Government Notice No..... of 2013

THE INVESTMENT PROMOTION ACT

Regulations made by the Minister under section 28A of the Investment Promotion Act

1. These regulations may be cited as the Investment Promotion and Protection Agreement (Republic of Turkey) Regulations 2013.

2. In these regulations -

"Agreement" means the agreement entered into with the Government of the Republic of Turkey in pursuance of section 28A of the Investment Promotion Act and set out in the Schedule to these regulations.

3. The Agreement shall come into operation on such date as specified by the Minister in a notice published in the Government Gazette.

Made by the Minister on 28 February 2013.

SCHEDULE [Regulation 2]

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MAURITIUS AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Mauritius and the Government of the Republic of Turkey, hereinafter referred to as "the Contracting Parties";

Desiring to promote greater economic cooperation between them, particularly with respect to investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognizing that agreement upon the treatment to be accorded to such investment will stimulate the flow of capital and technology and the economic development of the Contracting Parties;

Agreeing that fair and equitable treatment of investment is desirable in order to maintain a stable framework for investment and maximum effective utilization of economic resources; and

Having resolved to conclude an agreement concerning the reciprocal promotion and protection of investments,

Have agreed as follows:

Article 1. Definitions

For the purpose of this Agreement:

1. The term "investment means every kind of asset, connected with business activities, acquired for the purpose of establishing lasting economic relations in the territory of a Contracting Party in conformity with its laws and regulations, and shall include in particular, but not exclusively:

(a) movable and immovable property, as well as any other rights such as mortgages, liens, pledges and any other similar rights as defined in conformity with the laws and regulations of the Contracting Party in whose territory the property is situated;

(b) reinvested returns, claims to money or any other rights having financial value related to an investment;

(c) shares, stocks or any other form of participation in companies;

(d) industrial and intellectual property rights such as patents, industrial designs, technical processes, as well as trademarks, goodwill, and know-how;

(e) business concessions conferred by law or by contract, including concessions related to natural resources,

Provided that such investments are not in the nature of acquisition of shares or voting power less than ten (10) percent of a company through stock exchanges which shall not be covered by this Agreement.

Any change in the form in which assets are or have been invested shall not affect their character as investment as defined in this Agreement provided that such a change shall not contradict the laws and regulations of the hosting Contracting Party.

2. The term "investor" means:

(a) natural persons having the nationality of either Contracting Party according to its applicable law; or

(b) corporations, firms or business partnerships incorporated or constituted under the law of a Contracting Party and having their headquarters or their effective economic activities in the territory of that Contracting Party,

Which have made an investment in the territory of the other Contracting Party.

3. The term "returns" means the amounts yielded by an investment and includes in particular, though not exclusively, profit, interest, capital gains, royalties, fees and dividends.

4. The term "territory" means:

(a) with regard to the Republic of Mauritius, its territories, its land territory, its internal waters, the territorial sea and the airspace above them, and any area beyond the territorial sea, as well as the maritime zones including the sea-bed and subsoil over which it has sovereign rights or jurisdiction for the purpose of exploration, exploitation and preservation of natural resources whether living or non-living, pursuant to its Constitution and international law;

(b) with regard to the Republic of Turkey, the land territory, internal waters, the territorial sea and the airspace above them, as well as the maritime areas over which it has sovereign rights or jurisdiction for the purpose of exploration, exploitation and preservation of natural resources whether living or non-living, pursuant to international law.

Article 2. Scope of Application

This Agreement shall apply to investments in the territory of one Contracting Party, made in accordance with its national laws and regulations, by investors of the other Contracting Party, whether prior to, or after the entry into force of the present Agreement. However, this Agreement shall not apply to any dispute that has arisen before its entry into force.

Article 3. Promotion and Protection of Investments

1. Subject to its laws and regulations, each Contracting Party shall in its territory promote as far as possible investments by investors of the other Contracting Party.

2. Investments of investors of each Contracting Party shall at all times be accorded fair and equitable treatment and full protection and security in the territory of the other Contracting Party. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment, extension, or disposal of such investments.

Article 4. Treatment of Investments

1. Each Contracting Party shall admit in its territory investments on a basis no less favourable than that accorded in like circumstances to investments of investors of any third State, within the framework of its laws and regulations.

