

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

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

Desiring to promote greater economic cooperation between the two countries concerning the promotion and protection of investments on mutually beneficial conditions;

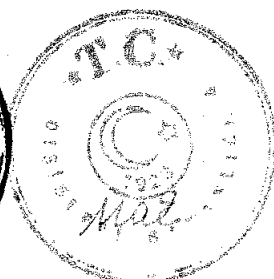
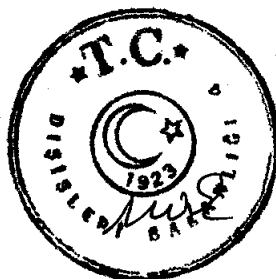
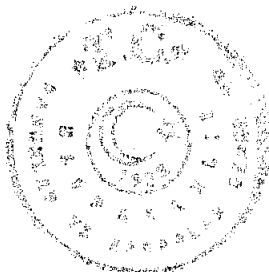
Recognizing that the promotion and reciprocal protection of investments on the basis of this Agreement will stimulate the flow of capital as well as technology and promote the development of mutually beneficial economic and commercial cooperation;

Agreeing that fair and equitable treatment of investments is desirable in order to maintain a stable framework for investment and will contribute to maximizing effective utilization of economic resources and improve living standards; and

Convinced that these objectives can be achieved without relaxing health, safety and environmental measures of general application as well as internationally recognized labor rights;

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

Have agreed as follows:





ARTICLE 1
Definitions

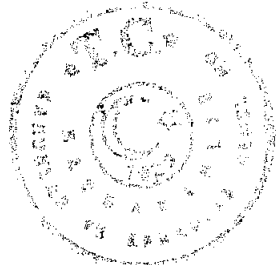
For the purposes of this Agreement;

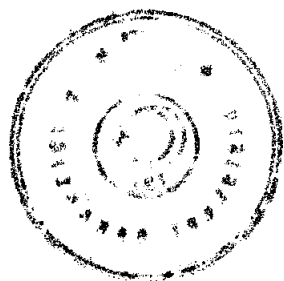
1. The term "investment" means every kind of asset, connected with business activities, acquired for the purpose of establishing lasting economic relations in the territory of the State of a Contracting Party in conformity with its laws and regulations, and that has the characteristics of an investment,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

- (a) movable and immovable property, as well as any other rights as mortgages, liens, pledges, and any other similar rights as defined in conformity with the laws and regulations of the Contracting Party on which territory the property is situated;
- (b) reinvested returns;
- (c) claims to money or any other rights having financial value related to an investment;
- (d) shares, stocks, or any other form of participation in companies;
- (e) industrial and intellectual property rights, in particular patents, industrial designs, technical processes, as well as trademarks, goodwill, and know-how;
- (f) business concessions conferred by laws and regulations of each Contracting Party or by contract, including concessions related to natural resources;

For greater certainty, an investment for the purposes of this Agreement does not include assets that are claims to money deriving solely from commercial contracts for the sale of goods or services to or from the territory of the State of the Contracting Party to the territory of the State of other Contracting Party, or a loan to a Contracting Party or to State enterprise, a bank letter of credit or the extension of credit in connection with a commercial transaction, such as trade financing.

In order to qualify as an investment under this Agreement, an asset must have the characteristics of an investment, such as the commitment of capital or other resources, the expectation of gain or profit, the assumption of risk, and significance for the development of the hosting Contracting Party.





2. The term "investor" means:

(a) a natural person having the nationality of the State of Contracting Party according to its laws;

(b) a legal entity constituted or established under the laws and regulations of the State of Contracting Party having its seat together with substantial business activity in the territory of the State of that Contracting Party,

who has made an investment in the territory of the State of the other Contracting Party.

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

4. The "territory" means:

(a) in respect of 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 Turkey 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.

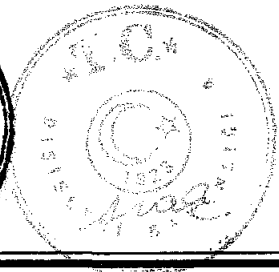
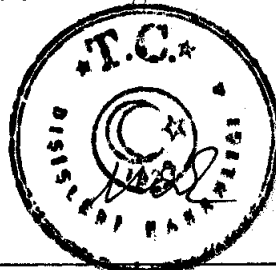
(b) in respect of the Republic of Uzbekistan, the territory, including the land area, internal waters and the territorial sea and air space above them, as well as any area beyond its territorial sea within which the Republic of Uzbekistan has sovereign rights of exploration and exploitations of resources of the seabed and its subsoil and superjacent water resources in accordance with international law and its national legislation.

