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

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

Desiring to create favorable conditions for increasing investments of investors of one State in the territory of another State,

Conscious that the promotion and reciprocal protection of investments in accordance with the international agreement will contribute to the development of personal business initiatives and prosperity in both countries,

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement, the following terms shall have the following meanings:

1. "Investor" means:

a) in respect of the Republic of Belarus:

Natural persons who are nationals of the Republic of Belarus in accordance with the legislation of the Republic of Belarus;

Any business entity established under the laws of the Republic of Belarus and registered on the territory of the Republic of Belarus in accordance with the legislation of the Republic of Belarus;

b) in respect of the Republic of Lithuania:

Natural persons who are nationals of the Republic of Lithuania in accordance with the legislation of the Republic of Lithuania; any business entity, established in accordance with the legislation of the Republic of Lithuania and registered on the territory of the Republic of Lithuania in accordance with the legislation of the Republic of Lithuania.

2. "Investment" means every kind of asset, invested

Investors of one Contracting Party in the territory of the other Contracting Party, provided that such investments were made in accordance with the legislation of the latter Contracting Party, and include, in particular, but not exclusively:

Movable and immovable property and any other property rights such as mortgages, liens and pledges;

Share, shares, bonds and any other form of participation in companies;

The right to claim in respect of funds that have been used to create some of the economic value or the right to claim in respect of any obligations under the contract, which have some economic value;

Rights to intellectual and industrial property rights (such as patents, trademarks, industrial designs and models, trade names), know-how and goodwill;

The concession granted in accordance with the law or under contract, including concessions to explore, develop, extract or exploit natural resources.

Any change in the form in which assets are invested, does not affect its character as investments provided that such change is in line with the legislation of the receiving State investments.

3. "Proceeds" means the amount obtained by any of investments, and in particular, but not exclusively, include profits, interest, dividends, payments of royalties and fees. Income from investment and reinvestment will be given the same

protection as the investment.

4. "Territory" means:

a) in respect of the Republic of Belarus:

The territory over which the Republic of Belarus may exercise sovereign rights and which is under its jurisdiction in accordance with international law;

b) in respect of the Republic of Lithuania:

The Republic of Lithuania, including the territorial sea and any maritime or underwater space over which the Republic of Lithuania can be carried out in accordance with international law, sovereign rights and which are under its jurisdiction for the purpose of exploration, exploitation and conservation of the seabed, subsoil and natural resources.

5. "The law of the Contracting Party" means the legislation of the Republic of Belarus and the Republic of Lithuania, respectively.

Article 2. Facilitation of Implementation and Protection of Investments

1. Each Contracting Party shall encourage and create favorable conditions for investors of the other Contracting Party to make investments in its territory and in accordance with the legislation of the right given to it will avoid such investments.

2. Investments made by investors of each of Contracting Parties will always be provided fair and equitable treatment and full legal protection and security in the territory of the other Contracting Party. Each Contracting Party shall not prevent the adoption by unreasonable or discriminatory measures the management, maintenance, use or disposal of investments in its territory by investors of the other Contracting Party. Each Contracting Parties shall comply with any commitment made with respect to investments by investors of the other Contracting Party.

Article 3. National Treatment and Most Favored Nation Treatment

1. Each Contracting Party shall provide in its territory in respect of investments of investors of the other Contracting Party treatment no less favorable than that which it accords to investments of its own investors or investments of investors of any third state.

2. Each Contracting Party shall provide in its territory to investors of the other Contracting Party in regard to the management, maintenance, use or disposal of their investments treatment no less favorable than that it accords to its own investors or investors of any third State.

3. Each Contracting Party has the right under its legislation to introduce or maintain exceptions to the non-discriminatory basis to investors of the other Contracting Party, as well as to investors of any third country in certain industries and occupations, which exclude or restrict the activities of foreign investors. Such exceptions are issued in the form of annexes to this Agreement, which shall form an integral part of it. Each Contracting Party agrees to notify the other Contracting Party of the exceptions anticipated for introduction in the future against any sectors and areas that are listed in the annexes. Such exclusion shall not apply in respect of investments made in the sector or the area prior to the entry into force of these exceptions.

4. For the avoidance of doubt, this confirmed that the treatment provided for the above paragraphs 1-3 of this Article shall apply to the provisions of Articles 1-13 of this Agreement.

Article 4. Indemnification

1. Investors of one Contracting Party whose investments suffer losses owing to war or other armed conflict, revolution, state of the state of emergency, revolt, insurrection or riots in the territory of the other Contracting Party, the latter Contracting Party shall be accorded treatment no less favorable than that which the latter Contracting Party accords to its own investors or investors of any third State as regards restoration, reparation, compensation or other settlement.

