AGREEMENT FOR THE PROMOTION AND PROTECTION OF RECIPROCAL INVESTMENTS BETWEEN THE DOMINICAN REPUBLIC AND THE ARGENTINE REPUBLIC

The Dominican Republic and the Argentine Republic, hereinafter referred to as the "Parties";

Desiring to intensify economic cooperation between the two countries;

In order to create favourable conditions for investments of investors of a Party in the territory of the other Party on the basis of sovereign equality and mutual benefit;

Recognizing that the promotion and protection of such investment based on an agreement will stimulate economic initiative individually and will increase prosperity in both States.

Have agreed as follows:

Article I. Definitions

For the purposes of this Agreement:

1) The term "investment" means, in accordance with the laws and regulations of the Party in whose territory the investment was made, every kind of assets invested by investors of one party in the territory of the other party, in accordance with the legislation of the latter. includes in particular, though not exclusively:

a) ownership of movable and immovable property as well as any other rights in rem such as mortgages, bonds and pledges;

b) shares, company quotas and any other type of participation in companies;

c) credit title, and rights to benefits that have an economic value, loans are included only when they are directly linked to a specific investment;

d) Intellectual Property Rights, including copyrights, patents, industrial designs, trademarks, trade names, technical processes, know-how, and goodwill;

e) economic concessions conferred by law or under contract, including concessions to prospecting, cultivate, extract or exploit natural resources.

2) The term "investor" means:

a) any natural person who is a national of one of the Parties, in accordance with its legislation.

b) any legal person made up in accordance with the laws and regulations of a party and having its seat in the territory of that party.

3) The provisions of this Agreement shall not apply to investments made by natural persons who are nationals of a Party in the territory of the other party where such persons, at the date of the investment has been established for more than two years in the latter party, unless it is proved that the investment was admitted in its territory from abroad.

4) The term "proceeds" means all amounts resulting from an investment such as profits, dividends, royalties and other revenue streams.

5) The term "territory" means the territory of each party, including those maritime areas adjacent to the outer limit of the territorial sea of the national territory, over which the Contracting Party concerned may, in accordance with international law, sovereign rights or jurisdiction.

Article II. Promotion and Admission

1) Each Party shall promote investments in its territory by investors of the other Contracting Party and shall admit such investments in accordance with its laws and regulations.

2) This Agreement shall also apply to investments made before its entry into force by investors of a party if and when they have been made in accordance with the laws of the other party in the territory of the latter, but the provisions of this Agreement shall not apply to any dispute or difference; claim which arose before its Entry into Force.

Article III. Protection of Investments

1) Each Party shall at all times ensure fair and equitable treatment to investments of investors of the other Party, and not harm its management, maintenance, use, enjoyment or disposal of unjustified or discriminatory measures.

2) Each Party shall grant the necessary permits in connection with such investments and within the framework of its laws, enforcement of labour contracts, licensing of manufacture, technical assistance, commercial, financial and administrative.

3) Each Party shall also whenever necessary and in accordance with its laws, the necessary authorizations concerning the activities of consultants and experts appointed by investors of the other party.

4) Each Party, once admitted investments of investors in its territory of the other Party, it shall accord to such investments full legal protection and they agree upon a treatment no less favourable than that accorded to its own of investments or investors to investors of third States.

5) Without prejudice to the provisions of paragraph (4) of this article, the most-favored-nation treatment shall not apply to privileges which each party agrees to investors of a third State because of its association or participation in a free trade area, customs union, common market.

6) The provisions of paragraph (4) of this article shall not be construed as to oblige a party to extend to investors of the other party the benefit of any treatment, preference or privilege resulting from any international agreement relating wholly or mainly to taxation matters.

7) The provisions of paragraph (4) of this article shall not be construed not to extend to the investors of the other party the benefit of any treatment, preference or privilege resulting from the bilateral agreements that provide concessional financing concluded between the Argentine Republic with Italy and Spain on 10 December 1987 on 3 June 1988.

Article IV. Expropiacion and Compensation

Neither of the Parties shall take, directly or indirectly, measures of expropriation or nationalization or any other measures having the same effect against investments within its territory and belonging to investors of the other contracting party unless the measures are taken for a public purpose, which shall be as defined in the legislation of the host State on a non-discriminatory basis and under due process of law. The measures shall be accompanied by provisions for the payment of prompt, effective and adequate compensation. The amount of such compensation shall correspond to the market value of the expropriated investment was immediately before the expropriation or before the impending expropriation became public, shall include interest from the date of expropriation to the interest rate of passive commercial banks shall be paid without delay and shall be effectively realizable and freely transferable.

Article V. Compensation for Losses

Investors of one Party who suffer losses of their investments in the territory of the other party owing to war or other armed conflict, a state of emergency, national public disturbances, shall be as regards restitution, indemnification, compensation or other relief, a treatment no less favourable than that accorded to its own investors to investors or of any third State.

Article VI. Transfers

1) Each Party shall accord to investors of the other party the unrestricted transfer of their investments and returns, and in particular, though not exclusively, of:

a) The principal and additional amounts necessary for the maintenance and development of the investment;

b) The benefits, profits, dividends, interests and other current income;

c) The funds in repayment of loans as defined in article I, paragraph (1) (c);

d) Royalties and fees;

e) The proceeds from a total or partial sale or liquidation of an investment;

f) The compensation provided for in articles IV and V;

g) The earnings of nationals of one Party who are allowed to work in connection with an investment in the territory of the other party.

