

AGREEMENT BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE GREAT SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA ON THE PROMOTION AND MUTUAL PROTECTION OF INVESTMENTS

The Russian government and the Great Socialist People's Libyan Arab Jamahiriya, hereinafter referred to as the Contracting Parties, intending 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 reciprocal protection of investments under this Agreement will stimulate the flow of capital and contribute to the development of mutually beneficial trade-economic and scientific and technical cooperation, have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement, the following definitions shall mean:

a) investor" (in respect of each of the Contracting Parties):

Any natural person who is a citizen of that Contracting Party and to make investments in the territory of the other Contracting Party in accordance with the law of the State of the latter Contracting Party;

Any legal entity created or organized under the laws of the State of that Contracting Party to make investments in the territory of the other Contracting Party in accordance with the law of the State of the latter Contracting Party;

b) "investment"; - every kind of asset invested by an investor of one Contracting Party in the territory of the other Contracting Party in accordance with the

Laws of the State of the latter Contracting Party, and in particular: movable and immovable property;

Shares, stocks and other forms of equity participation in the capital of commercial organizations;

Claims to money invested to create economic value or that have an economic value and associated with an investment;

Exclusive rights to intellectual property (copyrights, patents, industrial designs, utility models, trademarks and service marks, technology, information having a commercial value, and know-how);

Right to engage in entrepreneurial activity, provided by the legislation of the State of the latter Contracting Party or under the contract relating to investments related in particular to the exploration, development, production and exploitation of natural resources. No change in the form of investment does not affect their qualification as investments if such change does not contradict the legislation of the State of the Contracting Party in whose territory the investments were made;

"Income" - money received from investments, and in particular, profits, dividends, interest, royalties and other fees;

"Territory" - territory of the Russian Federation or the territory of the Great Socialist People's Libyan Arab Jamahiriya, as well as the exclusive economic zone and continental shelf of the Russian Federation and the Great Socialist People's Libyan Arab Jamahiriya, determined in accordance with the United Nations Convention on the Law of the Sea of 10 December 1982.

e) "laws" - laws and other normative legal acts of the Russian Federation or the laws and other normative legal acts of the Great Socialist People's Libyan Arab Jamahiriya.

Article 2. Promotion and Protection of Investments

1. Each Contracting Party shall endeavor to create favorable conditions for investors of the other Contracting Party to make

Investment in the territory of the former Contracting Party and admit such investments in accordance with its laws and regulations.

2. Each Contracting Party shall ensure, in accordance with the laws of their state full protection on its territory of investments of investors of the other Contracting Party.

Article 3. Investment Regime

1. Each Contracting Party shall ensure in its territory fair and equitable treatment to investments made by investors of the other Contracting Party in respect of the ownership, use and disposal of such investments.

2. referred to in paragraph 1 of this Article Mode, should be not less favorable than that provided by a Contracting Party to investments of its own investors or investments of investors of any third state, depending on which of them, in view of the investor, it is more favorable.

3. Each Contracting Party reserves the right to apply and introduce exemptions from national treatment to foreign investors and their investments, including reinvested capital.

4. The provisions of paragraph 2 of this article with respect to MFN should not be construed as obliging one Contracting Party to extend to investments made by investors of the other Contracting Party the benefits of any treatment, preference or privilege, which are available or can be provided in the future, the first Contracting Party:

a) in connection with its participation in a free trade area, customs union, monetary union, common market or any similar economic integration entities, or any international agreement leading to the creation of such associations or entities;

b) on the basis of agreements to avoid double taxation or other arrangements on

Taxation.

5. Without prejudice to the provisions of Articles 4, 5 and 8 of this Agreement, no Contracting Party shall be bound by this Agreement, to provide more favorable treatment than that accorded by that Contracting Party in accordance with its obligations under the Agreement establishing the World Trade Organization (the Agreement on WTO) of 15 April, 1994, including the commitments to the General agreement on trade in services (GATS), as well as in accordance with any multilateral arrangements relating to the investment regime, with the participation of both Contracting Parties.

Article 4. Expropriation

1. Investments of investors of one Contracting Party made in the territory of the other Contracting Party, and revenues of such investors shall not be subject, directly or indirectly, expropriation, nationalization and other measures tantamount to expropriation or nationalization (hereinafter -ekspropriatsiya), except in cases when such measures are taken in the public interest and in accordance with the procedure established by law of the state of the latter Contracting Party, are not

Discriminatory and accompanied by payment of prompt, adequate and effective compensation.

2. The compensation referred to in paragraph 1 of this Article shall correspond to the market value

Expropriated investments, calculated on the date immediately preceding the date of expropriation, or on the date immediately preceding the date when it became common knowledge about the impending expropriation, depending on which event occurs first. Compensation shall be paid without delay in a freely convertible currency and in accordance with Article 6 of this Agreement freely translated from the territory of one Contracting Party in the territory of the other Contracting Party.

With the expropriation of the date prior to the date of actual payment of compensation in the amount of compensation shall bear interest at a commercial rate established on a market

Basis, but not less than six-month LIBOR rate for loans in US dollars.

Article 5. Damages

Investors of one Contracting Party whose investments are harmed or harmed as a result of war, armed conflict, rebellion, revolution, riot, civil disturbance, state of emergency or any other similar circumstances in the territory of the other Contracting Party, granted in respect of restitution, indemnification, compensation or other kind of settlement regime most favorable of those latter Contracting Party shall accord to investors of any third state or to its own investors.

