

AGREEMENT BETWEEN THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN AND THE GOVERNMENT OF THE STATE OF QATAR

The Government of the Hashemite Kingdom of Jordan, And the Government of the State of Qatar, hereinafter referred to as the "Contracting Parties",

Desiring to create favorable conditions for investments of investors of one Contracting Party in the territory of the other Contracting Party,

Recognizing that the promotion and protection of such investments will stimulate the inflow of capital and technology between the Contracting Parties for the purpose of economic development.

Have agreed as follows:

Article 1. Definitions

In applying the provisions of this agreement, the following terms shall have the following respective meanings, unless the context infers otherwise:

1. Investor:

- a. natural persons holding the nationality of either Contracting Party in accordance with its laws and regulations and engaging in investment activities in the territory of the other Contracting Party;
- b. legal persons incorporated or established in the territory of a Contracting Party in accordance with its laws and regulations, and who invest in the territory of the other Contracting Party, including the government, governmental agencies, public institutions, companies, establishments and businessmen unions.

2. Investment:

All kinds of assets owned or controlled by an investor of one Contracting Party in the territory of the other Contracting Party, including changes to the nature of this investment, in accordance with the national laws of the Contracting Party in which the investment was made, including in particular, though not exclusively, the following:

- a. movable and immovable funds as well as any other rights in rem, such as mortgages, royalties and possessory pledges;
- b. company stocks, shares and bonds, and other similar forms of participation in companies;
- c. claims to money and other contractual claims with a monetary value;
- d. intellectual property rights;
- e. franchises granted under a law or contract, including concessions to search for and extract oil and other natural resources.

3. Returns:

All amounts yielded by an investment, including in particular, though not exclusively, profits, interests, capital gains, dividends, royalties and fees. Reinvested returns shall enjoy the same treatment as the investment.

4. Territory:

- a. In respect of the Hashemite Kingdom of Jordan:

— land of the Hashemite Kingdom of Jordan

— territorial sea, including the seabed

— all other areas extending beyond the territorial sea over which Jordan practices its sovereign rights according to international law and Jordanian laws for the purpose of exploration, extraction, exploitation and investment of natural resources, alive or not, and all other rights present in the sea, land and under the seabed

b. In respect of the State of Qatar:

Land and the internal and territorial waters of the State of Qatar, its bed, underground and airspace above it, special economic zone and continental shelf, over which the State of Qatar practices its sovereign rights and legal domain, in accordance with the provisions of international law and its national laws and regulations.

5. Convertible currency:

Any currency determined by the International Monetary Fund, from time to time, or any other currency that is freely convertible at the prevailing exchange rate on the market.

Article 2. Scope of the Agreement

This agreement shall apply to all investments of investors of either Contracting Party in the territory of the other Contracting Party, made in accordance with the laws and regulations of the latter, whether such investments were made before or after the entry into force of this agreement. This agreement shall not apply to disputes that arose before its entry into force.

Article 3. Promotion and Protection of Investments

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

2. Investments and returns of investors of either Contracting Party shall, at all times, be accorded fair and equitable treatment and full legal protection in the territory of the other Contracting Party in accordance with this agreement.

Article 4. National and Most Favored Nation Treatment

1. Each Contracting Party shall accord investments of investors of the other Contracting Party, and their returns, treatment that is not less favorable than that which it accords to investments of its own investors, or to investments of investors of any third state.

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

a. any customs or economic union, free trade area, union, regional or international economic organization, or another form of regional arrangement or similar international agreement, to which either Contracting Party is or may become a party in the future; or

b. any international, regional or bilateral agreement or any other arrangement, wholly or mainly related to taxation.

Article 5. Expropriation and Compensation

1. Investments shall not be subject, directly or indirectly, to any decision of expropriation, nationalization or any measure having a similar effect unless it is for a public interest, it is non-discriminatory and against prompt, adequate and effective compensation to be paid in accordance with legal procedures and the general principles set forth in Paragraph (2) of this article.

