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The Government of the People's Republic of China and the Government of the Republic of Armenia (hereinafter referred to as the "Contracting Parties", are willing to encourage and protect investors of one Contracting Party in the territory of the other Contracting Party, and create favorable conditions for the development of bilateral economic cooperation, in accordance with the principles of mutual respect for sovereignty and equality and mutual benefit, have agreed as follows:

## Article I.

In this Agreement:

1. The term "investment" refers to the various assets invested in its territory in accordance with the laws and regulations of the party accepting the investment, in particular:

(A) Movable and immovable property and property rights;

(B) Shares or other forms of participation in companies and companies;

(C) The right to request for money or the right to claim acts with economic value;

(D) Copyrights, industrial property rights, proprietary technologies and processes;;

(E) The right to engage in economic activities granted according to law or contract, especially the right to explore and develop natural resources.

2. The term "investor" means to any party to the contract:

- Natural persons whose citizens are citizens according to the laws and regulations of the contracting party;

- Enterprises, companies and other economic organizations established in accordance with the laws and regulations in force in the territory of the Contracting Party;

However, the conditions are that natural persons, companies, companies and other economic organizations shall have the right to invest in the territory of the other contracting party in accordance with the laws and regulations of the contracting party.

3. The term "proceeds" means the amount of money generated by an investment, including but not limited to profits, dividends, interest and royalties.

4. The term "territory" means:

- The territory of the People's Republic of China and the territory of the Republic of Armenia.

## Article II.

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

2. Each Contracting Party will provide assistance in obtaining visas and work permits for citizens of the other Contracting Party engaged in investment-related activities in its territory in accordance with its laws and regulations.

## Article III.

1. Each Contracting Party shall protect the investments and activities associated with such investments fair treatment and protection of investors other Contracting Party in its territory.

2. The treatment mentioned in the first paragraph of this Article shall be no less favourable than that accorded to investors in any third country and investment-related activities.

3. The provisions of paragraphs 1 and 2 of this Article shall not apply to the offers or privileges provided by or to be offered by any Contracting Party to any third country investor or its investment in accordance with:

(A) Participating in a free trade zone, a customs or economic alliance, an economic mutual aid organization, or a contracting party that has entered into force prior to the signing of this Agreement, and provide international treaties of similar preferences and privileges to participants of the said organization;

(B) International agreements and other tax agreements on tax issues;

(C) Agreements about border trade issues.

#### **Article IV.**

1. Investors of one Contracting Party in the territory of the other Contracting Party shall not be nationalized, expropriated or subjected to other measures with similar nationalization and collection effects (hereinafter referred to as "expropriation"), unless is done on a non-discriminatory basis and without compensation for the needs of the public interest, in accordance with procedures established by law.

2. The compensation provided for in the first paragraph of this Article shall be calculated on the basis of the actual value of the investment on the day prior to the adoption or declaration of the expropriation decision.

3. If an investor of one of the contracting parties invests in the territory of the other contracting party and suffers losses due to war, state of emergency, civil unrest, and other similar conditions, the contracting party that invests in its territory shall take compensatory measures or other relevant measures. The treatment given to this investor should not be lower than that given to any third country investor.

#### **Article V.**

If a Contracting Party provides a financial guarantee of a non-commercial risk to its investor's investment in the territory of the other Contracting Party, and based on which payment is made, the other Contracting Party shall recognize the transfer of the investor's rights on the basis of the principle of subrogation. The former party to the contract.

#### **Article VI.**

Each Contracting Party shall, in accordance with its laws and regulations, guarantee the investors of the other Contracting Party to remit amounts relating to investments after fulfilling all its tax obligations, including:

(A) "Proceeds" as determined in paragraph 3 of Article 1 of this Agreement;

(B) All or part of the liquidation of the investment;

(C) Payment of loan agreements related to investment;

(D) Payment of technical assistance, technical services and management fees;

(E) The wages and other emoluments earned by citizens of the other Contracting Party in respect of investment-related work and services in the territory of one of the contracting parties and in accordance with the laws and regulations;

(F) Other income that complies with the laws of the contracting parties.

#### **Article VII.**

The remittances referred to in Articles 4 and 6 of this Agreement shall be made in accordance with the official exchange rate on the date of remittance of the Contracting Party that has invested in its territory.

#### **Article VIII.**

This Agreement shall apply to all investments made after January 1, 1992.

