AGREEMENT BETWEEN THE PORTUGUESE REPUBLIC AND THE REPUBLIC OF SLOVAKIA ON THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS.

The Portuguese Republic and the Slovak Republic (hereinafter referred to as the 'Contracting Parties'):

Encouraged by the desire to intensify economic cooperation for the mutual benefit of the two States;

With the intention of creating and maintaining the favorable conditions for the investments of investors of one State in the territory of the other State; and

Aware that the protection and reciprocal promotion of investments under this Agreement will help stimulate trade initiatives in this area;

Agree as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" shall comprise all goods invested by an investor of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the other Contracting Party, including in particular:

a) Property of furniture and real estate, as well as any other real rights, such as mortgages, pledges, collateral and similar rights;

b) Shares, quotas and obligations or other forms of participation in the capital of companies, as well as the rights related thereto;

c) Credit rights or any other rights with economic value;

d) Intellectual property rights, in particular, copyright, trademarks, patents, industrial designs, trademark rights, trade names, trade secrets, technical processes, know-how and clientele;

e) Concessions granted by law or issued in accordance with the decision of a competent public authority, including concessions for exploration, research or exploitation of natural resources.

Any change in the form of realization of investments shall not affect their qualification as investments, provided that such change is not contrary to the laws and regulations of either Contracting Party.

2. The term "investor" shall mean any natural or legal person of either Contracting Party investing in the territory of the other Contracting Party:

a) The term 'natural person' shall designate any natural person having the nationality of one of the Contracting Parties in accordance with their respective laws and regulations; and

b) The term "legal person" shall designate, in respect of any Contracting Party, any entity incorporated or constituted and recognized as a legal person, in accordance with its law, engaged in economic activities in the territory of either Contracting Party.

3. The term "income" shall mean the amounts generated by investments in a given period, including in particular but not exclusively profits, dues, interest, royalties or other payments.

4. The term "territory" shall mean the territory of either Contracting Party, as defined in the respective laws, over which the Contracting Party exercises its sovereignty, sovereign rights or jurisdiction in accordance with international law.

Article 2. Promotion and Protection of Investments

1 - Both Contracting Parties shall encourage and create, as far as possible, the favorable conditions for the realization of investments of investors of the other Contracting Party in their territory, admitting such investments in accordance with their laws and regulations.

2 - Investments made by investors of either Contracting Party shall be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party.

Article 3. National and Most-favored Nation Treatment

1. Each Contracting Party shall grant in its territory investments and income of investors of the other Contracting Party a fair and equitable treatment and no less favorable than that accorded to investments and income of its own investors or investors of any third State.

2. Each Contracting Party shall grant in its territory to the investors of the other Contracting Party, as regards the management, maintenance, use, enjoyment or disposal of its investment, a fair and equitable treatment and not less favorable than that accorded to its own Investors of any third State.

3. The provisions of paragraphs 1 and 2 of this article do not imply the granting of any treatment, preference or privilege by one of the Contracting Parties to investors of the other Contracting Party that may be awarded by virtue of:

a) Customs union or free trade areas or monetary union existing or to be created or other similar international agreements leading to such a union or institution, including other forms of regional cooperation, to which one of the Contracting Parties has acceded or will accede; and

b) Agreement or international agreement relating, in whole or in part, to tax matters.

Article 4. Expropriation

1. Investments made by investors of one Contracting Party in the territory of the other Contracting Party may not be nationalized, expropriated or subject to other measures having equivalent effect to nationalization or expropriation (hereinafter referred to as 'expropriation'), except for reasons of public interest. Expropriation shall be determined by law in a non-discriminatory manner and shall be accompanied by measures to establish prompt, adequate and effective compensation.

2. The compensation shall correspond to the market value that the expropriated investment had at the date immediately prior to the time the expropriation became public knowledge, it shall bear interest at the normal commercial rate from the date of expropriation and shall be carried out without delay, effectively realizable and Freely transferable currency.

3. The investor to whom the investments have been expropriated shall be entitled to prompt review of his or her case, in judicial or other proceedings conducted by an entity independent of the Contracting Party concerned, and to the assessment of his investment in accordance with the principles set out in this Article.

Article 5. Compensation for Losses

Investors of one Contracting Party who suffer losses related to investments in the territory of the other Contracting Party in respect of war, armed conflict, national state of emergency, revolt, insurrection, riot or other similar events shall receive Restitution, compensation, compensation or other consideration, no less favorable than that accorded to its own investors or to investors of any third State, whichever is most beneficial. Any payments made under this article will be made without delay and freely transferable in freely convertible currency.

Article 6. Downloads

1. Each Party shall guarantee to investors of the other Contracting Party the free transfer of amounts related to investments. Transfers will be made in convertible currency, without any restriction and without undue delay. Such transfers shall include in particular:

a) The capital and additional amounts required to maintain or expand the investment;

b) The income defined in Article 1, paragraph 2, of this Agreement;

c) The amounts required for the servicing, repayment and amortization of loans accepted by both Contracting Parties as an investment;

d) Proceeds from the sale or total or partial liquidation of the investment;

e) Any compensation or other payments provided for in Articles 4 and 5 of this Agreement;

f) Any preliminary payments made on behalf of the investor in accordance with Article 7 of this Agreement;

g) Remuneration of natural persons obtained for work or services rendered in relation to an investment.

