of such expropriation, whichever is the earlier, and shall be effectively realizable. Compensation shall be made in a freely convertible currency.

(c) Where the above-mentioned market value cannot be readily ascertained, the compensation shall be determined on equitable principles taking into account all relevant factors and circumstances, such as the capital invested, depreciation, replacement value, book value.

(d) Such compensation shall include interest at the applicable LIBOR rate, from the date of expropriation until the date of payment.

Notwithstanding paragraph (I) above, any measure of expropriation relating to land shall be subject to laws and regulations of the expropriating Contracting Party concerning the terms of such expropriation and the payment of compensation.

Investors of either Contracting Party whose investments have been affected by expropriation shall have aright to prompt review by a judicial or other independent authority of the other Contracting Party, of their case in relation to the valuation of their investments in accordance with the principles set out in this Article and the law's and regulations of expropriating Contracting Party.

Article 7.

Transfer of Payments Related to Investments

Bach Contracting Party shall, subject to its laws and regulations, guarantee to investors of the other Contracting Party the free transfer of payments in connection with an investment into and out of its territory. Transfers shall be made without delay in a freely convertible currency at the prevailing market rate of exchange in the host Contracting Party on the date of transfer for the currency to be transferred.

2. Such transfers shall include:

(a) capital and additional capital amounts being used to maintain, increase or expand existing investments and any other amounts appropriated for the coverage of expenses connected with the management of the investments;

(b) returns;

(c) payments under a contract, including principal and accrued interest payments made pursuant to a loan agreement;

(d) royalties and fees for the rights referred to in Article 1 paragraph 1 (c);

(e) proceeds from the total or partial sale or liquidation of any part of the investment by an investor of the other Contracting Party', after payment of their financial obligations;

(f) earnings and other remuneration of personnel employed from abroad who are allowed to engage in activities related to investments made in territory of the Host Contracting Party;

(g) payments of compensation pursuant to Articles 5 and 6;

(h) payments arising out of the settlement of disputes.

3. Notwithstanding paragraphs 1 and 2, a Party may prevent or delay a

Transfer through the equitable, non-discriminatory, and good faith

Application of its laws and regulations relating to:

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

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

W

/X

(c) criminal or penal offences and the recovery of the proceeds of crime;

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

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

(fj taxation:

(g) social security, public retirement, or compulsory savings schemes; and

(h) severance entitlements of employees.

Article 8. Subrogation

1. If a Contracting Party or its designated agency (the "Indemnifying

Party"), makes a payment under an indemnity or guarantee it has

Assumed in respect of an investment in the territory' of the other

Contracting Party (the "Host State"), the Host State shall recognize:

(a) the assignment to the Indemnifying Party by law or by legal transaction of all the rights and claims resulting from such an investment:

(b) the right of the Indemnifying Parly to exercise all such rights and enforce such claims and to assume all obligations related to the investment by virtue of subrogation.

2. The Indemnifying Party shall be entitled in all circumstances to the same treatment in respect of:

(a) the rights and claims acquired and the obligations assumed by it by virtue of the assignment referred to in paragraph 1 above:

(b) any payments received in pursuance of those rights and claims, as the original investor was entitled to receive by virtue of this Agreement in respect of the investment concerned.

Article 9. Settlement of Disputes between a Contracting Party and an Investor

1. Any legal dispute arising directly out of an investment, between a Contracting Party and an investor of the other Contracting Party concerning an alleged breach of an obligation of the former under this Agreement relating to the management, conduct, operation or sale or other disposition of investment of the investor, and which causes loss or damage to that investment shall, as far as possible, be settled amicably through negotiations between the parties to the dispute.

2. If any such dispute cannot be settled within six (6) months following the date on which the dispute has been raised by the investor through written notification to the Contracting Party, the dispute may be submitted to:

(a) the competent court of the Contracting Party in the territoiy of which the investment has been made;

(b) the International Center for Settlement of Investment Disputes (the "Center") established pursuant to the Washington Convention of 18 March 1965 on the Settlement of Investment Disputes between

II

States and Nationals of Other States provided both Contracting Parties are parties to the said Convention; or

(c> the Additional Facility of the Centre, if only one of the Contracting Parties is a signatory to the Washington Convention; or

(d) An ad hoc arbitral tribunal which, unless otherwise agreed upon by the parties to the dispute, shall be established under the Arbitration Rules of the United Nations Commission on International Trade Law (UNC1TRAL).

Once the investor has submitted the dispute under any of the procedures stipulated above, that choice is final.

