

FORM OF INVESTMENT AGREEMENT

INVESTMENT AGREEMENT

«__» _____ 20__ .

city of Chechersk

The Republic of _____ Belarus, represented by the Chechersk District Executive Committee, on behalf of which Yuri Derkachev, Chairman of the Chechersk District Executive Committee, is acting on the basis of the Law of the Republic of Belarus “On Local Government and Self-Government in the Republic of Belarus”, hereinafter referred to as the “Republic of Belarus”, on the one Party, and _____ (name of a legal entity, individual entrepreneur or family name, first name, patronymic of an individual) represented by _____, (family name, first name, patronymic of an official, individual entrepreneur), acting on the basis of _____ (regulatory legal act, charter, regulation or other document, confirming authority), hereinafter referred to as the “Investor”, on the other hand, collectively referred to as the Parties, governed by the Law of the Republic of Belarus of July 12, 2013 “On Investments”, Decree of the President of the Republic of Belarus No. 10 of August 6, 2009 “On the creation of additional conditions for investment in the Republic of Belarus”, Resolution of the Council of Ministers of the Republic of Belarus No. 563 of July 19, 2016 “On measures to implement the Decree of the President of the Republic of Belarus No. 10 of August 6, 2009”, expressing mutual interest in successful implementation of the investment project defined by this Agreement, have entered into this Investment Agreement (hereinafter referred to as the "Agreement") as follows:

DEFINITIONS

1. For the purposes of the Agreement, the following terms and their definitions are used:

“investments” shall mean any property and other objects of civil rights owned by the Investor on the right of ownership, other legal basis enabling them to dispose of such objects, invested by the Investor on the territory of the Republic of Belarus in the ways provided for by the Law of the Republic of Belarus of July 12, 2013 “On Investments”, in object of investment activity defined by this Agreement;

“investment activity” shall mean actions of the Investor to invest in the investment project defined by this Agreement;

“investment project” shall mean _____ (*full name of the investment project*)

“facility” shall mean _____ (*the result of the investment project implementation*);

“investor” shall mean _____ (*legal entity or an individual implementing investment activities, certificate of state registration for legal entities or individual entrepreneurs – residents of the Republic of Belarus, proof of legal status for legal entities – non-residents of the Republic of Belarus*);

“organization” shall mean an organization implementing an investment project, created in the prescribed manner by the Investor or in relation to which the Investor has the opportunity to determine

the decisions it makes on the grounds established by law.

Terms not defined in this Agreement are understood in meanings defined by the law of the Republic of Belarus.

SUBJECT OF THE AGREEMENT

2. The subject of the Agreement is the investment activity, performed by the Investor in the Republic of Belarus on the implementation of the investment project by this Agreement.

3. The object of investment activity is the creation, as a result of implementing the investment project, is _____ (*the result of implementing the investment project*) on the territory of _____ on a land plot with an approximate area of _____ hectares.

_____ (*indicate the space-planning characteristics of the facility*). The area of the land plot, space-planning characteristics and functional composition of the facility are indicative and may be adjusted in the process of developing project documentation for the facility within the limits set by the urban planning documentation.

4. The implementation period (total investment period) of the investment project defined by this Agreement is _____ (month, year of the beginning and completion), including:

Stage 1. Submission of documents, information necessary for the development and approval of the Land Plot Selection Act: _____ (*specify the dates (month, year) of the start and end of the stage*)

Stage 2. Submission to the land management organization of a facility master plan with the designed engineering networks, agreed in the established manner, developed as part of an architectural project or an approved part of a construction project - within the deadlines determined by the Land Plot Selection Act or the relevant decision of the Gomel Regional (District) Executive Committee (if such a decision is made).

Stage 3. Developing a design (design and estimate) documentation in full, given its state examination - within the deadlines determined by the Land Plot Selection Act or the relevant decision of the Gomel Regional (District) Executive Committee (if such a decision is made).

Stage 4. Facility construction: _____ (*specify start and end dates (month, year)*).

Initial complexes of construction: _____ (*if available, specify start and end dates (month, year)*).

