AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF ARMENIA AND THE GOVERNMENT OF THE STATE OF QATAR FOR THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENT

The Government of the Republic of Armenia and the Government of the State of Qatar, (hereinafter referred to as the "Contracting Parties");

Desiring to create conditions favorable for fostering greater investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognizing that the promotion and protection of these investments will stimulate the flow of capital and technology between the two Contracting Parties in the interest of economic development;

Have agreed as follows:

Article 1. Definitions

For the purpose of this Agreement and unless stated otherwise the following words and terms shall have the corresponding meanings:

(1) “Investor” means

a) in respect of the State of Qatar:

(i) natural persons deriving their status as national of the State of Qatar according to its applicable laws.

(ii) Government and Governmental agencies, corporations, companies, firms or business associations incorporated or constituted under the law in force in the State of Qatar and having their headquarters in the territory of the State of Qatar.

b) in respect of the Republic of Armenia:

(i) any natural person who according to the legislation of the Republic of Armenia is considered a citizen or a permanent resident of that Contracting Party,

(ii) any legal or other entity, which incorporated or constituted in accordance with the legislation of the Republic of Armenia, having its residence in the territory of the Republic of Armenia and recognized by its laws.

(2) “Investment” means every kind of asset established or acquired, including changes in the form of such investment, in accordance with the national laws of the Contracting Party whose territory the investment is made and in particular, through not exclusively, includes:

i. movable and immovable property as well as other rights in rem such as mortgages, lines or pledges;

ii. shares in and stock and debentures of a company and any other similar forms of participation in a company;

iii. rights to many or to any performance under contract having a financial value;

iv. intellectual property rights in accordance with the relevant laws of the respective Contracting Party;

v. business concession conferred by law or under contract, including concessi0n to search for and extract oil and other natural resources.

(3) “Returns” means the monetary amounts yielded by an investment and includes in particular, though not exclusively, profit, interest. Capital gains, dividends, royalties and fees. Returns reinvested shall have the same protection as enjoyed by

an investment.

(4) “Territory” means:

i. In respect of the State of Qatar lands and interval and territorial waters of the State of Qatar, which include the air space over it and economic zone and continental shelf over which the State of Qatar exercises sovereignty and sovereign rights according to international law and its national laws and regulations:

ii. In respect of the Republic of Armenia: territory of the Republic of Armenia, including internal waters, over which the Republic of Armenia exercises its sovereign rights and jurisdiction.

Article 2. Scope of the Agreement

This Agreement shall apply to all investments made by investors of either Contracting Party in the territory of the other Contracting Party, accepted as such in accordance with its laws and regulations, whether made before or after the coming into force of this Agreement.

Article 3. Promotion and Protection of Investment

(1). Each Contracting State shall encourages and create favorable conditions for investors of the other Contracting Party to make investments in its territory, and admit such investments in accordance with its laws and regulations in force.

(2). Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment in the territory of the other Contracting Party.

Article 4. National Treatment and Most Favored Nation Treatment

(1). Each Contracting party shall accord to investors of the other Contracting Party, treatment which shall not less favorable than that accorded either to investments of its own or investments of investors of any third State.

(2) In addition, each Contracting Party shall accord to investors of the other Contracting Party, including in respect of returns on their investments, treatment which shall not be less favorable than that accorded to investors af any third State.

(3) The provisions stipulated in the above pars shall not be construed to allow the investors of the Contracting Parties to enjoy the privileges granted by either Contracting Party to the investors of a third State by virtue of its participation in any of the following:

(i) Agreements relating to any existing or future customs unions , free trade zones, regional economic organizations or similar international agreements;

(ii) Matters relating wholly or mainly to taxation

Article 5. Alienation, Expropriation and Compensation

(1). The investment shall not be subject, either directly or indirectly, to any act of confiscation, expropriation or nationalization or to any other procedure of similar effect /hereinafter called “alienation”/, unless it is intended for public interest and without discrimination against equitable compensation paid in accordance with the national laws of the Contracting Parties and legal procedures and general principles of the type of treatment stipulated in paragraph (2) of this Article.

(2) The said compensation shall be equivalent to the real market value for the such alienation of investment at the time of its alienation or its declaration and shall be estimated in accordance with a normal economic situation prevailing prior to any threat of said alienation. The compensation due shall be paid without unreasonable belay and shall enjoy free transfer, and it shall include interest at a fair and equitable rate. However it shall not be less than the prevailing six month LIBOR – rate of interest or equivalent, from the date of alienation until the date of payment.

