AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF NIGERIA

PREAMBLE

The Federal Government of the Federal Republic of Yugoslavia and the Government of the Federal Republic of Nigeria (hereinafter: Parties),

In order to create favorable conditions for increasing economic cooperation between the Parties; determined to create favorable conditions for greater investments of investors of one Contracting Party in the territory of the other;

Recognizing the right of each Contracting Party to define the conditions under which they can receive foreign investment and investors obligation to respect the sovereignty and laws of the host country;

Convinced that the mutual encouragement and protection of investments will contribute to the strengthening of entrepreneurial initiatives and the development of economic relations between the Parties;

Su agreed on the following:

Article 1. Definitions

For the purposes of this Agreement:

1 The term "investment" means every kind of asset that investors of one Contracting Party in the territory of the other Contracting Party, in accordance with its laws and regulations and includes in particular, though not exclusively:

a - Movable and immovable property and all other property rights in rem, such as mortgages, pledges, sureties and similar rights,

b - Rights arising from wage agreements, applicable in accordance with the laws of the Parties;

c - Stocks, bonds, and other types of securities and any other form of participation in the company;

d - Claims to money or any other performance-based contract, which has an economic value and is related to an investment;

e - Intellectual property rights, such as copyrights and other related rights and industrial property, such as patents, licenses, industrial designs or models, trademarks and goodwill, technical processes and know-how;

f - Business Franchises in accordance with the laws and regulations of the Contracting Party in whose territory the investment is made, including concessions for exploration, processing, extraction and use of natural resources.

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

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

3 The term "investor" means:

a - A natural person who is a national of one Contracting Party, and it invests in the territory of the other Contracting Party;

b - A legal entity founded, established or otherwise duly organized under the laws and regulations of one Contracting Party, which has its headquarters in the territory of the other Contracting Party, and it invests in the territory of the other Party.

4 The term "territory" means the land under the land borders and sea area, seabed and subsoil beyond the territorial sea in which the Contracting Parties have sovereign rights or jurisdiction, in accordance with its national laws and regulations and

international law.

Article 2. Scope of Application of the Agreement

1 This Agreement shall apply:

a In terms of investments in the territory of the Federal Republic of Yugoslavia, the investments made by investors from the Federal Republic of Nigeria, and which are expressly authorized in writing by the competent authority appointed by the Government of the Federal Republic of Yugoslavia in accordance with the law;

b In terms of investments in the territory of the Federal Republic of Nigeria, for investments made by investors from the Federal Republic of Yugoslavia, which are specifically approved in writing by the competent authority appointed by the Government of the Federal Republic of Nigeria in accordance with the law.

2 The provisions of the preceding paragraphs shall apply to all investments made by investors of any Contracting Party in the territory of the other Contracting Party, whether implemented before or after the entry into force of this Agreement.

Article 3. Promotion and Protection of Investment

1 Each Party shall encourage and create favorable conditions for investors of the other Party to conduct investments in its territory and admit such investments in accordance with its laws and regulations.

2 Investments of investors of either Contracting Party at any time to enjoy a fair, equal and transparent treatment and full legal protection and security in the territory of the other Party. Neither Party shall in any way unreasonable or discriminatory measures jeopardize the management, maintenance, use, enjoyment or disposal of investments of investors of the other Party in its territory.

3 Each Contracting Party shall create favorable conditions for the issuance of visas and work permits required in its territory to investors of the other Party or employees to carry out their activities related to the investment.

Article 4. National Treatment and Most Favoured Nation Treatment

1 Each Contracting Party shall in its territory ensure investments of the other Party treatment no less favorable than that which provides investments and returns of its own investors or investments of investors of third States, whichever is more favorable.

2 Each Contracting Party shall, in its territory, to grant investors of the other Party, with respect to the management, maintenance, use, enjoyment or disposal of their investments, treatment no less favorable than that granted to its own investors or investors of third States, whichever is favorable.

3 The provisions of paragraphs. 1:02 this Article shall be construed to require either Party to investors of the other Party gives any advantage in the treatment, preferences or privileges of the first Party may assign:

a - State economic union, customs union, free trade area, monetary union or similar international agreement establishing such unions or other forms of regional cooperation, whose signatory is or can become any of the Parties, or

b - bilateral agreement on avoidance of double taxation or international agreement or arrangement relating wholly or partly to taxation.

4 If the laws of any Parties or international agreements which currently exist or may be later signed between the Parties, or other international agreements signed by the Parties, containing provisions to investments of investors of the other Party gives the right to treatment which is more favorable than that provided by this agreement, such laws and agreements shall, to the extent that they are more favorable, take precedence in relation to this agreement.

Article 5. Fee Loss

Investors first Contracting Party whose investments in the territory of the other Contracting Party suffer losses due to war or other armed conflict, revolution, a state of emergency, revolt, insurrection or riots in the territory of the other Contracting Party, this will provide, in terms of restitution, indemnification, compensation or other ways of settlement of losses, treatment no less favorable than that which that Party gives its own investors or investors of any third

State, whichever is more favorable. Payments on this basis will be carried out without undue delay and shall be freely

transferable.

Article 6. Expropriation

1 Investments of investors of either Contracting Party shall not be nationalized, expropriated or subjected to measures by effect equal to nationalization or expropriation (hereinafter referred to as expropriation) in the territory of the other Contracting Party, except in the public interest. The expropriation shall be carried out with the use of the law, on a non-discriminatory basis, with adequate and immediate compensation to be carried out without undue delay. Such compensation shall correspond to the market value of the expropriated investment as it was immediately before the expropriation or before the impending expropriation became a well-known fact, depending on what happened before, will include interest at the prevailing commercial rate until the date of payment and will be paid without undue delay and free transferable in convertible currency.

