AGREEMENT

BETWEEN THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA

AND

THE GOVERNMENT OF THE REPUBLIC OF FINLAND

FOR THE PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Hong Kong Special Administrative Region of the People's Republic of China, having been duly authorised by the Central People's Government of the People's Republic of China to conclude this Agreement, and the Government of the Republic of Finland (hereinafter referred to as the "Contracting Parties");

Desiring to create favourable conditions for expanding investments by investors of one Contracting Party in the area of the other;

Recognising that the encouragement and protection under agreement of such investments will be conducive to the stimulation of individual business initiative and will increase prosperity in both areas;

Agreeing that a stable framework for investment will contribute to enhancing the effective utilisation of economic resources and improve living standards;

Have agreed as follows:

ARTICLE 1

Definitions

For the purposes of this Agreement

(a) "area" :

(i) in respect of the Hong Kong Special Administrative Region includes Hong Kong Island, Kowloon and the New Territories;

(ii) in respect of the Republic of Finland means the land territory, internal waters and territorial sea of the Republic of Finland;

(b) "forces" means :

(i) in respect of the Hong Kong Special Administrative Region, the armed forces of the People's Republic of China;

(ii) in respect of the Republic of Finland, the defence forces of the Republic of Finland;

(c) "investment" means every kind of asset held or invested directly or indirectly and in particular, though not exclusively, includes:

(i) movable and immovable property and any other property rights such as mortgages, liens or pledges;

(ii) returns;

(iii) shares in and stock and debentures of a company and any other form of participation in a company;

(iv) claims to money or to any performance under contract having a financial value;

(v) intellectual property rights and goodwill;

(vi) business concessions conferred by law or under contract, including concessions to search for, cultivate, extract or exploit natural resources.

A change in the form in which assets are invested does not affect their character as

investments;

(d) “investor” means :

(i) in respect of the Hong Kong Special Administrative Region :

- any natural person who has the right of abode in its area;

- any corporation, firm, partnership, association, institution or organisation incorporated or constituted under the law in force in its area, whether or not for profit, or whether or not with limited liability (hereinafter referred to as “company”);

(ii) in respect of the Republic of Finland :

- any natural person who is a national of the Republic of Finland in accordance with its laws;

- any legal entity such as corporation, firm, partnership, business association, institution or organisation incorporated or constituted in accordance with the laws and regulations in force in any part of its area and having its registered office within its jurisdiction, whether or not for profit, or whether or not with limited liability (hereinafter referred to as “company”);

(e) “returns” means the amounts yielded by an investment and in particular, though not exclusively, profits, interests, capital gains, dividends, royalties and fees.

ARTICLE 2

Promotion and Protection of Investment

(1) Each Contracting Party shall encourage and create favourable conditions for investors of the other Contracting Party to make investments in its area, and, subject to its right to exercise powers conferred by its laws, shall admit such investments.

(2) Investments of investors of each Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the area of the other Contracting Party. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment, sale or other disposal of investments in its area of

investors of the other Contracting Party.

ARTICLE 3

Treatment of Investments

(1) Neither Contracting Party shall in its area subject investments of investors of the other Contracting Party to treatment less favourable than that which it accords to investments of its own investors or to investments of investors of any third Party.

(2) Neither Contracting Party shall in its area subject investors of the other Contracting Party, as regards their management, maintenance, use, enjoyment, sale or other disposal of their investments, to treatment less favourable than that which it accords to its own investors or to investors of any third Party.

ARTICLE 4

Compensation for Losses

(1) Investors of one Contracting Party whose investments in the area of the other Contracting Party suffer losses owing to war or other armed conflict, revolution, a state of national emergency, revolt, insurrection or riot in the area of the latter Contracting Party shall be accorded by the latter Contracting Party treatment, as regards restitution, indemnification, compensation or other settlement, no less favourable than that which the latter Contracting Party accords to its own investors or to investors of any third Party, whichever is more favourable according to the investor concerned. Resulting payments shall be freely convertible.

(2) Without prejudice to paragraph (1) of this Article, investors of one Contracting Party who in any of the situations referred to in that paragraph suffer losses in the area of the other Contracting Party resulting from :

(a) requisitioning of their property by its forces or authorities; or

(b) destruction of their property by its forces or authorities which was not caused in combat action or was not required by the necessity of the situation,

shall be accorded restitution or reasonable compensation. Resulting payments shall be freely convertible.

ARTICLE 5

Expropriation

(1) Investors of either Contracting Party shall not be deprived of their investments or a part thereof, nor shall their investments be expropriated or subjected to measures having similar effect (hereinafter referred to as "deprivation") in the area of the other Contracting Party except under due process of law, for a public purpose related to the internal needs of that Party, on a non-discriminatory basis, and against compensation. Such compensation shall amount to the real value of the investment immediately before the deprivation or before the impending deprivation became public knowledge, whichever is the earlier, shall include interest at a normal commercial rate from the date of actual deprivation until the date of payment, shall be made without delay, be effectively realisable and be freely convertible. Where that value cannot be readily ascertained, the compensation shall be determined in accordance with generally recognised principles of valuation.