2. Compensation shall be equivalent to the fair market value of the expropriated investment on the expropriation date or the date it became public, whichever is earlier. The value of compensation shall be determined in normal economic conditions. The payment of compensation shall be made without delay, in a freely convertible currency and shall include interest at a fair and equitable rate. Nevertheless, the interest rate shall not be less than the LIBOR interest rate prevalent in London during a period of six months from the date of expropriation until the date of payment.

3. Without prejudice to the investor's rights under the provisions of Article (8) of this agreement, the investor whose

investments are affected by the expropriation, in accordance with the laws and regulations of the Contracting Party that took this measure, shall have the right to request for review by a judicial authority or another independent authority of this Party, to value compensation due to him in accordance with the rules stated in this article. The Contracting Party that took the expropriation measure shall make every effort to ensure this review is done promptly.

4. If either Contracting Party expropriates the ownership of a company constituted or established in accordance with the laws and regulations applicable in any part of its territory, where investors of the other Contracting Party own a part of its shares, then that Party shall apply the provisions of Paragraph (2) of this article so as to provide fair and equitable compensation to investments of investors of the other Contracting Party who own those shares.

5. If investments of investors of either Contracting Party suffer losses in the territory of the other Contracting Party owing to war or other armed conflict, a state of national emergency, civil unrest or other similar events, this latter Contracting Party shall accord treatment that is not less favorable than treatment provided to its own investors or to investors of any third state, as regards compensation, restitution or any form of settlement. Any amounts paid under this article shall be freely transferable.

Article 6. Transfers

1. Each Contracting Party shall allow investors of the other Contracting Party free transfers regarding their investments made in its territory without unreasonable delay and on a non-discriminatory basis. Such transfers include:

- a. original and additional capital used to maintain and increase the investment; b. returns;
- c. payments made under a contract including the repayment of the loan principle and interest connected to an investment;
- d. royalties and fees;
- e. total proceeds received by investors in case of the full or partial sale or liquidation of an investment;
- f. amounts earned by nationals of either Contracting Party for their work in connection with an investment in the territory of the other Contracting Party;
- g. payments arising out of the settlement of investment disputes;
- h. compensation payments under Article (5) of this agreement.

2. Unless agreed otherwise between the Contracting Parties, transfers referred to under the provisions of Paragraph (1) of this article shall be made in the freely convertible currency in which the investment was made or any other convertible currency, at the market rate of exchange prevailing on the date of the transfer.

Article 7. Subrogation

In cases where either Contracting Party, its designated agency or any other recognized party "Guarantor Party" guarantees the investments of its own investors made in the territory of the other Contracting Party "Host State" against non-commercial risks, and makes payments to those investors to settle their claims in accordance with this agreement, then the other Contracting Party "Host State" shall recognize the right of the "Guarantor Party", under the principle of subrogation, in exercising the rights and claims of those investors, provided that they do not exceed the original rights and claims of the investor.

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

1. Any dispute arising under the provisions of this agreement regarding an investment between a Contracting Party and an investor of the other Contracting Party shall be settled amicably by the parties to the dispute.

2. If disputes could not be settled according to the provisions of Paragraph (1) of this article within six months from the date of a written request for settlement, either of the parties may submit the dispute to:

- a. the competent court in the territory of the host Contracting Party, if the investor so agrees; or
- b. the Arab Investment Court established by virtue of the chapter on the settlement of disputes of the Unified Agreement for the Investment of Arab Capital in the Arab States for the year 1980; or

c. the International Centre for Settlement of Investment Disputes (ICSID), established by the Convention on the Settlement of Investment Disputes between States and Nationals of other States, opened for signature in Washington on 18 March 1965, if this agreement applies to both Contracting Parties; or

d. any previously agreed upon procedure.

If either party to the dispute chooses one of the previously mentioned settlement options, he shall not have the right to choose another option.

Article 9. Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall endeavor, in good faith and in the spirit of cooperation, to reach prompt and fair settlement of any dispute that arises between them concerning the interpretation or application of this agreement. In this regard, both Contracting Parties agree to enter into direct and purposeful negotiations to reach this settlement.