For greater certainty, the Most Favored Nation Treatment provision in this Agreement does not encompass a requirement to extend to the investors of the other Contracting Party dispute settlement procedures other than those set out in this Agreement

3, The submission of a dispute to arbitration under paragraph 2 shall be conditional upon the submission of the dispute to such arbitration taking place within two (2) years of the time at which the disputing investor became aware, or should reasonably have become aware, of a breach of an obligation under this Agreement and, of the loss or damage incurred by the disputing investor or its investment.

4. The arbitration tribunal shall take its decisions in accordance with the provisions of this Agreement, the laws and regulations of the Contracting Party involved in the dispute on which territory the investment is made (including its rules on the conflict of law), the terms of any specific agreement concluded in relation to the particular investment involved and the relevant principles of international law r.

5. Neither Contracting Part)' shall have the right to make counter claim, as a defense, at any stage of arbitration or within the execution of arbitration decision for the reason that the investor of the other Contracting Party in the dispute has received or will receive, pursuant to an insurance or guarantee contract, indemnification or other compensation for all or part of any alleged loss.

6. Any arbitral award rendered pursuant to this Article shall be final and binding on the parties to the dispute and shall be executed in accordance with national law of the Contracting Party' in whose territory the award is relied upon and the 1958 United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention), if the Contracting Parties are members of that Convention.

Article 10. Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall, as far as possible, settle any dispute concerning the interpretation or application of this Agreement through consultations or other diplomatic channels.

2. If the dispute has not been settled within six (6) months following the date on which such consultations or other diplomatic channels were requested by either Contracting Party and unless the Contracting Parties otherwise agree in w'riting, either Contracting Party may, by written notice to the other Contracting Party, submit the dispute to an ad hoc arbitral tribunal in accordance with the following provisions of this Article.

3. The arbitral tribunal shall be constituted as follows: each Contracting Party shall appoint one member, and these two members shall agree upon a national of a third State, which maintains diplomatic relations

W

/ X

With both Contracting Parlies and who on approval by the two Contracting Parlies, shall be appointed as Chairman of the arbitral tribunal. Such members shall be appointed within two (2) months, and such Chairman within four (4) months, from the date on which either Contracting Parly has informed the other Contracting Party that it intends to submit the dispute to an arbitral tribunal.

4. If the periods specified in paragraph (3) above have not been complied with, either Contracting Party may. in the absence of any other arrangement, invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a national of either Contracting Party or i f he is otherwise prevented from discharging the said function, the Vice-President of the International Court of Justice shall be inv ited to make the necessary appointments. If the Vice-President of the Internationa] Court of Justice is a national of either Contracting Party or if he, too, is prevented from discharging the said function, the member of the International Court of Justice next in seniority who is not a national of either Contracting Party' shall be invited to make the necessary appointments.

5. The arbitral tribunal shall take its decision by a majority of votes. Such decision shall be made in accordance with this Agreement and such recognized rules of international law as may be applicable and shall be final and binding on both Contracting Parties. Bach Contracting Party shall bear the costs of its own member and of its representation in the arbitration proceedings. The expenses of the Chairman as well as any other costs of the arbitration proceedings shall be borne in equal parts by the two Contracting Parties. However, the arbitral tribunal may, at its discretion, direct that a higher proportion or all of such costs be paid by one of the Contracting Parties. In all other respects, the arbitral tribunal shall determine its own procedure.

Article 11. Application of other Rules

If the obligations under international agreements or special commitments existing at present or established hereafter between the Contracting Parties, in addition to this Agreement, contain rules, whether general or specific, entitling investments by investors of the other Contracting Party to a treatment more favorable than is provided for by this Agreement, such rules shall to the extent that they are more favorable to the investor prevail over this Agreement.

Article 12. Entry' Into Force

Each Contracting Party shall notify the other in writing through diplomatic channels, that its legal procedures for the entry into force of this Agreement have been fulfilled, and the Agreement shall enter into force on the thirtieth day after the date of receipt of the later notification.

Article 13. Duration and Termination

1. This Agreement shall remain in force for a period of fifteen (15) years, and shall continue in force, unless terminated in accordance with paragraph (2) of this Article.

2. Either Contracting Party may, by giving one (1) year's written notice to the other Contracting Party, terminate this agreement at the end of the initial fifteen (15) year period or anytime thereafter.

3. With respect to investments made or acquired prior to the date of termination of this Agreement, the provisions of a!! of the other Articles of this Agreement shall continue to be effective for a period often (10) years from such date of termination.

IN WITNESS WHEREOF, the undersigned, duly authorised thereto by their respective Governments, have signed this

Agreement.

Done in duplicate at Hanoi on this Monday 10 ln of January' 2011 corresponding to 5 1 ' 1 of Safar 1432H in the Arabic. Vietnamese and English languages, all texts being equally authentic. In the case of any divergence of interpretation, the English text shall prevail.

For the Government of the Sultanate of Oman

For the Government of the Socialist Republic of Viet Nam