(2) Without prejudice to the provisions of Article 8 of this Agreement, the investor affected shall have a right, under the law of the Contracting Party making the deprivation, to prompt review by a judicial or other independent authority of that Party, of the investor's case and of the valuation of the investment in accordance with the principles set out in paragraph (1) of this Article.

(3) Where a Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its area, and in which investors of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article are applied to the extent necessary to guarantee compensation referred to in paragraph (1) of this Article in respect of their investment to such investors of the other Contracting Party who are owners of those shares.

ARTICLE 6

Transfer of Investments

(1) Each Contracting Party shall ensure to investors of the other Contracting Party the free transfer into and out of its area of their investments. Transfer payments related to investments shall include in particular, though not exclusively:

(a) the principal and additional amounts to maintain, develop or increase the investment;

(b) returns;

(c) proceeds obtained from the total or partial sale or disposal of an investment, including the sale of shares;

(d) the amounts required for payment of expenses which arise from the operation of the investment, such as loans repayments, payment of royalties, management fees, licence fees or other similar expenses;

(e) payments related to Articles 4, 5, 8 and 10;

(f) earnings and other remuneration of personnel engaged from abroad working in connection with an investment.

(2) Unless otherwise agreed upon, transfers out of the area of the host Contracting Party shall be effected without delay, in a convertible currency of the investor's choice and at the rate of exchange applicable on the date of transfer.

(3) If necessary, the rate to be used shall be the most recent one for the conversions of currencies into Special Drawing Rights as applied by the International Monetary Fund.

ARTICLE 7

Exceptions

The provision of this Agreement shall not be construed so as to oblige one Contracting Party to extend to the investors and investments by investors of the other Contracting Party the benefit of any treatment, preference or privilege by virtue of any existing or future:

(a) free trade area, customs union, common market, economic and monetary union or regional economic integration agreement to which one of the Contracting Parties is or may become a party; or

(b) agreement for the avoidance of double taxation or any bilateral, regional or multilateral agreement or arrangement relating wholly or mainly to taxation.

ARTICLE 8

Settlement of Investment Disputes

(1) A dispute between an investor of one Contracting Party and the other Contracting Party concerning an investment of the former in the area of the latter which has not been settled amicably, shall, after a period of three months from written notification of the claim, be submitted to such procedures for settlement as

may be agreed between the parties to the dispute. If no such procedures have been agreed within that three month period, the dispute shall at the request of the investor concerned be submitted to arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law as then in force. The parties to the dispute may agree in writing to modify those Rules.

(2) Paragraph (1) of this Article shall not be construed so as to prevent investors of either Contracting Party from submitting the dispute to the competent courts of the Contracting Party in whose area the investment is made. In the event that an investor has submitted the dispute to a competent court within the area of the other Contracting Party, the same dispute shall not be submitted to arbitration referred to in paragraph (1) of this Article.

(3) The arbitral award shall be final and binding on the parties to the dispute and shall be enforced in accordance with relevant domestic law.

ARTICLE 9

Disputes between the Contracting Parties

(1) If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall, as far as possible, settle it by negotiation.

(2) If the Contracting Parties fail to reach a settlement of the dispute within six months, it may be referred by them to such person or body as they may agree on or, at the request of either Contracting Party, be submitted for decision to a tribunal of three arbitrators which shall be constituted in the following manner :

(a) within thirty days after receipt of a request for arbitration, each Contracting Party shall appoint one arbitrator. A national of a State which can be regarded as neutral in relation to the dispute, who shall act as President of the tribunal, shall be appointed as the third arbitrator by agreement between the two arbitrators, within sixty days of the appointment of the second;

(b) if within the time limits specified above any appointment has not been made, either Contracting Party may request the President of the International Court of Justice, in a personal and individual capacity, to make the necessary appointment within thirty days. If the President considers that he is a national of a State which cannot be regarded as neutral in relation to the dispute or is otherwise unable to discharge this function, the Vice-President or the next most senior Member who is not disqualified on those grounds shall make the appointment.

(3) Except as hereinafter provided in this Article or as otherwise agreed by the Contracting Parties, the tribunal shall determine the limits of its jurisdiction and establish its own procedure. The Arbitral Tribunal shall reach its decision by a majority of votes. At the direction of the Tribunal, or at the request of either of the Contracting Parties, a conference to determine the precise issues to be arbitrated and the specific procedures to be followed shall be held not later than thirty days after the Tribunal is fully constituted.