The contractual date for construction completion is _____ (specify the end date of the implementation period).¹

In the case of selecting initial complexes of construction, the actual completion of the initial complex construction shall be the date on which the commissioning certificate for initial complex is approved.

The actual completion of the facility construction shall be the date on which the commissioning certificate for the last initial complex is approved.

Where initial complexes of construction are absent, the actual completion of the facility

¹ If it is impossible to define the exact completion date of construction, reference to the standard duration of construction, determined in compliance with state examination bodies opinion, is allowed.

construction shall be the date on which the commissioning certificate for the completed facility (the last of the construction facilities) is approved.

5. The volume of investments under this agreement is approximately _____ (amount) (____) (amount in words) Belarusian rubles, including:

Stage 1 – _____ (amount) (____) (amount in words) Belarusian rubles,

Stage 2 – _____ (amount) (____) (amount in words) Belarusian rubles,

Stage 3 – _____ (amount) (____) (amount in words) Belarusian rubles,

Stage 4 – _____ (amount) (____) (amount in words) Belarusian rubles

(in case of selecting initial complexes of construction, their investment volume must be indicated).

Sources of investment – _____.

The declared amount of investment is minimal and can be increased after development and examination of design and estimate documentation for the facility.

RIGHTS AND OBLIGATIONS OF THE PARTIES

6. The investor is obliged:

6.1. to ensure the implementation of the investment project in the volumes and within the deadlines specified in this Agreement;

6.2. to ensure compliance with investment legislation, on financial activities, tax legislation, legislation on labor and employment, on environmental protection and rational use of natural resources, on architectural, urban planning and construction activities, including the requirements of regulatory legal acts for organization, fencing and maintenance of a construction site, other legislation of the Republic of Belarus;

6.3. in case this agreement is terminated for reasons other than the fulfillment by the Investor of its obligations hereunder, to reimburse, in the manner and within deadlines specified by law, funds in the amount of benefits and preferences received on the basis of Decree of the President of the Republic of Belarus No. 10 of August 6, 2009 "On creating additional conditions for investments in the Republic of Belarus" and this Agreement, and pay the penalty set by this Agreement, taking into account the law requirements;

6.4. according to the procedure established by law, to perform the construction of the facility, including independent financing of developing land management documentation for the relevant land plot, as well as technical documentation for engineering and technical support for the construction project (technical conditions), compensation for the costs of budget funds for the preparing land management documentation for the corresponding land plot, if any, ensure timely commissioning of the facility, bear the corresponding costs;

6.5. to perform at own expense the construction and transfer of mainline, distribution and on-site engineering and transport infrastructure facilities necessary for the construction, operation and functioning of the facility, to the facility connection points in accordance with the technical conditions of the operating organizations, unless otherwise established by law;

6.6. to compensate, in due order, land users for losses caused by the seizure and/or temporary occupation of land plots, demolition of real estate located thereon, as well as restriction of the rights of land users or deterioration of land quality as a result of impact caused by the activities of the Investor to whom the land plots are allocated, if any;

6.7. should a land plot is withdrawn due to violation by the Investor (organization) of the terms and conditions hereof, at its own expense to bring it into a condition suitable for further use, including,

if necessary, land reclamation and demolition of real estate objects, or uncompleted by construction non-conserved facilities owned by the Investor, as well as to compensate for damage caused to the state, including in terms of the cost of removed plants;

6.8. not to take actions that constitute unfair competition, as well as actions (inaction) aimed at preventing, eliminating or limiting competition, causing harm to the rights, freedoms, and legitimate interests of other persons;

6.9. to ensure financing of the investment project at the expense of foreign direct investment in the amount of at least 70% of the total investment volume specified in paragraph 5 hereof;

6.10. within three months from the date of registration of this Agreement in the State Register of Investment Agreements with the Republic of Belarus, to take necessary measures to develop and sign with the Gomel Regional Executive Committee a schedule for implementing the investment project, which should provide for the deadlines for collecting technical conditions, concluding agreements with the general design and general construction organizations, performing design and survey work (including sending to the land management organization a master plan of the facility approved in the established manner with the designed engineering networks and developing design documentation in full), the beginning and the completion of the stages (phases, initial complexes) of construction, indicating the deadlines of these works and volumes of their financing by the specified deadlines;

