

PROTOCOL
BETWEEN THE CZECH REPUBLIC AND THE LEBANESE REPUBLIC
AMENDING THE AGREEMENT BETWEEN THE CZECH REPUBLIC AND THE
LEBANESE REPUBLIC ON THE PROMOTION AND RECIPROCAL PROTECTION OF
INVESTMENTS, SIGNED IN BEIRUT ON SEPTEMBER 19, 1997

The Czech Republic and the Lebanese Republic, hereinafter referred to as the "Contracting Parties",

Have acknowledged that the Czech Republic, pursuant to Article 351 of the Treaty on the Functioning of the European Union and Article 6.10 of the Czech Republic's Act of accession, as applicable, must take all appropriate steps to eliminate incompatibilities between the Community Law and its other international treaties,

Have agreed to amend the Agreement between the Czech Republic and the Lebanese Republic on the Promotion and Reciprocal Protection of Investments, signed in Beirut on September 19, 1997, hereinafter referred to as "the Agreement", as follows:

Article 1

Paragraph 3 of Article 3 of the Agreement will be replaced by the following paragraphs 3 and 4:

"3. The National and Most-Favoured-Nation Treatment shall not be construed so as to oblige a Contracting Party to extend to investors and investments of the other Contracting Party the advantages resulting from:

- a) any existing or future customs, economic or monetary union, a common market or a free trade area to which either of the Contracting Parties is or becomes a Party, or,
- b) any international agreement or arrangement relating wholly or mainly to taxation, and
- c) in the case of Lebanon, the treatment granted to its own investors as regard the acquisition of real estate or other real rights in Lebanon.

4. The Contracting Parties understand the obligations of a Contracting Party as a member of a customs, economic, or monetary union, a common market or a free trade area to include obligations arising out of an international agreement or reciprocity agreement of that customs, economic, or monetary union, common market or free trade area."

Article 2

In Article 6 of the Agreement, at the beginning of the first sentence of paragraph 1, the following words are added:

"Without prejudice to measures adopted by the European Union that are binding on the Czech Republic,..."

Article 3

A new Article 10 is added after Article 9 in the Agreement and it reads as follows:

"ARTICLE 10

GENERAL EXCEPTIONS

- 1- Nothing in this Agreement shall be construed to prevent a Contracting Party from adopting or maintaining reasonable measures for prudential reasons, such as:
 - a) the protection of investors, depositors, financial market participants, policy-holders, policy-claimants, or persons to whom a fiduciary duty is owed by a financial institution;
 - b) the maintenance of the safety, soundness, integrity or financial responsibility of financial institutions; and
 - c) ensuring the integrity and stability of a Contracting Party's financial system.

- 2- Nothing in this Agreement shall be construed
 - a) to prevent 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, or
 - (iii) relating to the implementation of national policies or international agreements regarding the non-proliferation of nuclear weapons or other nuclear explosive devices;
 - b) to prevent any Contracting Party from taking action in pursuance of its obligations under the *Charter of the United Nations* for the maintenance of international peace and security; or
 - c) to prevent any Contracting Party from taking any measure necessary for the maintenance of public order. The public order exceptions may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

- 3 - A Contracting Party's essential security interests may include interests deriving from its membership in a customs, economic, or monetary union, a common market or a free trade area."

The subsequent Articles in the Agreement are re-numbered as Articles 11, 12, 13 and 14.

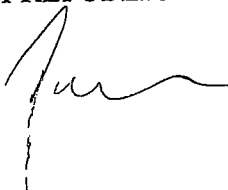
Article 4

This Protocol shall enter into force on the thirties day after the date of reception of the later notification by which the Contracting Parties communicate each other that their internal legal procedures for its entry into force have been completed and shall remain in force as long as the Agreement shall remain in force.

In witness thereof the Undersigned, being duly authorized, have signed this Protocol.

Done at Beirut on March 20, 2010 in two originals in the Czech, Arabic and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

FOR
THE CZECH REPUBLIC



FOR
THE LEBANESE REPUBLIC