2. Each Contracting Party shall accord to these investments, once established, treatment no less favourable than that accorded in like circumstances to investments of its investors or to investments of investors of any third State, whichever is the most favourable.

3. Subject to the laws and regulations of the Contracting Parties relating to the entry, sojourn and employment of aliens:

(a) nationals of either Contracting Party shall be permitted to enter and remain in the territory of the other Contracting Party for purposes of establishing, developing, administering or advising on the operation of an investment to which they, or an investor of the first Contracting Party that employs them, have committed or are in the process of committing a substantial amount of capital or other resources;

(b) companies which are legally constituted under the applicable laws and regulations of one Contracting Party, and which are investments of investors of the other Contracting Party, shall be permitted to engage top managerial and technical personnel of their choice, regardless of nationality.

4. (a) The provisions of this Article shall not be construed so as to

Oblige one Contracting Party to extend to the investors of the other Contracting Party the benefit of any treatment, preference or privilege which may be extended by the former Contracting Party by virtue of any international agreement or arrangement relating wholly or mainly to taxation.

(b) The non-discrimination, national treatment and most-favoured-nation treatment provisions of this Agreement shall not apply to all actual or future advantages accorded by either Contracting Party, by virtue of its membership to, or association with, a customs, economic or monetary union, a common market or a free trade area, to nationals or companies of its own, of Member States of such union, common market or free trade area, or of any other third country.

(c) The most-favoured-nation treatment referred to in this Article does not include investor-to-state dispute settlement procedures provided for in other international investment treaties.

(d) The provisions of Articles 3 and 4 of this Agreement shall not oblige either Contracting Party to accord investments of investors of the other Contracting Party the same treatment that it accords to investments of its own investors with regard to acquisition of land, real estates, and real rights upon them.

Article 5. Expropriation

1. Investments shall not be expropriated, nationalized, or subjected, directly or indirectly, to measures of similar effects (hereinafter referred to as expropriation) except for a public purpose, in a non-discriminatory manner, upon payment of prompt, adequate and effective compensation, and in accordance with due process of law and the general principles of treatment provided for in Articles 3 and 4 of this Agreement.

2. Non-discriminatory legal measures designed and applied to protect legitimate public welfare objectives, such as health, safety and environment, do not constitute indirect expropriation.

3. Compensation shall be equivalent to the market value of the expropriated investment before the expropriation is effected or becomes public knowledge. Compensation shall be paid without delay and be freely transferable as described in Article 7.

4. In the event that payment of compensation is delayed, it shall carry an interest at a rate to be agreed upon by both parties unless such rate is prescribed by law from the date of expropriation until the date of payment.

5. The investor affected by the expropriation shall have a right, under the law of the expropriating Contracting Party to prompt review, by a court of law or other independent and impartial forum of that Contracting Party of the expropriation case.

Article 6. Compensation for Losses

1. Investors of either Contracting Party whose investments suffer losses in the territory of the other Contracting Party owing to war, insurrection, civil disturbances or other similar events shall be accorded by such other Contracting Party treatment no less favourable than that accorded to its own investors or to investors of any third State, whichever is the most favourable treatment, as regards any measures it adopts in relation to such losses.

2. Without prejudice to paragraph 1 of this Article, investors of one Contracting Party who in any of the situations referred to in that paragraph suffer losses in the territory of the other Contracting Party resulting from:

(a) requisitioning of their property by its forces or authorities; or

(b) destruction of their property by its forces or authorities, which was not caused in combat action or was not required by the necessity of the situation;

Shall be accorded restitution or reasonable compensation. Resulting payments shall be freely convertible and transferable.

Article 7. Repatriation and Transfer

1. Upon fulfillment of all tax obligations, each Contracting Party shall permit in good faith all transfers related to an investment to be made freely and without delay into and out of its territory. Such transfers shall include:

(a) returns;

(b) proceeds from the sale or liquidation of all or any part of an investment;

(c) compensation pursuant to Articles 5 and 6;

(d) reimbursements and interest payments deriving from loans in connection with investments;

(e) salaries, wages and other remunerations received by the nationals of one Contracting Party who have obtained in the territory of the other Contracting Party the corresponding work permits related to an investment;

(f) payments arising from an investment dispute.

2. Transfers shall be made in the convertible currency in which the investment has been made or in any convertible currency at the rate of exchange in force at that date of transfer, unless otherwise agreed by the investor and the hosting Contracting Party.