(4) Except as otherwise agreed by the Contracting Parties or prescribed by the Tribunal, each Contracting Party shall submit a memorandum within forty five days after the Tribunal is fully constituted. Replies shall be due sixty days later. The Tribunal shall hold a hearing at the request of either Contracting Party, or at its discretion, within thirty days after replies are due.

(5) The Tribunal shall attempt to give a written decision within thirty days after completion of the hearing or, if no hearing is held, after the date both replies are submitted. The decision shall be taken by a majority vote.

(6) The Contracting Parties may submit requests for clarification of the decision within fifteen days after it is received and such clarification shall be issued within fifteen days of such request.

(7) The decision of the Tribunal shall be final and binding on the Contracting Parties.

(8) Each Contracting Party shall bear the costs of the arbitrator appointed by it. The other costs of the Tribunal shall be shared equally by the Contracting Parties including any expenses incurred by the President, Vice-President, or Member of the International Court of Justice in implementing the procedures in paragraph (2)(b) of this Article. The Tribunal may make a different decision regarding the sharing of the costs.

(9) The Tribunal shall reach its decision in accordance with the provisions of this Agreement.

ARTICLE 10

Subrogation

(1) If one Contracting Party or its designated Agency makes a payment to its investor under an indemnity, guarantee or contract of insurance given in respect of an investment in the area of the other Contracting Party, the latter Contracting Party shall recognise :

(a) the assignment to the former Contracting Party or its designated

Agency by law or by legal transaction of all the rights and claims of the indemnified investor; and

(b) that the former Contracting Party or its designated Agency is entitled to exercise such rights and enforce such claims by virtue of subrogation, to the same extent as that investor.

(2) The former Contracting Party or its designated Agency shall be entitled in all circumstances to the same treatment in respect of the rights and claims acquired by it by virtue of the assignment and any payments received in pursuance of those rights and claims as the indemnified investor was entitled to receive by virtue of this Agreement in respect of the investment concerned.

(3) Any payments received by the former Contracting Party or its designated Agency in pursuance of the rights and claims acquired shall be freely convertible. Such payments shall also be freely available to the former Contracting Party for the purpose of meeting any expenditure incurred in the area of the latter Contracting Party.

ARTICLE 11

Permits

(1) In connection with investments by investors, each Contracting Party shall, subject to its laws and regulations, treat applications by the investors of the other Contracting Party favourably and grant the necessary permits expeditiously.

(2) Each Contracting Party shall, subject to its laws and regulations, grant temporary entry and stay to natural persons employed from abroad as executives, managers, specialists or technical personnel in connection with an investment by an investor of the other Contracting Party who are essential to the enterprise. Favourable consideration should also be given to granting temporary entry and stay to members of their families (spouse and minor children) for the same period as the persons employed.

ARTICLE 12

Transparency

(1) Each Contracting Party shall promptly publish, or otherwise make publicly available, its laws, regulations, procedures and judicial decisions of general application as well as international agreements regarding investments of investors of one Contracting Party in the area of the other Contracting Party.

(2) Nothing in this Agreement shall require a Contracting Party to furnish or allow access to any confidential or proprietary information, including information concerning particular investors or investments, the disclosure of which would impede law enforcement or be contrary to its laws protecting confidentiality or prejudice legitimate commercial interests of particular investors.

ARTICLE 13

Application of the Agreement

This Agreement shall apply to investments by investors of one Contracting Party in the area of the other Contracting Party, whether made before or after the entry into force of this Agreement.

ARTICLE 14

Application of Other Rules

(1) This Agreement shall not prevent investors of one Contracting Party from taking advantage of any law of the other Contracting Party or any other obligations between the Contracting Parties which are applicable to the investors and their investments and are more favourable than the provisions of this Agreement.

(2) Each Contracting Party shall observe any other obligation it may have entered into with regard to investments of investors of the other Contracting Party.

ARTICLE 15

Entry into Force

This Agreement shall enter into force on the thirtieth day after the date on which the Contracting Parties have notified each other in writing that their respective requirements for the entry into force of this Agreement have been complied with.

ARTICLE 16

Duration and Termination

(1) This Agreement shall remain in force for a period of fifteen years and shall thereafter remain in force indefinitely, unless terminated in accordance with paragraph (2) of this Article.

(2) Either Contracting Party may terminate this Agreement at any time after it

has been in force for fifteen years by giving one year's written notice to the other Contracting Party.

(3) In respect of investments made prior to the date of termination of this Agreement, the provisions of Articles 1 to 14 shall remain in force for a further period of fifteen years from that date.

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

Done in duplicate at Helsinki, the Republic of Finland this second day of July 2009 in the Chinese, English and Finnish languages, all texts being equally authentic. In case of divergence, the English text shall prevail.

For the Government of the
Hong Kong Special
Administrative Region of the
People's Republic of China

For the Government of the
Republic of Finland