2 Damaged investor will be entitled to, in accordance with the laws and regulations of the Contracting Party making the expropriation, requires that a judicial or other independent authority of that Party of the immediate consideration of his case and the assessment of its investments in accordance with the principles defined in this paragraph.

Article 7. Transfers

1 Each Party shall guarantee to investors of the other Party free transfer of payments related to their investments and in particular, though not exclusively:

a Capital and additional amounts to maintain or increase investments;

b Return;

c Funds from the repayment of loans;

d Arrival of the total or partial sale or liquidation of investments;

e Benefits paid under Articles. 4:05 this agreement.

f Payments resulting from the settlement of the dispute, in accordance with Art. 9 and 10 this Agreement;

g Unspent earnings and other remuneration of personnel engaged investors from abroad in connection with an investment in the territory of the other Party.

2 Transfers payment referred to in paragraph 1 of this Article shall be made without undue delay, in convertible currency, the official exchange rate applicable at the date of transfer in the territory of the Contracting Party where the investment is realized.

Article 8. Subrogation

1 If the Party or its appointed institution makes payment to its own investors the guarantee approved by the investment in the territory of the other Contracting Party, the other Party will be obliged to recognize:

a The assignment of all rights or claims of the insured investors first Contracting Party or its named institution, in accordance with the law or regulation and

b That the first Contracting Party to the subrogation authorized to exercise those rights or realize these claims and shall assume the obligations related to the investment.

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

3 Subrogation rights and obligations of the insured investor refers to the transfer payment is made in accordance with Article 6 of this Agreement.

Article 9. Settlement of Disputes between the Contracting Parties

1 Disputes Contracting Parties concerning the interpretation or application of this Agreement shall be settled, to the greatest possible extent, through negotiations.

2 If the dispute between the Contracting Parties can not be settled in this way within six months from the date of

commencement of negotiations he will, at the request of either Party, be submitted to an arbitral tribunal.

3 The arbitral tribunal referred to in paragraph 2 of this Article shall be constituted on an ad hoc basis, in each case, as follows: within six months of receipt of the request for arbitration, each Party shall appoint one member of the tribunal. These two members shall, within two months to choose a third member - a citizen of a third country, which will, with the consent of both Contracting Parties, to be appointed president of the arbitral tribunal.

4 If within the periods specified in paragraph 3 of this Article shall not constitute an arbitration tribunal and the one and the other Contracting Party may, in the absence of any other agreement, request the President of the International Court of Justice to make the necessary appointments. If the president of a national of either one or the other Party, or if it is otherwise unable to perform said function, shall be required of the Vice President to make the necessary appointments. If the vice president of a national of either one or the other Party, or if he is unable to perform this function, the next in seniority member of the International Court of Justice, who is not a citizen of either one or the other Party, will be asked to make the necessary appointments.

5 The arbitral tribunal shall decide on the basis of the provisions of this Agreement, as well as the generally accepted principles and rules of international law. The arbitral tribunal shall take decisions by majority vote. Its decisions are final and binding on both Parties.

6 Each Contracting Party shall bear the costs of its representative and his participation in the arbitration proceedings. The costs of the president and the remaining costs shall be borne equally by both Parties. The Court shall determine its own procedure of work.

Article 10. Settlement of Disputes between the Contracting Parties and the Investors of the other Party

1 Disputes between an investor of one Contracting Party and the other Contracting Party in connection with the obligations of the other Contracting Party under this Agreement, in relation to investments made by investors of the first Contracting Party shall be settled as far as possible by negotiation.

2 If the disputes referred to in paragraph 1 of this article can not be resolved through negotiations within six months of the written notice of the complaint and both sides in the dispute may submit

Requirements for resolving the dispute to the competent court of the Contracting Party which is a party to the dispute, or to international arbitration, if interested investor wants.

3 If the court has submitted to the resolution of international arbitration, the investor and the concerned Contracting Parties to the dispute may agree to submit the dispute either:

a Ad hoc arbitration tribunal, in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL);

b International Centre for the Settlement of Investment Disputes, in the event that both Parties to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature in Washington on March 18, 1965 (ICSID Convention).

4 The verdict will be final and binding on both parties to the dispute and will be conducted in accordance with the laws and regulations of the Contracting Party in whose territory the investment is realized.

Article 11. Consultations

Representatives of the Parties will hold consultations, when necessary, regarding issues related to the implementation of the Agreement. Consultations will be held on the proposal of one Party, in the place and time will be arranged through diplomatic channels.

Article 12. Amendment or Revision

Any amendment or revision of this agreement shall be in writing and shall enter into force when it is confirmed by both Parties exchange of notes through diplomatic channels.

Article 13. Entry Into Force

This agreement is subject to ratification and shall enter into force on the date of exchange of instruments of ratification.

Article 14. Duration and Termination

1 This agreement is concluded for a period of ten years and will automatically continue to be valid in successive periods of five years each, unless one Party notify in writing the other Party, at least twelve months before the date of expiry, of its decision to terminate Agreement.

2 When it comes to investments realized before the date of termination of this Agreement, the provisions of Art. 1-13 will still be valid for a period of the next ten years from that date.

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

Done in Abuja, on 1 June 2002 in two originals, in Serbian and English languages, both texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

On behalf of the Federal Government

Federal Republic of Yugoslavia, Rasim Ljajic, sr

For and on behalf of the Government

The Federal Republic of Nigeria Kola Jamodu, sr