(3) Without prejudice to the rights of the investor under Article (8) of this Agreement, he shall have right, under the law of the Contracting Party making such alienation, to review, by a judicial or other independent authority of that Party, the valuation of his or its compensation in accordance with the principles set out in this Article. The Contracting Party making the said alienation shall make every endeavor to ensure that such review is carried out promptly.

(4) Where a Contracting Party alienates the assets of company which is incorporated or constituted under the law in force in

any part of its own territory, and in which investors of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article are applied to the extant ensure equitable compensation in respect of their investment to such investors of the other Contracting Party who are owners of those shares.

(5) Investors of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses owing to war other armed conflict, a state of national emergency or civil disturbances in the territory of the latter Contracting Party shall be accorded by the latter Contracting Party, treatment as regards restitution, indemnification, compensation or other settlement no less favorable than that which the letter Contracting Party accords to its own investors or to investors of any third state. Resulting payments shall be freely transferable.

Article 6. Repatriation of Investment and Returns

(1) Each Contracting Party shall permit all funds of an investor of the other Contracting Party related to an investment in its territory to be freely transferred, after fulfillment of the tax obligations, without unreasonable delay and on a non-discrimination basis. Such fund would include:

(i) Capital and additional capital amounts used to maintain and increase investment;

(ii) Returns;

(iii) Repayments of any loan including interest thereon, relating to the investment;

(iv) Proceeds from of their shares;

(v) Proceeds received by investors in case of sale or partial sale or liquidation;

(vi) The earnings of citizens of one Contracting Party who work in connection with an investment in the territory of the other Contracting Party;

(vii) Compensation pursuant to Article (5) of this Agreement;

(viii) Payments arising out of the settlement of any legal dispute.

(2) Unless otherwise agreed to between the parties, currency transfer under paragraph 1 of this Article shall be permitted in the currency of the original investment or any other convertible currency. Such transfer shall be made at the prevailing market rate of exchange on the date of transfer.

Article 7. Subrogation

Where one Contracting State or its designated agency has guaranteed any indemnity against non-commercial risks in respect of an investment by any of its investors in the territory of the other Contracting Party and has make payment to such investors in respect of their claims under this Agreement the other Contracting Party agrees than the first Contracting Party of its designated agency is entitled by virtue of subrogation to exercise the rights and assert the claims of those investors. The subrogated rights or claims shall not exceed the original or claims of such investors.

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

(1.) Any legal dispute under the provisions of this Agreement, arising directly form an investment between either Contracting Party and an investor of the other Contracting Party shall be settled amicable among themselves.

(2) If such disputes cannot be settled according to the provisions paragraph (1) of this Article within six months from the date of request in writing for settlement, either party to the dispute may submit the dispute to:

(i) first of all to the competent court of the host Contracting Party for decision, if the investor so agrees of

(ii) the International Center for the Settlement of Investment Disputes establishment under the Convention on the Settlement of investment Disputes between States and Nationals of the other States of March 18, 1965 done in Washington, D.C, if this Convention is applicable to the Contracting Parties; or

(iii) an Ad Hoc Arbitral Tribunal.

Either Party to the investment dispute who chooses one of the above mentioned ways of the settlement of dispute, can not

choose the two other ways.

(3) The Ad Hoc Arbitral Tribunal specified under paragraph 2(c) shall be established as follows:

(i) Each party to the dispute shall appoint one arbitrator, and the two arbitrators thus appointment, shall select by mutual agreement a third arbitrator, who must be a citizen of a third country, with which both countries have diplomatic relations, and who shall be appointed as Chairman of the Tribunal by the two parties. All the arbitrators must be appointed within two months from the date of notification by one party to the other party of his intention to submit the dispute to arbitration.

(ii) If the periods specified in paragraph 3(a) herein above have not been respected, either party, in the absence of any other agreement shall invite the president, Vice-president or the next senior judge of the International Court of Justice who is not a national of either Contracting Party to make the necessary appointments.

(iii) The Ad Hoc Arbitral Tribunal shall reach its decisions by a majority of vote. These decisions shall be final and legally binding uypon the parties and shall be enforced in accordance with the domestic law of the Contracting Party to the dispute. The decisions shall be taken in conformity with the provisions of this Agreement and the laws of the Contracting Party to the dispute.

(iv) The Tribunal shall interpret its award and give reasons and bases of its decision at the request of either party. Unless otherwise agreed y the parties, the venue of Arbitration will be at the Hague (Netherlands).