2. Without prejudice to paragraph 1 of this Article investors of one Contracting Party who in any of the situations referred to in this paragraph shall be in the territory of the other Contracting Party losses resulting from requisition or destruction of their property by the competent authorities of the latter, despite the fact that it was not due to the fighting or were not required necessity of the situation, to provide timely, adequate and effective compensation for losses incurred during the requisitioning or as a result of destruction of property.

3. Attributable to the cases referred to in paragraphs 1 and 2 of this Article, the compensation will be paid without undue delay in the currency in which the initial investment was made, or in any other currency according to agreement between the investor and the Contracting Party in the territory of which were implemented investments.

Article 5. Expropriation

1. Investments of investors of either Contracting Party to the territory of the other Contracting Party shall not be subject to nationalization, expropriation or other measures, the effect of which is equivalent to nationalization or expropriation (hereinafter referred to as "expropriation"), except in the public interest, in accordance with the law, on a non-discriminatory basis and in providing timely, adequate and effective compensation. Such compensation is the actual market value of the expropriated investment at the time immediately prior to the implementation of expropriation or its disclosure, depending on whether that was the case before, including interest calculated on the LIBOR basis from the expropriation date and before the date of payment, will be effectively enforceable and transferable without restrictions.

2. Investors whose property was expropriated, shall have the right to a prompt hearing by a judicial or administrative authorities of the expropriating Contracting Party to determine whether such expropriation or the associated compensation principles set out in this Article, and the law of the expropriating Contracting Party.

3. The provisions of paragraph 1 of this Article shall also apply in cases where a Contracting Party expropriates the assets of the company, created or established in accordance with its legislation, and which are the share of the other Contracting Party of the investor.

Article 6. Transfers

1. Each Contracting Party shall guarantee investors of the other Contracting Party, after fulfillment of all financial obligations the free transfer, without undue delay, in a freely convertible currency of payments associated with any investment, in particular but not exclusively:

a) investments in terms of money or additional funds for the maintenance or development of the existing investments;

b) the revenues, profits, interest, dividends and other current income;

c) proceeds from the total or partial liquidation or sale of investments;

d) funds allocated for the payment of loans in accordance with the contract and properly furnished and directly related to the investment;

e) compensation provided under the provisions of Articles 4 and 5;

e) earnings of nationals of one Contracting Party who are allowed to work in connection with investments made by investors of that Contracting Party in the territory of the other Contracting Party.

2. Transfers referred to in paragraph 1 of this Article shall be implemented in accordance with the laws of the Contracting Party in whose territory the investment has been made.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, each Contracting Party may protect the rights of creditors in respect of transfers referred to in paragraph 1 of this article, or to ensure the implementation of decisions taken in the course of judicial or administrative proceedings by an equal, non-discriminatory and good faith application of its laws.

4. Contracting Parties shall guarantee to provide the translations referred to in paragraph 1 of this article, treatment no less favorable than that which they provide in relation to transfers related to investments made by investors of any third state.

Article 7. Exceptions

The provisions of this Agreement regarding the provision of treatment no less favorable than that accorded to investors of the Contracting Parties themselves or to investors of any third States should 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, common market, free trade zone, economic union or other forms of regional economic cooperation, or any agreement, which aims to create in the future a regional structure, or

b) any international agreement or arrangement relating wholly or mainly to taxation or any domestic legislation relating

wholly or mainly to taxation.

Article 8. Disputes between a Contracting Party and an Investor of the other Contracting Party

1. The parties to the dispute will try to resolve the contradictions have arisen between them with respect to investment-friendly way.

2. If a dispute regarding investments between one Contracting Party and an investor of the other Contracting Party can not be settled amicably, the investor of one Contracting Party shall submit a written statement on the settlement of the dispute to another Contracting Party, its investments have been made in whose territory.

In case of failure to settle the said dispute within six months from the date of filing of this statement dispute at the request of either party, and at the option of the investor will be sent:

In ah hoc tribunal for arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL); or

The International Centre for Settlement of Investment Disputes (ICSID), established under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of 18 March 1965 for the arbitration proceedings in accordance with the rules of ICSID.

3. The arbitration decision shall be final and binding on both parties to the dispute. Each Contracting Party shall execute them in accordance with its laws and the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention, 1958). The arbitration will be held in a state that is a party to the New York Convention.

Article 9. Disputes between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled through diplomatic channels.

2. If the resolution of a dispute through diplomatic channels is not possible, within six months, the dispute at the request of either Contracting Party may be submitted to arbitration.

3. Such an arbitral tribunal will be established for each individual case as follows. Within two months from the date of receipt of the arbitration request, each Contracting Party shall appoint one member of the tribunal. These two members then determine national of a third state, who by mutual consent of the Contracting Parties shall be appointed Chairman of the Court. Designation of the President must take place no later than two months from the date of appointment of the other two members.