6.11. to submit, within the deadlines established by law, information on the progress in implementing the investment project and on the volume of expenditures, statistical data on the receipt of investments according to the established forms of state statistical reporting, and to the district executive committee on the territory of which the investment project is implemented, as well as upon individual requests of the Gomel Regional Executive Committee and the District Executive Committee, on the territory of which the investment project is implemented;

6.12. to notify the Gomel Regional Executive Committee in writing about reorganization and (or) change in the owner of the Investor's (organization's) property, the composition of participants, at least two months before the date of their implementation;

6.13. within five working days from the organization creation date, to send a notification to the Gomel Regional Executive Committee indicating the full name of the organization and its registration number in the Unified State Register of Legal Entities and Individual Entrepreneurs;

6.14. within five working days from the date of concluding a construction agreement with a contractor in construction activities implementing the construction of the facility specified here (hereinafter referred to as the "Contractor"), or a contract for design and survey work with the project documentation developer, to notify the Gomel Regional Executive Committee of the full name (for an individual entrepreneur - family name, first name, patronymic (if any) and registration number in the Unified State Register of Legal Entities and Individual Entrepreneurs) of the contractor or a project documentation developer;

6.15. within one month from the date of conclusion of the Investment Agreement (supplementary agreement thereto), to submit a copy of the Investment Agreement (supplementary agreement thereto) to the tax authorities at the place the investor (organization) is registered.

7. The Investor and (or) the organization has the right:

7.1. provision without holding an auction for the right to conclude rent contract for land plots, an auction with conditions for the right to design and construct capital facilities (buildings, structures) and an auction for the sale of land plots into private ownership (hereinafter referred to as the "Auction") of a land plot included in the list of land plots for provision to investors under the Decree of the President of the Republic of Belarus No. 10 of August 6, 2009, on real rights according to the

legislation on land protection and use.

Paperwork for the land plot allocation is performed simultaneously with construction work in the presence of Land Plot Selection Act (if, when withdrawing and providing a land plot in accordance with the law, preliminary approval of its location is made) and design documentation for the construction facility (for individual construction phases) approved in the prescribed manner.

At the same time, when constructing the facility specified by this Agreement, the fertile layer of soil shall be removed from the occupied land plot and used as specified in the Land Plot Selection Act;

7.2. construction of a facility provided for by the investment project, with the right to remove flora objects without compensation for the cost of removed flora objects. The resulting timber shall be sold as set by law;

7.3. exercising, in compliance with the procedure set by law, not later than the reporting period for value-added tax, which falls on the end date of the investment project specified herein, deduction in full of value-added tax amounts recognized according to the legislation as tax deductions (with the exception of non-deductible tax amounts), presented upon purchase on the territory of the Republic of Belarus (paid upon importation into the territory of the Republic of Belarus) of goods (works, services), property rights used for construction, equipping the facility specified herein, regardless of the value added tax amounts calculated on the sale of goods (works, services), property rights. For the purposes of applying the provisions of this subclause, the goods used for the facility construction hereunder include, among other things, objects whose reconstruction, restoration, major repairs are envisaged by the investment agreement, and on which the construction, installation, and other special works began in the prescribed manner, as well as real estates (uncompleted by construction non-conserved facilities), demolished (disassembled) for the purpose of implementing the investment project. The amounts of value added tax accepted for deduction in full are determined by separate accounting of tax deductions depending on the areas of use of goods (works, services), property rights purchased on the territory of the Republic of Belarus (imported into the territory of the Republic of Belarus). The basis for such a deduction shall be the list of goods (work, services), property rights acquired on the territory of the Republic of Belarus (imported into the territory of the Republic of Belarus) submitted by the investor and (or) organization to the tax authorities at the place of the Investor and (or) organization registration and used for the construction, equipping of the facility provided for by this Agreement, indicating their name, quantity, cost, the corresponding amounts of value added tax, details of primary accounting documents (for paid amounts of value added tax - also documents, confirming payment), electronic invoices for value added tax. The list of goods (works, services), property rights is subject to approval according to the procedure set by law;

