

Additional Protocol

**between
the Government of the Slovak Republic
and
the Government of the People's Republic of China
to the Agreement between the Government of the Czech and Slovak Federal Republic
and the Government of the People's Republic of China for the Promotion and
Reciprocal Protection of Investments**

The Government of the Slovak Republic and the Government of the People's Republic of China (hereinafter referred to as the "Contracting Parties"),

With regard to the Agreement between the Government of the Czech and Slovak Federal Republic and the Government of the People's Republic of China for the Promotion and Reciprocal Protection of Investments (hereinafter referred to as the „Agreement“),

Have agreed as follows:

(1) Article 3 shall be amended as follows:

“Article 3
Treatment of Investment

1. Each Contracting Party shall accord to investments and activities associated with such investments by the investors of the other Contracting Party treatment not less favourable than that accorded to the investments and associated activities by its own investors.
2. Neither Contracting Party shall subject investments and activities associated with such investments by the investors of the other Contracting Party to treatment less favourable than that accorded to the investments and associated activities by the investors of any third State.
3. The provisions of Paragraph 2 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 by virtue of:
 - a) its membership in any existing customs union, free trade zone, economic union, common market or any other form of regional economic organization and any international agreement resulting in such unions; or the adoption of an agreement designed to lead to the formation or extension of such a union or area within a reasonable length of time;
 - b) any international agreement or arrangement relating wholly or mainly to taxation;
 - c) any arrangements for facilitating small scale frontier trade in border areas.
4. Paragraph 1 of this Article does not apply to:

- a) any existing non-conforming measures maintained within its territory;
- b) the continuation of any such non-conforming measure;
- c) any amendment of any such non-conforming measure to the extent that the amendment does not increase the non-conformity of these measures.”

(2) Article 6 of the Agreement shall be amended as follows:

“Article 6
Transfers

1. Each Contracting Party shall, subject to its laws and regulations, guarantee to the investors of the other Contracting Party the transfer of their investments and returns held in its territory, including:
 - a) profits, dividends, interests and other legitimate income;
 - b) proceeds obtained from the total or partial sale or liquidation of investments;
 - c) payments pursuant to a loan agreement in connection with investments;
 - d) royalties in relation to the matters in Paragraph 1 (d) of Article 1;
 - e) payments of technical assistance or technical service fee, management fee;
 - f) payments in connection with contracting projects;
 - g) earnings of nationals of the other Contracting Party who work in connection with an investment in its territory.
2. The transfer mentioned above shall be made in a freely convertible currency and at the prevailing market rate of exchange applicable within the Contracting Party accepting the investments and on the date of transfer.
3. Notwithstanding paragraph 1 and 2 above, either Contracting Party may adopt or maintain measures relating to capital transfer:
 - a) in the event of serious balance of payments and external financial difficulties or threat thereof; or
 - b) in cases where, in exceptional circumstances, movements of capital cause or threaten to cause serious difficulties for macroeconomic management, in particular, monetary and exchange rate policies.
4. Measures referred to in paragraph 3 of this Article:
 - a) shall not exceed those necessary to deal with the circumstances set out in paragraph 3 of this Article;
 - b) shall be temporary and eliminated as soon as conditions permit; and
 - c) shall be promptly notified to the other Contracting Party.”

(3) Paragraph 3 of the Protocol shall be deleted, and paragraph 4 as well as all references to those paragraph, shall be renumbered accordingly.

(4) This Additional Protocol shall be regarded as an integral part of this Agreement.

This Additional Protocol is subject to an approval in accordance with procedures of constitutional formalities required by the law of the Contracting Party to bring this Additional Protocol into force and it shall enter into force on the 30th day from the receiving date of the second notification.

IN WITNESS WHEREOF, the undersigned being duly authorized have signed this Additional Protocol.

Done at, on, in two originals, each in Slovak, Chinese and English languages, all texts being equally authentic. In the case any of divergence of interpretation, the English text shall prevail.

**For the Government of
the Slovak Republic**

**For the Government of
the People's Republic of China**