## **Article IX.**

1. Disputes arising from the interpretation or application of this Agreement by the Contracting Parties shall be resolved as far as possible through diplomatic channels.
2. If the dispute cannot be resolved within six months from the date on which the contracting party filed the dispute, the dispute shall be submitted to a special arbitration tribunal upon the request of either of the contracting parties.
3. The arbitral tribunal shall consist of three arbitrators and shall be established in the following manner: Each Contracting Party shall appoint one arbitrator within two months from the date on which the first Contracting Party receives the written notice from the other Contracting Party concerning the submission of the dispute to arbitration. . The two arbitrators shall, within two months from the date of the appointment of the second arbitrator, select a third national who has diplomatic relations with both contracting parties as the third arbitrator, and shall be appointed as the chief arbitrator upon the agreement of the contracting parties.
4. If the arbitration tribunal has not been constituted within four months of receipt of the written notification of the submission of the dispute to the arbitral tribunal, either party to the contract may request the President of the International Court of Justice to make the necessary appointments when there is no other agreement. If the President of the International Court of Justice is a national of either Contracting Party or is unable to perform the above duties for other reasons, he/she shall request the senior judge of a national of any party to the Central African Court of Justice to make the necessary appointments.
5. The arbitral tribunal shall formulate its own rules of procedure. The arbitral tribunal shall make a ruling in accordance with the provisions of this Agreement and the generally accepted principles of international law.
6. The arbitral tribunal's ruling was made with a majority vote. The ruling is final and binding on both contracting parties. At the request of either party, the arbitral tribunal shall state the reasons for its decision.
7. Each Contracting Party shall bear the costs associated with the activities of its appointed arbitrators and the costs of participating in the arbitral proceedings. The fees and other expenses related to the presiding arbitrator's activities are borne by the contracting parties on average.

## **Article X.**

1. Any dispute concerning the amount of compensation for expropriation may be submitted to an arbitral tribunal between the Contracting Party and the other Contracting Party to investors.
2. The arbitral tribunal shall be established on a case-by-case basis in the following manner: The parties to the dispute shall each appoint an arbitrator. The two arbitrators shall select a third-country national who has diplomatic relations with both contracting parties as the chief arbitrator. The first two arbitrators shall be appointed within two months from the date of the written notification of the dispute to arbitration. The chief arbitrator shall be elected within four months. If within the prescribed time limit, the arbitral tribunal has not yet been constituted, either party to the dispute may request the Chairman of the Court of Arbitration of the Stockholm Chamber of Commerce to make the necessary appointments.
3. The arbitral tribunal shall formulate its own procedural rules. In such cases, the arbitral tribunal may refer to the rules of the German Court of Arbitration in the formulation of the proceedings.
4. The arbitral tribunal's ruling was made with a majority of votes. The ruling is final and binding on both parties to the dispute. Each party to the contract shall, in accordance with its own laws, assume its obligations to implement the award of the arbitral tribunal.
5. The arbitral tribunal shall, in accordance with the provisions of this Agreement, make a ruling on the laws and regulations (including its conflict rules) of the Contracting Party that has invested in its territory and the generally accepted principles of international law.
6. Each party to the dispute shall bear the costs associated with the arbitrator's activities it appoints and the costs of participating in the arbitral proceedings. The fees and other expenses relating to the activities of the chief arbitrator shall be borne by the parties to the dispute on average.

## **Article XI.**

If one of the contracting parties accords preferential treatment to investors of the other party's investment or investment-

related activities in accordance with its laws and regulations or the international agreements to which the contracting parties provide for the other party, this contract shall be favorably applied.

## **Article XII.**

1. The representatives of the Contracting Parties may meet for the following purposes as needed:

(A) Study the application of the Agreement;

(B) Exchanging information on the legal issues of investment and the possibility of investing;

(C) To resolve disputes caused by investments;

(D) To study other matters related to investment;

(E) Study proposals for possible amendments and additions to this agreement.

2. If one of the Contracting Parties proposes to negotiate on any matter listed in the first paragraph of this Article, the other Contracting Party shall promptly respond. The consultations can be held in Beijing and Yerevan in turn.

## **Article XIII.**

1. This Agreement shall come into force on the thirtieth day after the date on which both Contracting Parties notify each other in writing that their respective domestic legal procedures have been completed. The validity period is fifteen years.

2. If a Contracting Party fails to notify the other Contracting Party in writing to terminate this Agreement at least one year before the expiry of the period of validity provided for in the first paragraph of this Article, this Agreement shall continue to be valid.

3. After the expiry of the first fifteen-year period of this Agreement, either Contracting Party may at any time notify the other Contracting Party in writing to terminate this Agreement. The notice takes effect twelve months from the date of receipt of the other contracting party.

4. The provisions of Articles 1 to 12 of the investment made prior to the termination of this Agreement shall continue to be valid for fifteen years from the date of termination of this Agreement.

Duly authorized by their respective Governments

This agreement was signed in Beijing on July 4, 1992. In two copies, each in Chinese, Armenian, and Russian. The three texts have the same effect.

Representative of the Government of the People's Republic of China

Zhai Zhiguang

(signature)

Representative of the Government of the Republic of Armenia

Zanik Zanyang

(signature)