

# Agreement between the Government of the Republic of Lithuania and the Government of Ukraine for the promotion and reciprocal protection of investments

The Government of the Republic of Lithuania and the Government of Ukraine (hereinafter referred to as the "Contracting Parties"),

Desiring to intensify economic cooperation between the Contracting Parties mutually beneficial conditions,

In order to create and maintain favorable conditions for investments of investors of one State in the territory of the other State, and

Convinced that mutual investment promotion and protection under this Treaty promotes commercial initiative in this field,  
Agreements

## Article 1. Definitions

On the objectives of this Treaty:

1. The term "investment" means any kind of assets invested on the economic activity of one Contracting Party to investors of the other Contracting Party's territory under its laws and procedures, and, in particular, though not always, include:

/ A / movable and immovable property and any other property rights, such as mortgage, lien, pledge and similar rights;

/ B / company shares, bonds and other securities, or other forms of participation in the company;

/ C / claims to money or to any economic value activities;

/ D / intellectual property rights, including copyrights, trademarks and service marks, patents, industrial models, technical processes, know-how, trade secrets, trade names and goodwill;

/ E / any right conferred by law or contract, and any licenses and permits pursuant to laws, including concessions for natural resources exploration, extraction, processing or use.

Any investment in the form of change will not affect the treatment of investments, provided that such amendment does not give the Contracting Party in whose territory the investment laws.

2. The term "investor" means:

/ A / towards the Republic of Lithuania:

- Natural persons who are citizens of the Republic of Lithuania under the Lithuanian law;

- Any company established in the territory of the Republic of Lithuania in accordance with its applicable laws and regulations;

/ B / with regard to Ukraine:

- A natural person who is a citizen of Ukraine in accordance with Ukrainian law;

- Any company established in the territory of Ukraine in accordance with its applicable laws and regulations;

/ C / of each Contracting Party - any company or organization established by any third state laws, which are directly or indirectly controlled by the Contracting Party, whether natural or legal persons having their seat in its territory; bearing in mind that the control requires a large share of the property.

3. The term "income" means the amounts received from the investment and, in particular, though not always, includes profits, interest, income from capital, shares, dividends, royalties or remuneration.

4. The term "territory" each Contracting Party means its sovereign territory and sea and undersea areas in which the Contracting Party under international law, enjoys sovereignty, sovereign rights or jurisdiction.

## **Article 2. Investment Promotion and Protection**

1. Each Contracting Party shall encourage and create favorable conditions for investors of the other Contracting Party to invest in its territory and treat such investments in accordance with its laws and procedures.

2. Any Contracting Party to the investors' investments will always be fully protected and reserved the other Contracting Party.

## **Article 3. Mfn Status**

1. Each Contracting Party shall be treated on their territory of the other Contracting Party and the investors' investment income in a fair and equal, and no less favorable than that of any third country investors and investment income.

2. Each Contracting Party shall be treated on their territory of the other Contracting Party, investments of investors in connection with their management, maintenance, use, exercise, enjoyment or disposal, fair, equal, and not less favorable than that of any third country investors investment.

3. Paragraphs 1 and 2 shall be composed so as to oblige one Contracting Party to investors of the other Party treatment acceptance, preferences or advantages which can be applied to the first Contracting Party on:

/ A / customs union or a free trade area and monetary union or similar international agreement leading to such unions or institutions, and other forms of regional cooperation in which any Contracting Party participate or can participate;

/ B / any international agreement or arrangement, completely or partially related to taxation or domestic tax laws.

## **Article 4. Damage Compensation**

1. When one of the Contracting Parties to investors suffer losses owing to war, armed conflict, a national disaster, insurrection, riot, insurrection or other similar events in the other Contracting Party, these losses should be covered by the latter Contracting Party, as far as damages, compensation coverage or other settlement no less favorable than that which the latter Contracting party shall provide its investors or any third party investors.

2. Without prejudice to the provisions of paragraph 1, the losses incurred by a Contracting Party to the investors in any of the cases listed in this part of the territory of the other Contracting Party arising from:

/ A / for the expropriation of property, executed Contracting State military forces or authorities,

/ B / a Contracting Party, the armed forces or government officials destruction of their property nemasinio event of a collision or the absence of a situation of necessity,

Will be compensated and compensated accordingly suffered them over the period of the expropriation or destruction of property. Payments will be immediately transferred freely convertible currency.

## **Article 5. Expropriation**

1. Any Contracting Party to the investors' investments may not be nationalized, expropriated, that there can be other similar measures (hereinafter referred to as - "eksproprijacija") of the other Contracting Party, unless it is done in the public interest. Eksproprijacija under the respective legislative process of a non-discriminatory manner, immediately and effectively the payment of appropriate compensation. Such compensation equal to the value of the expropriated investment that existed before the eksproprijacija or the public at the time of such measures as useful to investors. Compensation includes interest from the date of expropriation, calculated in accordance with the LIBOR rate for the relevant currency, to be paid immediately and effectively realizable and freely transferable in convertible currency.

2. Interested investors have the right to apply to the legal or other of the Contracting Party, an independent body in order to evaluate the investment in this article are followed.

3. Paragraph 1 shall also apply when a Contracting Party to expropriate the property of the company which is incorporated or formed under applicable in any part of its territory laws, which the other Contracting Party investors are owners of shares.

4. Investors referred to in Article 1, paragraph 2 (c), can claim if the compensation has already been paid under a similar agreement on investment promotion and protection, consisting of a Contracting Party in whose territory the investment was made.