7.4. determination, without procedures established by law, of the contractor or project documentation developer, goods suppliers, providers of services for construction, including reconstruction, of the facility defined in this Agreement. This right does not apply to public procurement of goods (works, services);

7.5. exemption from paying a fee for the right to conclude a rent contract for land plots, leased without an auction for the facility construction envisaged by this Agreement;

7.6. exemption from land tax for land plots in state or private ownership, and rent for land plots in state ownership. At the same time, this benefit applies to land plots (with the exception of land plots (parts of a land plot), provided for temporary use and not returned in a timely manner, as well as squatted land), allocated for the facility construction hereunder (for servicing this facility after construction is completed, if such areas were previously provided for the purposes of the said

construction), from the first day of the month, in which the Investment Agreement came into force, until December 31 of the year following the year in which the last of the facility specified herein was commissioned. If this Agreement is terminated due to non-fulfillment or improper fulfillment by the Investor of its obligations hereunder, the Investor and the organization shall lose the right to this benefit from the date of such termination;

7.7. exemption from compensation for losses of agricultural and (or) forestry production due to land plot seizure;

7.8. exemption, during the validity period of this agreement, from paying import customs duties (given international obligations of the Republic of Belarus) and value added tax levied by customs authorities when importing technological equipment, components and spare parts to it into the territory of the Republic of Belarus for exclusive use in the territory of the Republic of Belarus for the purpose of implementing the investment project.

The basis for granting the benefit specified in part one of this subclause is the submission to the customs authority of a conclusion issued, unless otherwise established by the President of the Republic of Belarus, by the Gomel Regional Executive Committee, confirming the purpose of the imported technological equipment, components and spare parts for it for exclusive use on the territory of the Republic of Belarus for the purpose of implementing an investment project, and for the purpose of exemption from import customs duties - also fulfillment of the conditions established by international legal acts that constitute the regulatory legal framework of the Customs Union and the Common Economic Space, and (or) acts that constitute the law of the Eurasian Economic Union.

With reference to technological equipment, components and spare parts for it, imported with the provision of the benefit specified in part one of this subclause, restrictions on the use and (or) disposal are valid until the end of the investment project implementation period, but not more than five years from the date of placing such technological equipment, components and spare parts for it under the appropriate customs procedure.

In case of misuse of technological equipment, components and spare parts imported with the provision of the benefit specified in part one of this subclause, import customs duties and value added tax shall be paid (collected) in accordance with the legislation;

7.9. exemption from payment of value added tax and income tax, the obligation to pay which arises in connection with the gratuitous transfer (receipt) of capital facilities (buildings, structures), isolated premises, capital construction in progress and other fixed assets transferred (transferred) to ownership for the purpose of implementing the investment project hereunder, economic management or operational management of the Investor and (or) the organization;

7.10. exemption from payment of state duty for the issuance (extension of validity) of permits to attract foreign labor to the Republic of Belarus, special permits for the right to engage in labor activities in the Republic of Belarus, and foreign citizens and stateless persons attracted by the Investor, organization, contractor or developer of a project documentation for the investment project implementation – for exemption from payment of state duty for the issuance (extension of validity) of temporary residence permits in the Republic of Belarus;

7.11. allocation of stages of work in a construction project with the implementation of work on the facility construction at the current stage simultaneously with the implementation of design work for subsequent stages in the presence of an architectural project approved in the prescribed manner.

8. The Republic of Belarus is obliged to provide the Investor and (or) the organization with the benefits and preferences defined in paragraph 7 hereof, in the manner and conditions provided for by law and this agreement.

If the Investor complies with the completion date of the facility specified herein and fulfills other conditions for granting benefits specified in subparagraph 7.6 of paragraph 7 hereof, the validity period of the specified benefit shall be until December 31 of the year following the year in which the last of the facilities defined in this Agreement was put into operation.