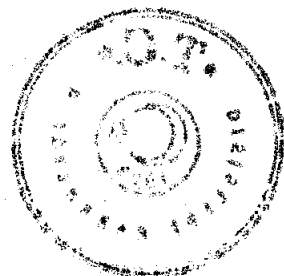
5. The "laws and regulations of the State of each Contracting Party" means laws, regulations, rules, decrees, decisions with legally binding characteristic in the territory of the State of each Contracting Party.

ARTICLE 2

Scope of Application

This Agreement shall apply to investments in the territory of the State of one Contracting Party, made in accordance with its laws and regulations, by investors of the the State 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 disputes concerning investments arisen, or to any act or fact that took place or any situation that ceased to exist before the date of entry into force of this Agreement.





ARTICLE 3
Promotion and Protection of Investments

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

2. Each Contracting Party shall accord, in accordance with its laws and regulations, full protection and security, and fair and equitable treatment on its territory, to investments made by investors of the other Contracting Party. Neither Contracting Party shall in any way impair the management, maintenance, use, implementation, expansion, sale, liquidation or disposal of investments in its territory of investors of the other Contracting Party by the adoption of unreasonable or discriminatory measures.

ARTICLE 4
Treatment of Investments

1. Each Contracting Party shall admit in its territory investments on a basis no less favorable 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 favorable than that accorded in like circumstances to investments of its investors or to investments of investors of any third State, whichever is the most favorable, as regards the management, maintenance, use, operation, enjoyment, extension, sale, liquidation or disposal of the investment.

3. (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-favored 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 of, 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 State,

(c) The most-favored nation treatment provisions of this Agreement shall not apply to settlement of disputes between one Contracting Party and investors of the other Contracting Party.

(d) The provisions of Article 3 and 4 of this Agreement shall not oblige the 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 thereof.



ARTICLE 5
General Exceptions

1. Nothing in this Agreement shall be construed to prevent 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) to require 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) to prevent any Contracting Party from taking any actions that it considers necessary for the protection of its essential security and economic 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,

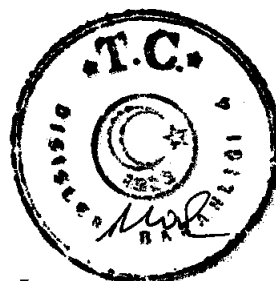
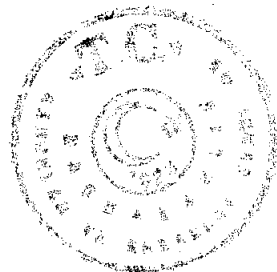
(ii) taken in time of war or other emergency in international relations, or

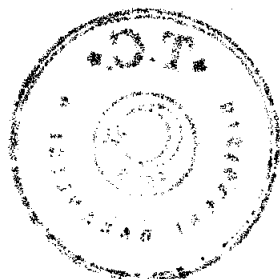
(iii) relating to the implementation of national policies or international agreements respecting the non-proliferation of nuclear weapons or other nuclear explosive devices; or

(iv) relating to illegal activities.

(c) to prevent any Contracting Party from taking action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

3. The adoption, maintenance or enforcement of such measures is subject to the requirement that they are not applied in an unjustifiable manner or do not constitute a disguised restriction on investments of investors of the other Contracting Party.





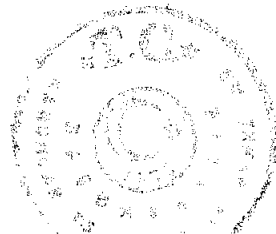
ARTICLE 6
Expropriation and Compensation

1. Investments shall not be expropriated, nationalized or subject, directly or indirectly, to measures of similar effects (hereinafter referred 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 Article 3 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 was taken or became public knowledge. Compensation shall be paid without delay and be freely transferable as described in paragraph 2 of Article 8.
4. Compensation shall be payable in a freely convertible currency and in the event that payment of compensation is delayed, it shall include an appropriate interest rate from the date of expropriation until the date of payment, but it shall not be less than six (6) months LIBOR rate.

ARTICLE 7
Compensation for Losses

1. Investors of either Contracting Party whose investments suffer losses in the territory of the other Contracting Party owing to war or armed conflict, revolution, insurrection, civil disturbance or other similar events shall be accorded by such other Contracting Party treatment no less favorable than that accorded to its own investors or to investors of any third State, whichever is the most favorable 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 State 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 compensation which in either case shall be prompt, adequate and effective. Resulting payments shall be freely convertible.