3. Where, in exceptional circumstances, payments and capital movements cause or threaten to cause serious balance of payments difficulties, each Contracting Party may temporarily restrict transfers, provided that such restrictions are imposed on a non-discriminatory and in good faith basis.

Article 8. Subrogation

1. If one of the Contracting Parties has a public insurance or guarantee scheme to protect investments of its own investors against noncommercial risks, and if an investor of this Contracting Party has subscribed to it, any subrogation of the insurer under the insurance contract between this investor and the insurer shall be recognized by the other Contracting Party.

2. The insurer is entitled by virtue of subrogation to exercise the rights and enforce the claims of that investor and shall assume the obligations related to the investment. The subrogated rights or claims shall not exceed the original rights or claims of the investor.

3. Disputes between a Contracting Party and an insurer shall be settled in accordance with the provisions of Article 9 of this Agreement.

4. Any payment made by an insurer to an investor as provided in paragraph 1 shall not affect the right of such investor to make his claims against the hosting Contracting Party in accordance with Article 9 provided that the exercise of such right does not overlap or conflict with the exercise of a right by the insurer in virtue of subrogation under that paragraph.

Article 9. Settlement of Disputes between One Contracting Party and Investors of the other Contracting Party

1. Disputes between one of the Contracting Parties and an investor of the other Contracting Party, in connection with his investment, shall be notified in writing, including a detailed information, by the investor to the recipient Contracting Party of the investment. As far as possible, the investor and the concerned Contracting Party shall endeavor to settle these disputes by consultations and negotiations in good faith.

2. If these disputes cannot be settled in this way within six months following the date of the written notification mentioned in paragraph l, the dispute can be submitted, as the investor may choose, to:

(a) the International Center for Settlement of Investment Disputes (ICSID) set up by the " Convention on Settlement of Investment Disputes Between States and Nationals of other States";

(b) an ad hoc court of arbitration laid down under the Arbitration Rules of Procedure of the United Nations Commission for International Trade Law (UNCITRAL); or

(c) the Court of Arbitration of the Paris International Chamber of Commerce.

3. Once the investor has submitted the dispute to one or the other of the dispute settlement forums mentioned in paragraph 2 of this Article, the choice of one of these forums shall be final.

4. Notwithstanding the provisions of paragraph 2 of this Article:

(a) only the disputes arising directly out of investment activities

Which have obtained necessary permission, if any, in conformity with the relevant legislation of the Republic of Turkey on foreign capital and that effectively started shall be subject to the jurisdiction of the International Center for Settlement of Investment Disputes (ICSID) or any other

International dispute settlement mechanism as agreed upon by the Contracting Parties;

(b) the disputes, related to the property and real rights upon the real

Estates within the territory of the Republic of Turkey are totally under the jurisdiction of the Turkish courts and therefore shall not be submitted to jurisdiction of the International Center for Settlement of Investment Disputes (ICSID) or any other

International dispute settlement mechanism; and

(c) with regard to the Article 64 of the "Convention on the Settlement of Investment Disputes between States and Nationals of other States",

Any dispute arising between the Contracting Parties concerning the interpretation or application of "Convention on the Settlement of Investment Disputes between States and Nationals of other States", which is not settled by negotiation, can only be submitted to the International Court of Justice with the consent of both Contracting Parties.

5. The arbitration awards shall be final and binding for all parties in dispute. Each Contracting Party commits itself to execute the award according to its national law.

Article 10. Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall seek in good faith and in a spirit of cooperation a rapid and equitable solution to any dispute between them concerning the interpretation or application of this Agreement. In this regard, the Contracting Parties agree to engage in direct and meaningful negotiations to arrive at such solutions. If the Contracting Parties cannot reach an agreement within six (6) months after the beginning of disputes between themselves through the foregoing procedure, the disputes may be submitted, upon the request of either Contracting Party, to an arbitral tribunal of three members.

2. Within two (2) months of receipt of a request, each Contracting Party shall appoint an arbitrator. The two arbitrators shall select a third arbitrator as Chairman, who is a national of a third State. In the event either Contracting Party fails to appoint an arbitrator within the specified time, the other Contracting Party may request the President of the International Court of Justice to make the appointment.

3. If both arbitrators cannot reach an agreement about the choice of the Chairman within two (2) months after their appointment, the Chairman shall be appointed upon the request of either Contracting Party by the President of the International Court of Justice.