4. If the necessary appointments have not been made within the periods specified in paragraph 3 of this Article, and if the Contracting Parties agree otherwise, any Contracting Party may request that a product of any necessary appointments to the President of the International Court of Justice. If the President of the International Court of Justice is a national of either Contracting Party or if he is unable to carry out the above steps for other reasons, the right product will be provided with the necessary appointments Vice-Chairman of the International Court of Justice. If the Vice-President of the International Court of Justice, in turn, is a citizen of one of the Contracting Parties or he is unable to carry out the above actions, the request for work necessary appointments will be addressed to the next-highest member of the International Court of Justice who is not a national of either Contracting Party.

5. The arbitral tribunal constituted under this Article shall take decisions by majority vote. These decisions are binding on both Contracting Parties. Each Contracting Party shall bear the costs of its appointed member of the tribunal and the costs associated with its participation in the arbitration proceedings; Chairman of the costs and unaccounted costs will be divided equally between the Contracting Parties. The Court may, however, in its decision to establish one of the Contracting Parties to the large share of the costs, and the decision will be binding on both Contracting Parties. The Court itself defines the rules of its work under the provisions of this Agreement and international law.

Article 10. Subrogation

1, the second Contracting Party shall recognize the If one Contracting Party or its designated agency makes a payment under the guarantee in relation to any investment in the territory of the other Contracting Party:

a) the transfer of the first Contracting Party by law or in accordance with the legal transaction of all the rights and rights

guaranteed by the requirements of the parties;

b) the fact that, by virtue of the principle of subrogation, the first Contracting Party is entitled to exercise these rights and the right to demand to the same extent as the guaranteed party.

2. The first Contracting Party shall at all times have the right to enjoy the rights and the rights of claim acquired by it by virtue of the above-mentioned transmission, and any payments resulting from the exercise of these rights regime, the same regime that guaranteed the party was entitled to under this Agreement use in relation to investments and related income.

3. The first Contracting Party shall be free to dispose of any payments received in non-convertible currency, pursuant to the acquired rights and responsibilities solely to cover any costs incurred in the territory of another Contracting Party.

Article 11. Applicability of other Regulations

If the domestic legislation of one Contracting Party or existing or subsequently agreed by the Contracting Parties obligations under international law contain a general or specific rules according to which the investor investments of the other Contracting Party shall enjoy more favorable treatment than that which is established by this Agreement, the rules shall prevail in relation to this Agreement to the extent and to the extent to which, and because they are more favorable.

Article 12. Consultations and Exchange of Information

At the request of either Contracting Party the other Contracting Party agrees to promptly hold consultations on the interpretation or application of this Agreement. At the request of either Contracting Party shall be informed about laws, regulations, decisions, administrative practices or procedures of the other Contracting Party that may have a direct bearing on investment in terms of this Agreement.

Article 13. Application of this Agreement

The provisions of this Agreement shall apply to investments made by investors of either Contracting Party, irrespective of whether they were made before or after the entry into force of this Agreement, provided that the investment has been made in accordance with the law of the Contracting Parties. However, this Agreement will not apply to claims or disputes which have arisen prior to its entry into force.

Article 14. Changes and Additions

In this Agreement by mutual consent of the Contracting Parties are subject to additions and changes. These additions and changes will take effect in the same manner as provided for in Article 15 of this Agreement.

Article 15. Entry Into Force

This Agreement shall enter into force thirty days from the date of notification by the Contracting Parties to each other of the completion of the internal procedures necessary for its entry into force.

Article 16. Term and Termination

This Agreement shall remain in force for ten years. It will be at the end of this period of ten years to remain in force until the expiration of twelve months from the date on which either Contracting Party in writing notifies the other of the termination of this Agreement.

In respect of investments made prior to the date of termination of this Agreement, the provisions of Articles 1-13 shall remain in force for a further period of ten years from the date of termination of this Agreement.

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

Done in duplicate at Minsk on March 5, 1999 in Russian, Lithuanian and English languages, all texts being equally authentic. In case of divergence of interpretation of this Agreement will be given to the English text.

DECLARATION

The application of Article 3 of the Agreement between the Government of the Republic of Belarus and the Government of the Republic of Lithuania on the Promotion and Protection of Investments

During the signing of the Agreement between the Government of the Republic of Belarus and the Government of the Republic of Lithuania on the Promotion and Protection of Investments (hereinafter referred to as "the Agreement"), the Republic of Lithuania Government states that, with reference to the provisions of paragraph 3 of Article 3 of the Agreement in respect of the Republic of Lithuania:

a) the provisions of the Agreement do not apply to matters relating to the acquisition, possession, use, disposal and other rights with respect to the areas of land;

b) the issues referred to in paragraph a) of this Declaration shall be regulated by the legislation of the Republic of Lithuania.

Done in duplicate at Minsk on March 5, 1999 in Russian, Lithuanian and English languages, all texts being equally authentic. In case of divergence of interpretation of this Agreement will be given to the English text.