Subject to the above, the Tribunal shall follow the Arbitration Rules of the United Nations Commission for International Trade Law (UNCTRAL), 1976.

Article 9. Settlement of Disputes between the Contracting Parties

(1) The two Contracting Parties shall strive with good faith and mutual cooperation to reach a fair and quick settlement of any dispute arising between them concerning interpretation or execution of this Agreement. In this connection the two parties hereby agree to enter into direct objective negotiations to reach such settlement. If the disagreement has not been settled within a period of six months from the date on which the matter was raised by either Contracting Party, it may submitted at the request of either Contracting Party to an Arbitral Tribunal composed of three members.

(2) Within a period of two months from the date of receiving the said request each Contracting Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint, within a period of two months and with the approval of both Contracting Parties, a citizen of a third country as Chairman of the Tribunal.

(3) If within the periods specified in paragraph (2) of this Article the necessary appointments have not been made, either Contracting Party may, in the absence of any other agreement invite the President of the International Court of Justice to make any necessary appointments. If otherwise prevented form discharging the said function, the Vice-President shall be invited to make the necessary appointments. If the Vice- President is a citizen of either Contracting Party or if he too is prevented from discharging the said function, the Member of the International Court of Justice next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.

(4) The Arbitral Tribunal shall reach its decision by a majority of votes. Such decision shall be binding on both Contracting Parties. Each Contracting party shall bear the cost of its own member of the tribunal and of its representation in the arbitral proceedings; the cost of the Chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The Tribunal may, however in its decision direct that a higher proportion of coasts shall be borne by one of the two Contracting Parties and this award shall be binding on both Contracting Parties. The Tribunal shall determine its own procedure.

(5) Unless agreed otherwise by the Contracting Parties, the venue of Arbitration shall be The Hague, Netherlands.

(6) All claims shall be submitted and all hearing session shall be completed within a period of eight months from the date the third member is appointed, unless otherwise agreed. The Tribunal shall issue its decision within two months from the date of submitting the final claims or the date of closing the general sessions, whichever is later.

(7) It shall not be permitted to submit a dispute to an Arbitration Tribunal pursuant to the rules of this Article if the same dispute was submitted to another Arbitration Tribunal pursuant to the rules of Article (8) hereunder and which is still under hearing by that Tribunal. This, however, shall not affect entering into direct and constructive negotiations between the Contracting Parties.

Article 10. Entry and Sojourn of Personal

A Contracting Party shall subject to its laws applicable from time to time relating to the entry and sojourn of non-citizen, permit natural persons of the other Contracting Party and the other persons appointed or employed by investors of the other Contracting Party to enter and remain in its territory for the purpose of engaging in activities connected with investments.

Article 11. Applicable Laws

(1) Except as otherwise provided in this Agreement, all investments shall be governed by the law in force in the territory of the Contracting party in which such investments are made.

(2) Notwithstanding paragraph 1 of this Article nothing in this Agreement precludes the host Contracting party from taking action for the protection of its essential security interests or public order or morality affecting public order or in circumstances of extreme emergency in accordance with its laws normally and reasonable applied on a non-discriminatory basis.

Article 12. Application of other Rules

This Agreement shall not derogate:

(i) Laws and regulations, administrative practices or procedures or administrative or adjudicatory decisions of either Contracting Party;

(ii) Obligations under International Law; or

(iii) Obligations assumed by either Contracting Party, including those contained in an investment agreement or an investment authorization.

Wherever the above authorize more favorable treatment than that offered by this Agreement in similar situations.

Article 13. Entry Into Force

This Agreement shall be subject to ratification and shall enter into force on the date of last notification on the completion of the internal procedures, which are required for its entry into force.

Article 14. Duration and Termination

(1) This Agreement shall remain in force for a period of the years and thereafter it shall be deemed to have been automatically extended unless either Contracting Party gives to the other Contracting Party a written notice of its intention to terminate the Agreement. The Agreement shall stand terminated one year from the date on receipt of such written notice.

(2) Notwithstanding termination of this Agreement pursuant to paragraph (1) of this Article the Agreement shall continue to be effective for a further period of ten years from the date of its termination in respect of investments made or acquired before the date of termination of this Agreement.

(3) This Agreement may be amended by written agreement between the two Contracting Parties. Any amendment shall enter into force when each Contracting Party has notified the other hat it has completed all requirements for entry into force of such amendment.

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

Done in Doha on April 22, 2002. in two originals, each of them Armenian, Arabic and English languages, all texts being equally authentic.

In case of divergence the English text shall prevail.