INVESTMENT GUARANTIES

Agreement Between the
UNITED STATES OF AMERICA
and MALDIVES

Signed at Male March 15, 2010

NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966 (80 Stat. 271; 1 U.S.C. 113)—

". . .the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof."

MALDIVES

Investment Guaranties

Agreement signed at Male March 15, 2010;
Entered into force March 15, 2010.

INVESTMENT INCENTIVE AGREEMENT

BETWEEN

THE GOVERNMENT OF THE UNITED STATES OF AMERICA

AND

THE GOVERNMENT OF REPUBLIC OF MALDIVES

THE GOVERNMENT OF THE UNITED STATES OF AMERICA and **THE GOVERNMENT OF REPUBLIC OF MALDIVES** (the "Parties");

AFFIRMING their common desire to encourage economic activities in Republic of Maldives that promote the development of the economic resources and productive capacities of Republic of Maldives;

ACKNOWLEDGING that diverse forms of assistance and support are important to the economic revitalization of Republic of Maldives; and

RECOGNIZING that the Overseas Private Investment Corporation ("OPIC"), a development institution and an agency of the United States of America, can be instrumental in achieving these objectives through its provision of investment insurance, coinsurance and reinsurance, debt and equity investments and investment guaranties;

HAVE AGREED as follows:

ARTICLE 1

As used in this Agreement, the following terms have the meanings herein provided. The term "Issuer" refers to OPIC and any successor agency of the United States of America, and any agent of either. The term "Investment Support" refers to any debt or equity investment, any investment guaranty and any investment insurance, reinsurance or coinsurance which is provided by the Issuer (or, in the case of coinsurance, is provided by the Issuer and commercial insurance companies ("Coinsurers") under coinsurance arrangements under which the Issuer acts both for itself and for such Coinsurers) in connection with a project in the territory of Republic of Maldives. The term "Taxes" means all present and future taxes, levies, imposts, stamps, duties and charges, whether direct or indirect, imposed in Republic of Maldives and all liabilities with respect thereto.

ARTICLE 2

The Parties confirm their understanding that the Issuer's activities are governmental in nature and therefore:

(a) The Issuer shall not be subject to regulation under the laws of Republic of Maldives applicable to insurance or financial organizations, but, in the provision of Investment Support, shall be afforded all rights and have access to all remedies of any such entity, whether domestic, foreign or multilateral.

(b) The Issuer, all operations and activities undertaken by the Issuer in connection with any Investment Support, and all payments, whether of interest, principal, fees, dividends, premiums or the proceeds from the liquidation of assets or of any other nature, that are made, received or guaranteed by the Issuer in connection with any Investment Support shall be exempt from Taxes, whether imposed directly on the Issuer or payable in the first instance by others. Neither projects receiving Investment Support nor investors in such projects shall be exempt from Taxes by operation of this Article, provided, however, that any Investment Support shall be accorded tax treatment no less favorable than that accorded to the investment support of any other national or multilateral development institution which operates in Republic of Maldives. The Issuer shall not be subject to Taxes in connection with any transfer, succession or other acquisition which occurs pursuant to paragraph (c) of this Article or Article 3(a) hereof, but obligations for Taxes previously accrued and unpaid with respect to interests received by the Issuer shall not be extinguished as a result of such transfer, succession or other acquisition.

(c) If the Issuer, alone or with a Coinsurer, makes a payment to any person or entity, or exercises its rights as a creditor or subrogee, in connection with any Investment Support, Republic of Maldives shall recognize the transfer to, or acquisition by, the Issuer and any Coinsurer of any cash, accounts, credits, instruments or other assets in connection with such payment or the exercise of such rights, as well as the succession of the Issuer and any Coinsurer to any right, title, claim, privilege or cause of action existing, or which may arise, in connection therewith.

(d) With respect to any interests transferred to the Issuer or a Coinsurer or any interests to which the Issuer or a Coinsurer succeeds under this Article, in its own right or otherwise, the Issuer shall assert no greater rights than those of the person or entity from whom such interests were received, provided that nothing in this Agreement shall limit the right of the United States to assert a claim under international law in its sovereign capacity, as distinct from any rights it may have as the Issuer pursuant to paragraph (c) of this Article. No Coinsurer shall be entitled to the benefits of this Agreement unless it is acting through, or its interests have been assigned to, the Issuer.

ARTICLE 3

(a) Amounts in the currency of Republic of Maldives, including cash, accounts, credits, instruments or otherwise, acquired by the Issuer (or by the Issuer and any Coinsurer) upon making a payment, or upon the exercise of its rights as a creditor, in connection with any Investment Support for a project in Republic of Maldives, shall be accorded treatment in the territory of Republic of Maldives no less favorable as to use and conversion than the treatment to which such funds would have been entitled in the hands of the person or entity from which such amounts were acquired.

(b) Such currency and credits may be transferred to any person or entity and upon such transfer shall be freely available for use by such person or entity in the territory of Republic of Maldives in accordance with its laws.

ARTICLE 4

(a) Any dispute between the Parties regarding the interpretation or application of this Agreement or regarding a claim, in connection with any project or activity for which Investment Support has been provided, for loss to the Issuer resulting from a violation of international law or wrongful act by Republic of Maldives should be resolved, insofar as possible, through negotiations between the Parties. If at any time either Party considers that the dispute cannot be resolved through negotiations, it may, upon 90 days notice and without any requirement to exhaust other remedies, submit the dispute to arbitration for a binding decision or award by a tribunal in accordance with paragraph (b) of this Article.

(b) The tribunal referred to in paragraph (a) of this Article shall be established and shall function as follows:

(i) Unless the Parties agree otherwise, the tribunal shall comprise three arbitrators, one arbitrator appointed by each Party and the third, who shall be a citizen of a third state and the presiding arbitrator, appointed by agreement of the Parties. The Party-appointed arbitrators shall be appointed within three months, and the presiding arbitrator within six months, of the date the dispute is submitted to arbitration. If the appointments are not made within the foregoing time limits, either Party 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.

(ii) In the absence of an agreement by the Parties to the contrary, the UNCITRAL Arbitration Rules shall govern the arbitration, except as modified by the Parties or this Agreement.

(iii) The tribunal shall decide the issues in dispute in accordance with this Agreement, applicable rules of international law and, as necessary, relevant rules of applicable municipal law.

(iv) The decision or award of the tribunal shall be made by at least two of its members, be in writing, and state the reasons on which it is based.

(v) The decision or award made by the tribunal shall have no binding force except between the Parties and in respect of the particular dispute. Each Party shall abide by and comply with the terms of the decision or award without delay.

(vi) Expenses incurred by the arbitrators and the president, and other costs of the proceedings, shall be paid for equally by the Parties. In its decision or award, the tribunal may, in its discretion, reallocate expenses and costs between the Parties, including directing that a higher proportion of the costs be paid by one of the Parties.

ARTICLE 5

(a) This Agreement shall enter into force on March 15, 2010.

(b) This Agreement shall continue in force until six months from the date of receipt of a note by which one Party informs the other of its intent to terminate this Agreement. In such event, the provisions of this Agreement shall, with respect to Investment Support provided while this Agreement was in force, remain in force so long as such Investment Support remains outstanding, but in no case longer than twenty years after the termination of this Agreement.

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

DONE at Male, in duplicate, this 15 day of March, 2010.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF REPUBLIC OF MALDIVES: