AGREEMENT

Between the Government of the Union of Soviet Socialist Republics and the Government of the Republic of Turkey

Mutual

Encouragement and mutual protection of investments

Government of the Union of Soviet Socialist Republics and the Government of the Republic of Turkey, hereinafter referred to as "Contracting Parties", referring to the creation of favorable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party,

Bearing in mind that the mutual promotion and protection of investments will contribute to the development of mutually beneficial trade-economic and scientific and technical cooperation, we have agreed as follows:

Article 1.

For the purposes of this Agreement:

1. The term "investor" means:

a) any individual possessing the nationality of one of the Contracting Parties and shall be entitled in accordance with the legislation of that Contracting Party to make investments in the territory of the other Contracting Party;

b) any corporation, company, firm and enterprise, established in accordance with the legislation of one Contracting Party, provided that the corporation, company, firm, and the company are entitled to in accordance with the legislation of that Contracting Party to make investments in the territory of the other Contracting Party.

2. The term "investment" means every kind of asset that investors of one Contracting Party investing in the territory of the other Contracting Party in accordance with the legislation of the latter, and in particular:

a) movable and immovable property and related property rights;

b) shares, stocks and other forms of participation in enterprises and companies;

c) claims to money that is invested to create economic value associated with an investment;

d) copyrights, industrial property rights (such as patents, trademarks and service marks, industrial designs and models), technology and "know-how";

e) rights to engage in economic and commercial activities granted by law or contract relating, in particular, the exploration, development, production and exploitation of natural resources.

Any change in the form in which were originally re-invested or property values will not affect their character as investments within the meaning of this Agreement, provided that this change does not contradict the legislation of the Contracting Party in whose territory the investment has been carried out.

3. The term "returns" means amounts yielded by an investment referred to in paragraph 2 of this article, and includes, in particular, profits, dividends, interest, license fees, royalties, payments for technical assistance and maintenance.

4. This Agreement applies to the territory of each Contracting Party, over which that Contracting Party in accordance with

international law exercises sovereign rights and jurisdiction.

Article 2.

1. Each Contracting Party shall encourage and create favorable conditions for investors of the other Contracting Party to make investments in its territory. Each Contracting Party shall admit such investments in accordance with its applicable law.

2. Each Contracting Party shall accord to such investments since their exercise treatment no less favorable than that accorded to investments on equal footing to the investors of any third state.

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

a) any existing or future customs union, organization of mutual economic assistance or similar international agreement both multilateral and bilateral, in which participates or may participate one of the Contracting Parties

b) any multilateral or bilateral agreement or mutual agreement relating wholly or mainly to taxation.

Article 3.

Investments of investors of either Contracting Party has always provided fair and equitable treatment, and in accordance with international law, they are provided with complete security and protection.

None of the Contracting Parties will in no way prevent by adopting discriminatory measures the management, operation, maintenance, use, acquisition, expansion or liquidation of the investment. Each Contracting Party shall observe any obligation it may undertake with respect to investments of investors of the other Contracting Party.

Article 4.

1. Investments of investors of one Contracting Party made in the territory of the other Contracting Party shall not be expropriated, nationalized or subjected to measures tantamount to expropriation or nationalization ("expropriation"), except in cases where such measures are taken in the public interest, in accordance with the law and the general principles of the regime set out in article 2, are not discriminatory and are accompanied by timely payment of appropriate compensation and elective

2. The compensation shall correspond to the real value of the expropriated investment at the time of the expropriation. Compensation shall be paid without delay (in the case of a delay on it accrue interest until the date of payment), fully and freely transferable.

3. Investors of one Contracting Party whose investments have been damaged in the territory of the other Contracting Party owing to war, insurrection, civil disturbance or other similar events shall be accorded treatment no less favorable than that which that other Contracting Party shall accord to investors of any third State respect of any action which it has taken in respect of such damage.

Article 5.

1. Each Contracting Party shall guarantee unimpeded transfers related to investments of investors of the other Contracting Party, which will be carried out without restrictions and delays. Such transfers include:

a) income;

b) amounts paid in repayment of loans under the credit agreement, the approval of the Contracting Party and relating to investments;

c) the amount of sales, total or partial liquidation of investments;

d) the compensation provided for in Article 4 of this Agreement.