2. If settlement could not be reached within six months from the date of the start of the dispute by either Contracting Party, it may be submitted, upon the request of either of them, to an arbitral tribunal made up of three arbitrators, as follows:

a. Each Contracting Party shall appoint, within two months from the date of the said request, one arbitrator and these two arbitrators shall, within two months and upon approval of both Contracting Parties, choose a third arbitrator to be their chairman, where he should be a national of a third State.

b. If no agreement could be reached over the appointments within the periods mentioned in Paragraph (a) of this article, either Contracting Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a national of either Contracting Party or if he is otherwise prevented from discharging the said function, the Vice-president shall make the necessary appointments. If the Vice-president of the International Court of Justice is a national of either Contracting Party or if he is otherwise prevented from discharging the said function, the member of the International Court of Justice next in seniority may be invited to make the necessary appointments, provided that he is not a national of either Contracting Party.

c. The arbitral tribunal shall reach its decision by a majority of votes. Such decision shall be final and binding on the Contracting Parties. Each Contracting Party shall bear the costs of its own arbitrator and of its representation in the arbitration proceedings. The costs of the chairman and the remaining costs shall be borne in equal parts by both Contracting Parties. However, the tribunal may decide in its decision that one Contracting Party bears a higher percentage of the costs. This decision shall be binding on both parties. The arbitral tribunal shall establish its own procedures.

d. Unless agreed otherwise between the Contracting Parties, the location of the arbitration shall be The Hague (Netherlands).

Article 10. Entry and Temporary Residence of Individuals

Each Contracting Party shall permit, in accordance with its applicable laws regarding the entry and residence of non-nationals, investors of the other Contracting Party, including executive management staff of experts and the administrative staff related to the investment to enter and stay in its territory for the purpose of engaging in activities related to these investments. Direct family members shall be granted the same treatment regarding their entry and temporary stay in the host Contracting Party of the investment.

Article 11. Applicable Law

1. Unless otherwise provided for by this agreement, all investments shall be subject to the provisions of the laws in force in the host Contracting Party in which the investments are made.

2. Without prejudice to Paragraph (1) of this article, nothing in this agreement shall restrict the host Contracting Party from taking any necessary measures to preserve its basic security interests, public order, decency affecting public security or in extreme emergency situations in accordance with its in force laws and applied on fair, reasonable and non-discriminatory basis.

Article 12. Application of other Rules

If the legislation of either Contracting Party or obligations under international law existing at present or established thereafter between the Contracting Parties, in addition to the present agreement, contain a rule, whether general or

specific, entitling investments made by investors of the other Contracting Party to treatment that is more favorable than is provided for by the present agreement, such rule shall to the extent that it is more favorable prevail over the present agreement.

Article 13. Entry Into Force

Each Contracting Party shall inform the other Contracting Party of the completion of the constitutional requirements necessary for the agreement's entry into force. The agreement shall enter into force thirty days from the date of receipt of the latter of the notifications.

Article 14. Duration and Termination

1. The agreement shall remain in force for a period of ten (10) years and shall continue to be in force automatically, unless either Contracting Party informs the other Contracting Party, in writing, of its intention to terminate the agreement one year before the end of the first period or any later period.
2. Despite the termination of this agreement as per Paragraph (1) of this article, the agreement shall remain in force for an additional period of ten years from the date of termination as regards investments made or established prior to the termination.
3. This agreement may be amended through the written agreement of both Contracting Parties. This amendment shall enter into force from the date of the last notification of either Contracting Party to the other Contracting Party stating the completion of all the necessary constitutional requirements.

In witness whereof the undersigned duly authorized by their respective governments have signed this agreement.

Done and signed in Amman, on 1 February 1430 Hijri, corresponding to 28 January 2009, in two original versions in the Arabic, both being equally authentic.

For the Government of the Hashemite Kingdom of Jordan

Engin. Amer Al Hadidi

Minister of Industry and Trade

Chairman of the Board of Directors of the Investment Promotion Commission

For the Government of the State of Qatar

Fahad Bin Jasem Bin Mohamed Al Thani

Minister of Business and Trade