4. If, in the cases specified under paragraphs 2 and 3 of this Article, the President of the International Court of Justice is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be

made by the Vice-President, and if the Vice-President is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the most senior member of the Court who is not a national of either Contracting Party.

5. The tribunal shall have three (3) months from the date of the selection of the Chairman to agree upon rules of procedure consistent with the other provisions of this Agreement. In the absence of such agreement, the tribunal shall request the President of the International Court of Justice to designate rules of procedure, taking into account generally recognized rules of international arbitral procedure.

6. Unless otherwise agreed, all submissions shall be made and all hearings shall be completed within eight (8) months of the date of selection of the Chairman, and the tribunal shall render its decision within two (2) months after the date of the final submissions or the date of the closing of the hearings, whichever is later. The arbitral tribunal shall reach its decisions, which shall be final and binding, by a majority of votes.

7. Expenses incurred by the Chairman, the other arbitrators, and other costs of the proceedings shall be paid for equally by the Contracting Parties. The tribunal may, however, at its discretion, decide that a higher proportion of the costs be paid by one of the Contracting Parties.

8. A dispute shall not be submitted to an international arbitration court under the provisions of this Article, if the same dispute has been brought before another international arbitration court under the provisions of Article 9 and is still before the court. This will not impair the engagement in direct and meaningful negotiations between both Contracting Parties.

Article 11. Denial of Benefits

1. A Contracting Party may deny the benefits of this Agreement to an investor of the other Contracting Party that is a company of such other Contracting Party and to investments of such investor if the company has no substantial business activities in the territory of the Contracting Party under whose law it is constituted or organized and investors of the denying Contracting Party, own or control the company.

2. The denying Contracting Party shall, to the extent practicable, notify the other Contracting Party before denying the benefits.

Article 12. General Exceptions

1. Nothing in this Agreement shall be construed as preventing a Contracting Party from adopting, maintaining, or enforcing any non-discriminatory legal measures:

(a) designed and applied for the protection of human, animal or plant life or health, or the environment;

(b) related to the conservation of living or non-living exhaustible natural resources.

2. Nothing in this Agreement shall be construed:

(a) as requiring any Contracting Party to furnish or allow access to any information the disclosure of which it determines to be contrary to its essential security interests;

(b) as preventing any Contracting Party from taking any actions that it considers necessary for the protection of its essential security interests:

(i) relating to the traffic in arms, ammunition and implements of war and to such traffic and transactions in other goods, materials, services and technology undertaken directly or indirectly for the purpose of supplying a military or other security establishment;

(ii) taken in time of war or other emergency in international relations;

(iii) relating to the implementation of national policies or international agreements respecting the non-proliferation of nuclear weapons or other nuclear explosive devices;

(c) as preventing any Contracting Party from taking action in pursuance of its obligations under the UN Charter for the maintenance of international peace and security.

Article 13. Entry Into Force, Amendment and Termination

1. The Contracting Parties shall notify each other promptly of the fulfillment of their legal procedures required for the entry into force of this Agreement through the diplomatic channels. The Agreement shall enter into force on the date of last notification by either Contracting Party.

2. This Agreement shall remain in force for a period of ten (10) years and shall thereafter continue to remain in force unless terminated in accordance with paragraph 3 of this Article.

3. Either Contracting Party may, by giving one year's written notice to the other Contracting Party, terminate this Agreement at the end of the initial ten-year period or at any time thereafter.

4. With respect to investments made or acquired prior to the date of termination of this Agreement and to which this Agreement otherwise applies, the provisions of all of the other Articles of this Agreement shall thereafter continue to be effective for a further period of ten (10) years from such date of termination.

5. This Agreement may be amended by mutual written consent of the Contracting Parties. The amendments shall enter into force in accordance with the same legal procedure prescribed under paragraph 1 of the present Article.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized

Thereto by their respective Governments, have signed this Agreement.

DONE in two originals at Istanbul on the 7 th day of February 2013 in the

English and Turkish languages, both texts being equally authentic. In case of

Divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF THE REPUBLIC OF MAURITIUS

Dr. Arvin BOOLELL Minister of Foreign Affairs, Regional Integration and International Trade

FOR THE GOVERNMENT OF THE REPUBLIC OF TURKEY

Zafer ^ACLAYAN Minister of Economy