Article 6. Transfer of Payments

1. Each Contracting Party shall guarantee to investors of the other Contracting Party on a non-discriminatory basis, in accordance with the laws of their state, and after the performance of all their tax obligations free transfer abroad of payments related to their investments, and in particular:

(A) revenue;

(B) funds in repayment of loans and credits recognized by both Contracting Parties as investments, as well as the accrued interest;

(C) funds received from the partial or total sale or liquidation of investments;

(D) compensation, reimbursement or other kind of settlement provided for in Articles 4 and 5 of this Agreement;

(E) wages and other remunerations received by the investor and citizens of the State of the latter Contracting Party who are allowed to work in the territory of the first Contracting Party in connection with the investments.

2. Transfer of payments referred to in paragraph 1 of this Article shall be effected without delay in a freely convertible currency at the rate of exchange used

At that date, in accordance with the currency legislation of the Contracting Party in whose territory the investments were made.

Article 7. Subrogation

In the case where one Contracting Party or its designated authority shall provide a financial guarantee to its investors regarding the protection against non-commercial risks in connection with the investment of such investor in the territory of the other Contracting Party and has made payment on the basis of this guarantee, the other Contracting Party shall recognize the acquisition of the former Contracting Party or its authorized body in the subrogation of all rights and claims of the investor. By the Contracting Party or its designated agency is not transferred over the rights and claims than was available to the investor from whom the rights and claims were acquired. Such rights and claims are carried out in accordance with the law of the State of the Contracting Party in whose territory the investments were made.

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

1. Disputes between a Contracting Party and an investor of the other Contracting Party arising in connection with the investments of an investor in the territory of the first Contracting Party, including disputes relating to the size, conditions and procedures for payment of compensation in accordance with Articles 4 and 5 of this Agreement or order transfer of payments provided for in article 6 of this Agreement shall be resolved as far as possible by negotiations.

2. If the dispute can not be settled through negotiation within six months from the date of the written request of any party to a dispute to resolve it by negotiation, it may be referred to select an investor for consideration:

The competent court of the Contracting Party in whose territory the investments were made, or

A court of arbitration as in accordance with the Arbitration

Rules on International Trade Law of the United Nations Commission (UNCITRAL) or the International Centre for Settlement of Investment Disputes, established pursuant to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, signed at Washington, 18 March 1965., to settle the dispute in accordance with the provisions of the Convention (provided that it has entered into force for the States of the Contracting Parties), or in accordance with the Additional Facility rules of the International Centre for settlement of investment disputes (if the Convention has not entered into force for one or both of the Contracting Parties to the States).

3. The arbitration decision in a dispute under consideration in accordance with this Article shall be final and binding on both parties to the dispute. Each Contracting Party shall ensure the implementation of such a decision in accordance with the laws of the state.

Article 9. Settlement of Disputes between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled as far as possible by negotiations between the Contracting Parties.

2. If the dispute can not be settled within six months from the date of the written request of any Contracting Party to conduct the negotiations, at the request of either Contracting Party, he referred to the arbitral tribunal.

3. The arbitral tribunal shall be constituted for each individual case, for which each Contracting Party shall appoint one member of the arbitration tribunal within two months from the date of receipt of the notification of the arbitration proceedings. Then, these two members of the arbitral tribunal shall elect a national of a third State who, with the approval of both Contracting Parties shall be appointed Chairman of the arbitral tribunal within a month from the date of appointment of the other two members.

4. If within the periods specified in paragraph 3 of this Article, the necessary appointments have not been made, in the absence of any other agreement between the Contracting Parties, any Contracting Party may

Invite the President of the International Court of Justice to make such appointments. If the chairman of the International Court of Justice is a national of either Contracting Party or is otherwise unable to discharge the said function, then make the necessary appointments invited the Deputy President of the International Court. If the deputy chairman of the International Court of Justice is also a national of either Contracting Party or is otherwise unable to discharge the said function, then make the necessary appointments offered him the next-highest member of the International Court, which is not a national of either Contracting Party in respect of which There are no other reasons that prevent it from fulfilling this request.

5. The arbitral tribunal shall render its decision by majority vote. This decision is final and binding on the Contracting Parties. Each Contracting Party shall bear the expenses related to the activities of the arbitral tribunal of its own member and of its representation in the arbitration proceedings. The costs associated with the arbitration court Chairman and other expenses The Contracting Parties shall bear in equal shares.

The arbitral tribunal may, however, provide in its decision that one of the Contracting Parties shall bear a larger share of the costs, and the decision will be binding on both Contracting Parties. The arbitral tribunal shall determine its own procedure.

Article 10. Consultations

The Contracting Parties shall at the request of any of them, shall hold consultations on matters relating to the interpretation or application of this Agreement.

Article 11. Application 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 from 1 January 2004 city, but it does not apply to disputes that have arisen prior to its entry into force.

Article 12. Entry Into Force and Duration of the Agreement

1. Each Contracting Party shall notify the other Contracting Party of the completion of internal procedures necessary for the entry into force of this Agreement. This Agreement shall enter into force on the date of the last of the two notifications.

2. This Agreement is valid for fifteen years. After this period it shall be automatically extended for successive five-year periods, unless either Contracting Party notifies the other Contracting Party at least twelve months prior to the expiry of the period of its intention to terminate this Agreement.

3. This Agreement may be amended by mutual written consent of the Contracting Parties. Any amendment to this Agreement shall enter into force in accordance with the provisions of the agreement containing the amendment.

4. With respect to investments made prior to the date of termination of this Agreement and subject to its application, the provisions of this Agreement shall remain in force for the next ten years from the date of termination of this Agreement.

Done in Tripoli "17" April 2008 in two original copies, each in Russian, Arabic and English languages, all texts being equally authentic. In case of divergence of interpretation of this Agreement, the English text.

For the Government For the Great Socialist Russian People's Libyan Arab Jamahiriya