9. The Republic of Belarus has the right:

9.1. to renounce its obligations under the Agreement

unilaterally in case of non-fulfillment or improper fulfillment by the Investor of its obligations under the Agreement, including:

9.1.1. if the Investor fails to comply with the design deadlines specified in the Land Plot Selection Act and (or) the relevant decision of the Gomel Regional Executive Committee on their extension;

9.1.2. in case of negative results of public discussion (and/or mass public protests) against the implementation of the investment project defined herein;

9.1.3. in the event that the Investor or organization fails to send to the Gomel Regional Executive Committee, within the period provided for in subclause 6.12 of clause 6 hereof, a written notice of reorganization and (or) change in the owner of the property, the composition of participants, as well as in the event of reorganization and (or) change in the owner of the property, the composition of participants in the presence of an objection received from the Gomel Regional Executive Committee regarding these circumstances;

9.1.4. if, prior to the end of the investment project implementation deadline, including its stages, construction phases, initial facilities, and certain types of work defined herein (the schedule for the implementation of the investment project), it becomes obvious that there will be a significant violation of the terms of this Agreement;

9.2. for compensation by the Investor or the organization, in the event of termination hereof for reasons other than the fulfillment by the Investor and (or) the organization of its obligations hereunder, in the manner and within deadlines specified by law, in the amount of funds received on the basis of the Decree of the President of the Republic of Belarus No. 10 of August 6, 2009 "On creating additional conditions for investments in the Republic of Belarus" and this Agreement on benefits and preferences and the payment by the Investor of the penalty provided for in this Agreement, taking into account the law requirements;

9.3. the application of other liability measures (measures to ensure the fulfillment of obligations) established by law and/or this Agreement for violating the terms of this Agreement;

9.4. recognize as invalid the Land Plot Selection Act in the event of a violation by the Investor of the deadlines for designing the facility, withdraw in the prescribed manner the land plot provided to the Investor for the facility construction in the event of violating the construction deadlines;

9.5. terminate the right to lease a land plot on the grounds provided for by law.

RESPONSIBILITY OF THE PARTIES

10. The Investor shall compensate, in accordance with the legislation of the Republic of Belarus, losses incurred by the Republic of Belarus in the event of non-fulfillment or improper fulfillment by the Investor of obligations hereunder.

The Republic of Belarus shall compensate, in accordance with the law, for losses caused to the Investor as a result of illegal actions (inaction) of officials of the Gomel Regional Executive Committee.

11. The Investor shall be liable for violation of obligations hereunder in accordance with the legal

acts of the Republic of Belarus and this Agreement.

Violation by the Investor of the requirements of regulatory documentation and the work plan for organizing, fencing or maintaining a construction site shall entail liability according to the legislation of the Republic of Belarus.

12. Should the Investor breaches the deadlines for the investment project implementation or the beginning and (or) completion of its stages (initial construction complexes) specified in paragraph 4 hereof, the Investor shall pay a penalty in the sum of 0.01% of the project investment amount or the corresponding stage (initial construction complex), respectively, stated in paragraph 5 hereof, for each day of exceeding the contractual deadlines, but not more than 10% of this amount.

In case of delay in the beginning and (or) the end of the corresponding stage (work deadline) beyond the beginning and (or) the end of the subsequent stage (work deadline), the penalty for the previous stage is accrued until the beginning of the subsequent stage (work deadline) if separate deadlines have been set for such stage (type of work), as well as the grounds and base amount for charging penalties for their violations.

The Investor or organization may be released from penalties if there are circumstances confirming the absence of their guilt in violating the terms hereof, for which a penalty is charged.

13. In the event of an unauthorized change in the functional and architectural concept of the facility defined by this Agreement, expressed in submitting by an organization authorized to do so by the Investor to the bodies of the Republican Unitary Enterprise "Glavgosstroyekspertiza" and/or the inspection of the Department of Control and Supervision of Construction in the Gomel Region of design (pre-design) documentation containing design solutions that have not been approved by the architecture and construction authority and/or that differ significantly from the documentation approved by this authority in terms of the main technical and economic parameters and/or space-planning characteristics of the facility planned for construction, the Investor shall bear responsibility in the manner and amount defined by law.

FORCE MAJEURE CIRCUMSTANCES

14. Neither Party shall be liable for the complete or partial non-fulfillment of its obligations if the non-fulfillment is the result of force majeure circumstances such as flood, fire, earthquake, other natural disasters, military actions, acts of terrorism and strikes that arose after the conclusion of this Agreement and affect its proper execution.