2. Transfers shall be carried out in freely convertible currency in which the capital was originally invested, or in any other convertible currency agreed between the investor and the Contracting Party concerned.

3. If between the investor and the Contracting Party otherwise agreed, transfers shall be made at the exchange rate prevailing at the date of transfer, in accordance with the applicable rules of currency regulation of the Contracting Party in

whose territory the investment has been carried out.

Article 6.

1. Any dispute between one Contracting Party and an investor of the other Contracting Party concerning the amount and order payment of compensation provided for in Article 4 of this Agreement, or order the transfer, under Article 5 of this Agreement is subject to a written notification, accompanied by a detailed memorandum to the investor directs the Contracting Parties involved in the dispute. The parties to the dispute will be possible to seek to settle the dispute amicably.

2. If the dispute can not be resolved coins so within six months from the date of the written notice provided for in paragraph 1 of this article, it will be submitted to ad hoc arbitration in accordance with the UNCITRAL Arbitration Rules. The arbitration court itself establishes rules of procedure.

3. The award shall be final and binding on both Parties to the dispute. Each Contracting Party undertakes to enforce this decision in accordance with their national law.

Article 7.

1. Disputes between the Contracting Parties concerning the interpretation and application of this Agreement shall be settled through direct and meaningful negotiations.

2. If the dispute can not be settled in this way within six months, it shall be referred to an arbitration tribunal at the request of one of the Contracting Parties.

3. Such an arbitral tribunal shall be established for each individual case as follows. Within two months from the date of receipt of the notice of arbitration, each Contracting Party shall appoint one member of the arbitral tribunal.

These two members of the arbitral tribunal then elect a citizen of a third State who, with the consent of the two Contracting Parties shall be appointed Chairman of the arbitral tribunal within two months from the date of appointment of the other two members of the arbitral tribunal.

4. If specified in paragraph 3 of this Article the necessary appointments terms will not be made, either Contracting Party may, in the absence of an agreement, refer to the International Court of Justice to make the necessary appointment. If the President is a citizen of one of the Contracting Parties or it can not be other reasons to carry out these functions, make the necessary appointments Sudetenland offered to the International Court of Vice-Chairman. If the vice-chairman is a national of either Contracting Party or if he also can not be said function, then make the necessary appointments will be offered next in seniority of the member of the International Court of Justice who is not a national of either Contracting Party.

5. The arbitral tribunal shall decide by majority vote. Such decision shall be binding on both Contracting Parties. Each Contracting Party shall bear the expenses related to the activities of its arbitrator and its representation in the arbitral proceedings; costs associated with the activities of the Chairman and the remaining costs are paid in equal shares by the Contracting Parties. However, the Court may, in its decision to determine that one of the Contracting Parties shall bear a larger share of spending, and that decision will be binding on both Contracting Parties. The arbitral tribunal shall determine its own rules of procedure.

Article 8.

The Contracting Parties agree immediately at the request of either of them, hold consultations on any matter relating to this Agreement, or to discuss any matter concerning the interpretation or application of this Agreement.

Article 9.

1. This Agreement shall enter into force thirty days after the exchange of instruments of ratification. It will be valid for 15 years and will remain in force as long as there will not be denounced in accordance with paragraph 2 of this article. It will apply to, to make investments the day of its entry into force, as well as to investments made or acquired thereafter.

2. Each Contracting Party may, by giving written notice of its intention to the other Contracting Party one year, denounce this Agreement at the end of the initial fifteen-year period or at any time thereafter.

3. This Agreement may be amended with the written consent of the Contracting Parties. Any amendment shall enter into force after each Contracting Party shall notify the other of the completion of all of the necessary internal procedures.

4. In respect of investments made or acquired prior to the denunciation of this Agreement and covered by its action, the provisions of all other articles of this Agreement shall remain in force for a further period of fifteen years from the date of termination of this Agreement.

IN WITNESS WHEREOF the duly authorized representatives have signed this Agreement.

Done in Ankara on December 14, 1990, in duplicate, each in the Russian, Turkish and English languages, all texts being equally authentic,

In case of discrepancies the English text will be used in the interpretation of this Agreement.

For the Government of the Union of Soviet Socialist Republics

For the Government of the Republic of Turkey