ARTICLE 8
Repatriation and Transfer

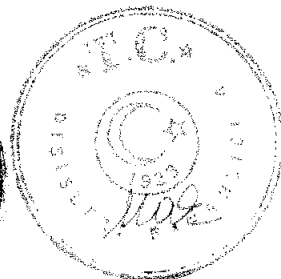
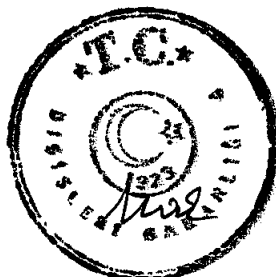
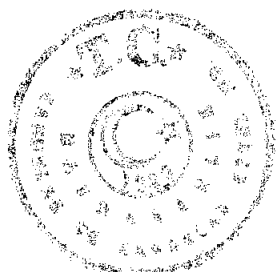
1. Each Contracting Party shall, after payment of related taxes and fees in accordance with its laws and regulations of its State, guarantee to investors of the other Contracting Party in good faith all transfers related to an investment to be made freely and without delay into and out of the territory of its State. Such transfers include:

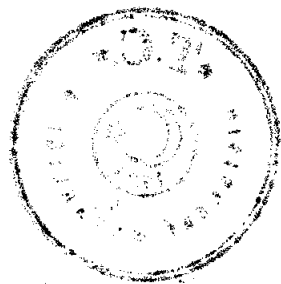
- (a) the initial capital and additional capital to maintain or increase investment;
- (b) returns, as defined in paragraph 3 of Article 1 of this Agreement;
- (c) proceeds from the sale or liquidation of all or any part of an investment;
- (d) compensation pursuant to Articles 6 and 7 of this Agreement;
- (e) reimbursements and interest payments deriving from loans in connection with investments;
- (f) salaries, wages and other remunerations received by the nationals of the State of one Contracting Party who have obtained in the territory of the State of the other Contracting Party the corresponding work permits and engaged in activities related to an investment made in its territory.

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 the date of transfer, unless otherwise agreed by the investor and the hosting Contracting Party.

3. Notwithstanding paragraphs (1) and (2) above, a Contracting Party may delay or prevent a transfer through the equitable, non-discriminatory and good-faith application of the laws and regulations of the State of each Contracting Party relating to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities;
- (c) criminal or penal offences; or
- (d) ensuring compliance with orders or judgments in adjudicatory proceedings.



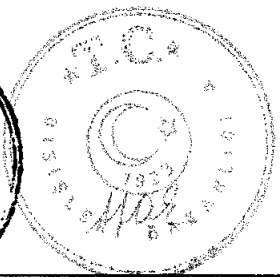
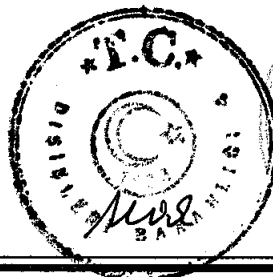
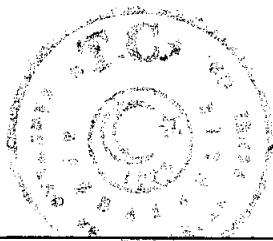


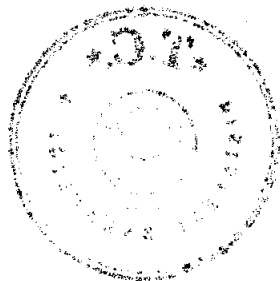
ARTICLE 9
Subrogation

1. If one of the Contracting Parties has a public insurance or guarantee scheme to protect investments of its own investors against non-commercial risks, and if an investor of the State 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 10 of this Agreement.

ARTICLE 10
Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party

1. This Article shall apply to disputes between a Contracting Party and an investor of the other Contracting Party arising in connection with the investment of an investor in the territory of the State of the first Contracting Party, including disputes relating to a breach of obligation of the former under this Agreement, which causes loss or damage to the investor or its investments, as well as relating to the size, conditions, or order of the payment of compensation in accordance with Articles 6 and 7 of this Agreement, and the transfer of payments provided for in Article 8 of this Agreement.
2. This Article shall not apply in cases when the disputing investor holds the nationality of the State of the Contracting Party where the investment is made.
3. Disputes between one of the Contracting Parties and an investor of the other Contracting Party, in connection with its investment, shall be notified in writing, including 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.
4. If these disputes, cannot be settled in this way within six (6) months following the date of the written notification mentioned in paragraph 3, the disputes can be submitted, as the investor may choose, to:
 - (a) the competent court of the Contracting Party in the territory of whose State the investment has been made, or





- (b) 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, or
- (c) an ad hoc arbitral tribunal established under the Arbitration Rules of Procedure of the United Nations Commission for International Trade Law (UNCITRAL),
- (d) any other arbitration institution or any other arbitration rules, if the disputing parties so agree.