## **Article 6. Transfers**

1. The Contracting Parties shall guarantee the payments related to investments and income transfer. The transfers are made in hard currency without any restrictions and delays. Such transfers especially, though not always, include:

/ A / capital and additional amounts to maintain or increase investment in invested capital;

/ B / profits, interest, dividends and other current income;

/ C / funds to pay for loans;

/ D / royalties or wages;

/ E / proceeds from the sale or liquidation of investments;

/ F / earnings of individuals by the Contracting Party in which the investment made, laws and procedures;

/ G / compensation in accordance with Article 4 and 5.

2. Objectives of this Treaty transfers will be carried out in accordance with the transfer day of the official exchange rate, unless otherwise agreed.

## **Article 7. Subrogation**

If a Contracting Party or its designated agency shall pay its investors under a guarantee, which was granted by another Contracting Party, the latter Contracting Party shall recognize:

/ A / compensation upon the country of all rights or claims to the First Contracting Party by law or legal transaction; and also

/ B / that subrogation rights and claims received by the first Contracting Party shall enjoy the same level as the compensation received country.

2. Subrogation rights or claims will not affect the investor's rights or claims priority.

## **Article 8. Investment Disputes between a Contracting Party and the other Contracting Party of the Investor Decision**

1. Any dispute which may arise between one Contracting Party and an investor of the other Contracting Party on investments made in that Contracting Party, should be negotiations between the parties object.

2. If any dispute between an investor of one Contracting Party and the other Contracting Party can not be resolved within 6 months, the investor may submit the dispute to:

/ A / the International Centre for Settlement of Investment Disputes (ICSID), based on the application in 1965. Washington signed the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, shall be provided both Contracting Parties are Parties to this Convention; or

/ B / international arbitration or ad hoc arbitration tribunal established under the United Nations Commission on International Trade Law (UNCITRAL) arbitration rules. The parties may agree in writing to change these rules. Court decisions are final and binding on both parties to the dispute.

## **Article 9. Disputes between the Contracting Parties Solution**

1. Disputes between the Contracting Parties to the Treaty on the interpretation or application, if it is possible, be settled through consultations or negotiations.

2. If the dispute can not be resolved within 6 months, and then, at the request of any of the Contracting Parties, it may be referred to arbitration in accordance with this Article.
3. Arbitration shall be drawn up in each individual case in the following way. Within two months of receiving an appeal to arbitration, each Contracting Party may appoint one member of the tribunal. Those two members shall elect a third country national who, with the approval of both Contracting Parties shall be appointed Chairman of the Arbitration (hereinafter referred to as - "Prime"). The Chairman shall be appointed within three months of the other two members of the date of appointment.
4. If, during the period referred to in paragraph 3, the necessary appointments have not been made, then it is possible to apply to the President of the International Court of Justice to perform these appointments. In the event that the President is in any of the Contracting Parties citizen, or if he is otherwise unable to perform those functions, and then to make appointments is asked Vice President. If the Vice President is also one of the Contracting Parties citizen and can not perform the said function, then resorted to having a maximum length of service of the International Court, which is not one of the Contracting Parties citizen.
5. Arbitration shall take decisions by majority vote. Such decisions are binding. Each Contracting Party shall bear the costs of its member of the tribunal and of its representation in the arbitration process costs; The arbitration of the President and the other remaining costs of the two Contracting Parties shall be borne equally. Arbitration may decide that a greater share of the cost borne by one of the Contracting Parties, and such a decision will be binding on both Contracting Parties. Arbitration shall determine its own rules of procedure.

## **Article 10. Other Rules and Special Commitments**

1. If at the same time, the Contracting Parties to this Treaty and other international players in the agreement, then this Agreement will not prevent any Contracting Party or any of its investors, holding investments of the other Contracting Party, take advantage of the more favorable contexts.
2. If by one Contracting Party's laws and procedures or other specific provisions of contracts investors of the other Party treatment is more favorable than under this Treaty, it is subject to the more favorable conditions.

## **Article 11. The Application of the Treaty**

This Treaty shall apply to investments made after the entry into force of the Treaty, as well as investments made by investors of one Contracting Party to this Treaty into force by the other Contracting Party in accordance with its laws and procedures.

## **Article 12. Entry Into Force, Duration and Termination**

1. Each Party shall notify the other Party of the necessary in accordance with the laws of this Treaty shall enter into force requirements have been met. This Agreement will enter into force from the second notification.
2. This Agreement is concluded for a period of 10 years. After this period, the Agreement shall remain in force indefinitely unless either of the Contracting Parties no later than 12 months before the deadline in writing notifies the other Contracting Party to terminate this Agreement. After 10 years, the Agreement may be terminated at any time by notice to the prior 12 months.
3. Investments made before the termination of this Agreement, this Agreement shall be subject to 10-year period from the date of termination.

## **Article 13. Consulting**

Any Contracting Party at the request of the other Contracting Party shall immediately enter into consultations on the terms of this Agreement the interpretation and application.

## **Article 14. Penitentiary**

Terms of this Agreement may be amended at any time by the Contracting Parties. Amendments shall enter into force when the Contracting Parties notify each other of their entry into force all the necessary constitutional requirements have been met.

WITNESS is authorized, have signed this Agreement.

Done in Vilnius in 1994. 8 February. in duplicate in the Lithuanian, Ukrainian and English languages, all texts equally authentic. Interpretation which case the English text shall prevail.

THE REPUBLIC OF LITHUANIA

GOVERNMENT OF

UKRAINE

GOVERNMENT OF

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