2) Transfers shall be effected without delay in a freely convertible currency at the rate of exchange applicable on the date of transfer pursuant to the rules and procedures established by the Party in whose territory the investment was made, which shall not affect the substance of the rights under this article.

Article VII. Subrogation

1) If a party or an agency designated by it made a payment to an investor by virtue of a guarantee or insurance that has engaged in relation to an investment against non-commercial risks, the other party shall recognize the validity of the subrogation in favour of such party agency or to any right or title in respect of the investor.

The Party or its agency shall be authorized, within the limits of subrogation to exercise the rights which the investor would have been entitled to exercise for the purpose of obtaining a pecuniary compensation.

2) In the case of subrogation as defined in paragraph 1 of this article, the investor shall not pursue a claim unless he is authorized to do so by the other party or its agency.

Article VIII. Application of other Standards

If the provisions of the law of either Party or obligations under international law existing or future between the parties in addition to this Agreement or whether an agreement between an investor of one Party and the other Party contain rules whether general or specific to accord to investments by investors of the other Contracting Party to a more favourable treatment than is provided for by the present Agreement, such rules shall prevail over this agreement to the extent that they are more favourable.

Article IX. Consultations

1) The Parties shall consult on any matter relating to the application or interpretation of this Agreement.

2) At the request of either of the Parties shall exchange information on the measures taken by the other party that may affect investments or returns covered by this Agreement.

Article X. Settlement of Disputes between the Parties

1) Disputes between the parties concerning the interpretation or application of this Agreement shall, if possible, be settled through diplomatic channels.

2) If a dispute between the parties cannot be settled in this way within six months counting from the beginning of negotiations, the dispute shall be submitted, at the request of either party to an arbitral tribunal.

3) The arbitral tribunal shall be as for each individual case in the following way. Within three months of the receipt of the request for arbitration, each party shall appoint one member of the Tribunal. These two members shall select a national of a third State who on approval by the two parties shall be appointed Chairman of the Tribunal. the Chairman shall be appointed within three months from the date on which either party has informed the other party of its intention to submit the dispute to an arbitral tribunal.

4) If within the periods specified in paragraph (3) of this article shall not make the necessary appointments, either Party may, in the absence of any other agreement, invite the Secretary-General of the United Nations to proceed with the necessary appointments. If the Secretary-General is a national of either party or is prevented institutes for any other cause, the Under-Secretary-General seniority who is not a national of either party shall make the necessary appointments.

5) The arbitral tribunal shall render its decision on the basis of respect for the Law, the rules contained in this Agreement or

in other agreements in force between the parties; and on the principles and rules of International Law.

6) The arbitral tribunal shall reach its decision by a majority of votes. such decision shall be binding on both parties.

Each Party shall bear the costs of the 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 principle in equal parts by the parties. however, the arbitral tribunal shall determine its decision that a higher proportion of costs shall be borne by one of the two parties, and this award shall be binding on both parties. the tribunal shall determine its own procedure.

Article XI. Settlement of Disputes between an Investor and the Host Party of the Investment

1) Any dispute concerning the provisions of this agreement between an investor of one party and the other party shall to the extent possible settled by amicable consultations.

2) If the dispute has not been settled within the término six months from the date on which it was raised by one or other party, it may be submitted at the request of the investor:

- Either to the competent courts of the Party in whose territory the investment was made;

- Or to international arbitration under the conditions described in paragraph (3) of this article.

Once the investor has submitted or has decided to submit the dispute to the courts of the party concerned or to international arbitration, the choice of one of these procedures is final.

3) In the event of recourse to international arbitration, the dispute may be brought, at the choice of the investor:

- The International Centre for Settlement of Investment Disputes established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature at Washington on 18 March 1965.

- A tribunal established ad hoc arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

4) The arbitral tribunal shall decide on the basis of the provisions of this Agreement, the Law of the Party that is a party to the dispute including its rules on the Conflict of Laws, to the terms of any concluídos relation to specific agreements on investment as well as the principles of international law.

5) The arbitral awards shall be final and binding on the parties to the dispute. each Party shall in accordance with its legislation.

Article XII. Entry Into Force and Shall End

1) This Agreement shall be ratified and shall enter into force on the date on which the exchange of their respective instruments of ratification.

A period of ten (10) years renewable automatically, may be denounced at any time by either party with twelve (12) months in advance through the diplomatic channel.

2) With respect to investments made prior to the date on which the denunciation becomes effective, the provisions of articles I to XI shall remain in force for a further period of fifteen (15) years from that date.

Signed in Santo Domingo de Guzmán, National District, sixteen (16) day of March in the year two thousand one (2001), in two originals, both texts being equally authentic.

For the Dominican Republic

Hugo Tolentino Dipp,

State Secretary of Foreign affairs.

For the Republic of Argentina

Carlos Piñeiro Iñiguez,

Ambassador Extraordinary and the Plenipotentiary of the Republic of Argentina in the Dominican Republic.