2. For the purposes of this Agreement, the exchange rate shall be the official rate for current transactions which is in force on the date of the transfer.

Article 7. Subrogation

If one of the Contracting Parties or the agency designated by it makes any payment to an investor by virtue of a guarantee provided for an investment made in the territory of the other Contracting Party, it shall be for that reason subrogated to the rights and shares of that investor. The rights and shares subrogated shall not exceed the original rights and actions of the investor.

Article 8. Settlement of Disputes between the Contracting Parties

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

2. If the dispute can not be resolved within six months, it shall be submitted to an arbitral tribunal, at the request of either Contracting Party, in accordance with the provisions of this article.

3. The arbitral tribunal shall be established in each case as follows: within two months of receipt of the request for arbitration, each Contracting Party shall appoint one member. Both members shall propose a national of a third State, who shall be appointed by the two Contracting Parties as the President of the Court (hereinafter referred to as 'the President'). The Chairman shall be appointed within three months from the date on which one Contracting Party notifies another of its decision to refer the dispute to an arbitral tribunal.

4. If the necessary appointments have not been made within the time limits set out in paragraph 3 of this Article, the President of the International Court of Justice may be requested to make the appointments. If the President is prevented or is a national of one of the Contracting Parties, the appointments shall be made by the Vice-President. If the latter is also prevented or is a national of one of the Contracting Parties, appointments shall be made to the member of the International Court of Justice who is in the hierarchy who is not a national of either Contracting Party.

5. The president of the court must be a national of a third State with which both Contracting Parties maintain diplomatic relations.

6. The arbitral tribunal shall decide by majority vote. Its decisions shall be final and binding on both Contracting Parties. Each Contracting Party shall bear the expenses of the respective arbitrator, as well as the respective representation in the arbitral proceedings; Both Contracting Parties shall bear the costs of the President and the other expenses in equal parts. The arbitral tribunal shall define its own rules of procedure.

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

1. Disputes arising between an investor of one Contracting Party and the other Contracting Party relating to an investment in the territory of that Contracting Party shall be the subject of negotiations between the parties to the dispute.

2. If the dispute can not be settled within six months from the date on which one of the parties lodged it, the investor may, at his request, submit the dispute:

a) To the competent court of the Contracting Party; or

b) The International Center for Settlement of Investment Disputes (CIRDI) pursuant to the Convention on the Settlement of Disputes between States and Nationals of Other States, done at Washington DC on 18 March 1965.

3. None of the Contracting Parties may use diplomatic channels to resolve any matter related to arbitration, unless the process has already been completed and the Contracting Party has not complied with or complied with the CIRDI decision.

Article 10. Application of other Rules

If, in addition to this Agreement, the provisions of the domestic law of one of the Contracting Parties or obligations arising under international law in force or which may come into force between the two Contracting Parties establish a general or special regime that confers on the investments made by investors Of the other Contracting Party more favorable treatment than that provided for in this Agreement, the most favorable regime shall prevail over it.

Article 11. Application of the Agreement

This Agreement shall apply to investments made before its entry into force by investors of one Contracting Party in the territory of the other Contracting Party in accordance with their respective laws and regulations, but shall not apply to disputes arising prior to the entry into force of this Agreement. Entry into force.

Article 12. Inquiries

The Contracting Parties agree on prompt consultations at the request of either Contracting Party for the settlement of disputes relating to this Agreement or for discussion of any matter relating to its application.

Article 13. Entry Into Force, Duration and Termination

1. This Agreement shall be subject to approval by both Contracting Parties in accordance with their respective constitutional procedures and shall enter into force 30 days after the exchange of written notifications on such approval.

2. This Agreement shall remain in force for a period of 10 years and shall remain in force unless one of the Contracting Parties notifies the other in writing of its decision to denounce it one year before the end of a subsequent period of five years.

3. The provisions of Articles 1 to 12 shall remain in force for a period of 10 years after the expiry of this Agreement.

In witness whereof the undersigned Plenipotentiaries, being duly authorized by their respective Governments, have signed this Agreement.

Done in duplicate at Lisbon on the 10th day of the month of July 1995 in Portuguese, Slovak and English, all texts being equally authentic. In case of divergences in interpretation, the English text shall prevail.

Protocol

At the time of signature of the Agreement between the Portuguese Republic and the Slovak Republic on the Promotion and Reciprocal Protection of Investments, the undersigned plenipotentiaries further agreed on the following interpretative provisions which form an integral part of that Agreement:

1. With reference to Article 2 of this Agreement

The provisions of Article 2 of this Agreement shall apply to investors of one Contracting Party who are already established in the territory of the other Contracting Party and wish to expand their activities or establish themselves in other sectors.

Such investments shall be considered as new and as such shall be carried out in accordance with the rules governing the admission of investments, in accordance with Article 2 of this Agreement.

2. With respect to Article 3 of this Agreement

The Contracting Parties consider that the provisions of Article 3 of this Agreement shall be without prejudice to the right of each Contracting Party to apply the relevant provisions of its tax law which distinguish between taxpayers who are not in the same situation as His place of residence or the place where his capital is invested.

Done in duplicate at Lisbon on the 10th day of the month of July 1995 in Portuguese, Slovak and English, all texts being equally authentic.