INVESTMENT INCENTIVE AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA

The Government of the United States of America and the
Government of the Republic of Lithuania affirm their common
desire to encourage economic activities in the Republic of
Lithuania which promote the development of the economic
resources and productive capacities of the Republic of
Lithuania. Recognizing that this developmental objective can
be promoted through investment insurance (including
reinsurance), loans and guaranties which are backed in whole or
in part by the credit or public monies of the United States of
America and administered by the Overseas Private Investment
Corporation ("OPIC"), an agency of the United States of
America, (or pursuant to arrangements between OPIC and private
companies), the parties signatory hereto agree as follows:

ARTICLE 1

As used in this Agreement, the term "Coverage" shall
refer to any investment insurance, reinsurance or guaranty
which is issued in accordance with this Agreement by OPIC,
by any successor agency of the United States of America or
by any other entity or group of entities, pursuant to
arrangements with OPIC or any successor agency. In this
Agreement, the term "Issuer" shall refer to OPIC and any
such successor agency, entity or group of entities to the extent of their interest as insurer, reinsurer, or guarantor in any Coverage, whether as a party or successor to a contract providing Coverage or as an agent for the administration of Coverage.

ARTICLE 2

(a) If the Issuer makes payment to any party under Coverage, the Government of the Republic of Lithuania shall, subject to the provisions of Article 3 hereof, recognize the transfer to the Issuer of any currency, credits, assets, or investment on account of which payment under such Coverage is made as well as the succession of the Issuer to any right, title, claim, privilege, or cause of action existing, or which may arise, in connection therewith.

(b) The Issuer shall assert no greater rights than those of the transferring party under Coverage with respect to any interests transferred or succeeded to under this Article. Nothing in this Agreement shall limit the right of the Government of the United States of America to assert a claim under international law in its sovereign capacity, as distinct from any rights it may have as Issuer.
(c) The Issuer shall not be subject to regulation under the laws of the Republic of Lithuania applicable to insurance or financial organizations.

(d) Interest and fees on loans made or guaranteed by the Issuer shall be exempt from tax in the Republic of Lithuania. The Issuer shall not be subject to tax in the Republic of Lithuania as a result of any transfer or succession which occurs pursuant to Article 2(a) hereof. Tax treatment of other transactions conducted by the Issuer in the Republic of Lithuania shall be determined by applicable law or specific agreement between the Issuer and appropriate fiscal authorities of the Government of the Republic of Lithuania.

ARTICLE 3

To the extent that the laws of the Republic of Lithuania partially or wholly invalidate or prohibit the acquisition from a party under Coverage of any interest in any property within the territory of the Republic of Lithuania by the Issuer, the Government of the Republic of Lithuania shall permit such party and the Issuer to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the laws of the Republic of Lithuania.
ARTICLE 4

(a) Amounts in the lawful currency of the Republic of Lithuania, including credits thereof, acquired by the Issuer by virtue of such Coverage shall be accorded treatment by the Government of the Republic of Lithuania no less favorable as to use and conversion than the treatment to which such funds would be entitled in the hands of the party under Coverage.

(b) Such amounts and credits may be transferred by the Issuer to any person or entity and upon such transfer shall be freely available for use by such person or entity in the territory of the Republic of Lithuania.

(c) The provisions of this Article 4 shall also apply to any amounts and credits in the lawful currency of the Republic of Lithuania which may be accepted by the Issuer in settlement of obligations with respect to loans made by the Issuer for projects in the Republic of Lithuania.

ARTICLE 5

(a) Any dispute between the Government of the United States of America and the Government of the Republic of Lithuania regarding the interpretation of this Agreement or which, in the opinion of one of the Governments, involves a question of public international law arising
out of any project or activity for which Coverage has been
issued shall be resolved, insofar as possible, through
negotiations between the two Governments. If, at the end
of six months following the request for negotiations, the
two Governments have not resolved the dispute by
agreement, the dispute, including the question of whether
such dispute presents a question of public international
law, shall be submitted, at the initiative of either
Government, to an arbitral tribunal for resolution in
accordance with Article 5(b).

(b) The arbitral tribunal for resolution of disputes
pursuant to Article 5(a) shall be established and function
as follows:

(i) Each Government shall appoint one arbitrator;
these two arbitrators shall designate a president by
common agreement who shall be a citizen of a third
state and whose appointment shall be subject to
acceptance by the two Governments. The arbitrators
shall be appointed within three months and the
president within six months of the date of receipt of
either Government’s request for arbitration. If the
appointments are not made within the foregoing time
limits, either Government may, in the absence of any
other agreement, request the Secretary-General of the
International Centre for the Settlement of Investment Disputes to make the necessary appointment or appointments, and both Governments agree to accept such appointment or appointments.

(ii) The arbitral tribunal shall base its decision on the applicable principles and rules of public international law. The arbitral tribunal shall decide by majority vote. Its decision shall be final and binding.

(iii) During the proceedings, each of the Governments shall pay the expense of its arbitrator and of its representation in the proceedings before the arbitral tribunal, whereas the expenses of the president and other costs of arbitration shall be paid in equal parts by the two Governments. In its award, the arbitral tribunal may, in its discretion, reallocate expenses and costs between the two Governments.

(iv) In all other matters, the arbitral tribunal shall regulate its own procedures.

ARTICLE 6

This Agreement shall continue in force until six months from the date of receipt of a note by which one Government informs the other of an intent no longer to be a party to
the Agreement. In such event, the provisions of the Agreement with respect to Coverage issued while the Agreement was in force shall remain in force for the duration of such Coverage, but in no case longer than twenty years after the termination of the Agreement.

This Agreement shall enter into force on the date on which the Government of the Republic of Lithuania communicates to the Government of the United States that its constitutional or other legal requirements with regard to this Agreement have been fulfilled.

In witness whereof, the undersigned, duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Indianapolis on the 28th day of October, 1991, in duplicate.

For the Government of THE UNITED STATES OF AMERICA

[Signature]

For the Government of THE REPUBLIC OF LITHUANIA

[Signature]