15. The Party for whom it has become impossible to fulfill obligations hereunder is obliged to notify the other Party in writing of the occurrence, expected duration and termination of the circumstances specified in paragraph 14 hereof not later than 10 days from the date of their occurrence. The facts stated in the notification must be confirmed by the competent authorities or by an appropriate act of the State body.

16. Should any of the circumstances set out in clause 14 hereof directly affected the deadline for fulfilling obligations established herein, then this deadline shall be proportionately extended for the duration of the relevant circumstances.

17. Failure to notify or untimely notification of the occurrence of force majeure circumstances shall deprive the Party of the right to refer to them as a basis exempting from liability for non-fulfillment or improper fulfillment of obligations hereunder.

18. If an event of force majeure should last for more than 180 calendar days, this Agreement may be terminated given the requirements specified in paragraph 27 hereof.

PROCEDURE AND BODY FOR DISPUTES RESOLUTION

19. If any discrepancies or disputes arise between the Parties from the agreement, the Parties will seek to resolve such disputes through negotiations, recognizing mutual interests. Complaint procedure of the pre-trial settlement of disputes is obligatory to the Parties. A written claim is subject to review within 30 calendar days from the date of its receipt.

20. All disputes, discrepancies and claims arising in connection with the executing this agreement are subject to resolution in accordance with legal acts of the Republic of Belarus in the economic court of the Gomel region.

21. The law applicable hereto is the law of the Republic of Belarus.

22. In all matters not regulated by the Agreement, the Parties are governed by the legislation of the Republic of Belarus.

CONFIDENTIALITY

23. Terms of this Agreement and annexes hereto are confidential.

24. The Parties undertake to comply with the legislation of the Republic of Belarus in the field of information confidentiality and trade secrets.

PERIOD OF THE AGREEMENT

25. This Agreement shall enter into force from the date of its registration in the State Register of Investment Agreements with the Republic of Belarus and is valid until the Investor fulfills its obligations hereunder, unless terminated on other grounds provided for by law.

26. This Agreement may be terminated in the following cases:

fulfillment by the Investor of its obligations under this Agreement;

liquidation of the Investor;

signing by the Parties of the Agreement of termination of the investment agreement;

exercising by the Republic of Belarus of its right to unilaterally refuse to fulfill its obligations hereunder in accordance with subparagraph 9.1 of paragraph 9 of the Agreement;

In case of unilateral refusal by the Republic of Belarus to fulfill its obligations under the Agreement, the Agreement shall be considered terminated from the date of the decision by the Gomel Regional Executive Committee on termination of the Investment Agreement or from another date specified in this decision.

In case of termination of the Agreement by fulfillment of obligations, the date of termination of the agreement shall be the date specified in the decision by the Gomel Regional Executive Committee on termination of the investment agreement.

Termination of the agreement shall not exempt the Investor from liability measures for its violation (including from the application of measures to ensure the fulfillment of obligations hereunder), including those provided for in paragraphs 12 and 13 of this Agreement.

27. The Party intending to terminate the Agreement shall notify the other Party of the termination hereof 30 calendar days in advance.

Upon termination of this Agreement, the costs incurred by the Investor in implementing the investment project, shall not be reimbursed by the Republic of Belarus, except as expressly provided for by law.

28. This Agreement may be amended or supplemented by agreement of the Parties during the implementation of the investment project.

All amendments and additions hereto shall be made in writing, signed by authorized persons of the Parties, are an integral part hereof and are subject to registration in the State Register of Investment Agreements with the Republic of Belarus in accordance with the procedure established by law.

FINAL PROVISIONS

29. This Agreement is made in 2 (two) original copies in Russian, one copy for each of the Parties. All copies of the agreement are identical and have the same legal force.

30. In case of changes to their details, the Parties shall notify each other in writing within five working days.

31. This Agreement is subject to registration in the State Register of Investment Agreements with the Republic of Belarus, in the manner prescribed by law.

DETAILS AND SIGNATURES OF THE PARTIES

The Owner

The Investor