5. The host Contracting Party shall be entitled to request from disputing investor to resort to domestic administrative review procedures established by the laws and regulations of the State of that Contracting Party, before submitting the dispute to international arbitration. In any case, this will not impair the disputing investor to resort to forums mentioned in paragraph 4 of this Article whether these review procedures are finalized or not.

If the dispute is submitted in accordance with paragraph (4) to the competent Court of Law of the Contracting Party, the investor cannot at the same time seek the international arbitration.

6. Once the investor has submitted the dispute to one or the other of the dispute settlement forums mentioned in paragraph 4 of this Article, the choice of one of these forums shall be final.

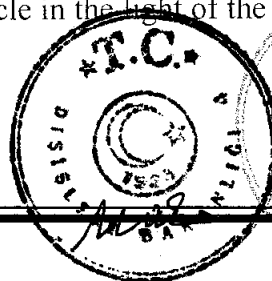
7. The dispute cannot be submitted to international arbitration, if five (5) years passed over from the date when the investor first knew or should have known the events that led to the dispute.

8. Only the disputes arising directly out of an investment made in conformity with laws and regulations of the State of the host Contracting Party and that effectively started shall be subject to the jurisdiction of ICSID or any other international dispute mechanism as agreed upon under paragraph 4 of this Article.

9. The arbitral tribunal shall take its decisions in accordance with the provisions of this Agreement, the laws and regulations of the State of the Contracting Party involved in the dispute on which territory the investment is made (including its rules on the conflict of laws) and the relevant principles of international law as accepted by both Contracting Parties.

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

11. Any dispute between the investor and a legal entity with the minority state ownership in the territory of the host Contracting Party shall be considered by the competent bodies referred to in paragraph 4 of this Article in the light of the principle of state immunity under international law.



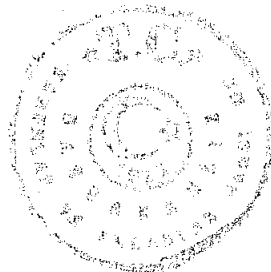


ARTICLE 11
Denial of Benefits

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

1. The Contracting Parties shall seek in good faith and 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. In the event one of the Contracting Parties 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. The two arbitrators shall select a third arbitrator as Chairman, who is a national of a third State. 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. Arbitral Tribunal shall reach its decision on the basis of this Agreement and in accordance with international law applicable between the Contracting Parties.

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 arbitral tribunal under the provisions of this Article, if a dispute on the same matter has been brought before another international arbitral tribunal under the provisions of Article 10 and is still before the tribunal. This will not impair the engagement in direct and meaningful negotiations between both Contracting Parties.





ARTICLE 13
Entry into Force

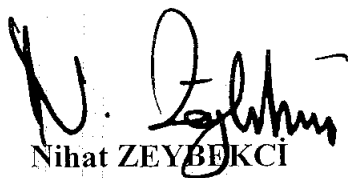
1. This Agreement shall enter into force on the date of the receipt of the last notification by the Contracting Parties in writing and through diplomatic channels of the completion of the respective internal legal procedures necessary for its entry into force.
2. This Agreement replaces the Agreement between the Republic of Turkey and the Republic of Uzbekistan Concerning the Reciprocal Promotion and Protection of Investments, signed on April 28, 1992 in Tashkent, which shall be terminated on the date of entry into force of this Agreement.
3. This Agreement shall remain in force for a period of ten (10) years and thereafter shall continue in force unless terminated in accordance with paragraph 5 of this Article.
4. This Agreement may be amended by mutual written consent of the Contracting Parties through written protocols at any time. The amendments shall enter into force in accordance with the same legal procedure prescribed under paragraph 1 of this Article.
5. Either Contracting Party may, by giving one year's prior written notice to the other Contracting Party, terminate this Agreement at the end of the initial ten-year period or at any time thereafter.
6. 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.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Ankara on 25/10/2017 in the Turkish, Uzbek and English languages, all texts being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.

**FOR THE GOVERNMENT OF
THE REPUBLIC OF TURKEY**


Nihat ZEYBEKCI
Minister of Economy

**FOR THE GOVERNMENT OF
THE REPUBLIC OF UZBEKISTAN**


Azim AKHMEDKHODJAEV
Head of State Investments Committee

