Mongolia Trade Relations greement A

GREEMENT ON TR DE REL TIONS BETWEEN

THE GOVERNMENT OF THE UNITED ST TES OF MERIC

ND THE GOVERNMENT OF THE MONGOLI N PEOPLE'S REPUBLIC

The Government of the United States of merica and the Government of the Mongolian People's Republic (hereinafter referred to collectively as"Parties" and individually as"Party"),

ffirming that the evolution of market-based economic institutions and the strengthening of the private sector will aid the development of mutually beneficial trade relations,

cknowledging that the development of trade relations and direct contact between nationals and companies of the United States and nationals and organizations of the Mongolian People's Republic will promote openness and mutual understanding,

Considering that expanded trade relations between the Parties will contribute to the general well-being of the peoples of each Party,

Recognizing that development of bilateral trade may contribute to better mutual understanding and cooperation and promote respect for internationally recognized worker rights,

Having agreed that economic ties are an important and necessary element in the strengthening of their bilateral relations,

Being convinced that an agreement on trade relations between the two Parties will best serve their mutual interests, and Desiring to create a framework which will foster the development and expansion of commercial ties between their respective nationals, companies and organizations,

Have agreed as follows:

RTICLE I

MOST F VORED N TION ND NONDISCRIMIN TORY TRE TMENT

1. Each Party shall accord unconditionally to products originating in or exported to the territory of the other Party treatment no less favorable than that accorded to like products originating in or exported to the territory of any third country in all matters relating to:

(a) customs duties and charges of any kind imposed on or in connection with importation or exportation, including the method of levying such duties and charges;

(b) methods of payment for imports and exports, and the international transfer of such payments;

(c) rules and formalities in connection with importation and exportation, including those relating to customs clearance, transit, warehouses and transshipment;

(d) taxes and other internal charges of any kind applied directly or indirectly to imported products; and

(e) laws, regulations and requirements affecting the sale, offering for sale, purchase, transportation, distribution, storage and use of products in the domestic market. A

2. Each Pa ha acco d o p oduc o igina ing in o expo ed o he e i o of he o he Pa nondi c imina o ea men wi h e pec o he app ica ion of quan i a ive e ic ion and he g an ing of icen e .

3. Each Pa ha acco d o impo of p oduc and e vice o igina ing in he e i o of he o he Pa nondi c imina o ea men wi h e pec o he a oca ion of and acce o he cu enc needed o pa fo uch impo .

4. The p ovi ion of pa ag aph 1 and 2 ha no app o

(a) advan age acco ded b ei he Pa b vi ue of uch Pa ' fu membe hip in a cu oms union o f ee ade a ea;

(b) advan age acco ded o adjacen coun ie fo he faci i a ion of f on ie affic;

(c) ac ion b ei he Pa which a e equi ed o pe mi ed b he Gene a Ag eemen on Ta iff and T ade (he"GATT") (o b an join ac ion o deci ion of he Con ac ing Pa ie o he GATT) du ing uch ime a uch Pa i a Con ac ing Pa o he GATT; and pecia advan age acco ded b vi ue of he GATT; and

(d) ac ion aken unde A ic e XI (Ma ke Di up ion) of hi Ag eemen .

5. The p ovi ion of pa ag aph 2 of hi A ic e ha no app o Mongo ian expo of ex i e and ex i e p oduc .

ARTICLE II

MARKET ACCESS FOR PRODUCTS AND SERVICES

1. Each Pa ha admini e a a iff and non a iff mea u e affec ing ade in a manne which affo d , wi h e pec o bo h hi d coun and dome ic compe i o , meaningfu compe i ive oppo uni ie fo p oduc and e vice of he o he Pa .

2. Acco ding , nei he Pa ha impo e, di ec o indi ec , on he p oduc of he o he Pa impo ed in o i e i o , in e na axe o cha ge of an kind in exce of ho e app ied, di ec o indi ec , o ike dome ic p oduc .

3. Each Pa ha acco d o p oduc o igina ing in he e i o of he o he Pa ea men no e favo ab e han ha acco ded o ike dome ic p oduc in e pec of a aw s, egu a ion and equi emen affec ing hei in e na a e, offe ing fo a e, pu cha e, an po a ion, di ibu ion, o age o u e.

4. The cha ge and mea u e de c ibed in pa ag aph 2 and 3 of hi A ic e hou d no be app ied o impo ed o dome ic p oduc o a o affo d p o ec ion o dome ic p oduc ion.

5. The Pa ie ha en u e ha echnica egu a ion and anda d a e no p epa ed, adop ed o app ied wi h a view o c ea ing ob ac e o in e na iona ade o o p o ec dome ic p oduc ion. Fu he mo e, each Pa ha acco d p oduc impo ed f om he e i o of he o he Pa ea men no e favo ab e han ha acco ded o ike dome ic p oduc and o ike p oduc o igina ing in an hi d coun in e a ion o uch echnica egu a ion o anda d , inc uding confo mi e ing and ce ifica ion.

6. The Gove nmen of he Mongo ian Peop e' Repub ic ha accede o he Conven ion E ab i hing he Cu oms Coope a ion Counci and he In e na iona Conven ion oh he Ha monized Commodi De c ip ion and Coding S em, and ha ake a nece a mea u e o imp emen en in o fo ce of uch Conven ion wi h e pec o he Mongo ian Peop e' Repub ic.

ARTICLE III

GENERAL OBLIGATIONS WITH RESPECT TO TRADE

1. The Pa ie ag ee o main ain a a i fac o ba ance of ma ke acce oppo uni ie , inc uding h ough conce ion in ade in p oduc and e vice and h ough he a i fac o ecip oca ion of educ ion in a iff :

and nontari arri r to trad r lting rom multilat ral n gotiation .

2. Trad in prod ct and rvic hall R ct d y contract tw e n national and compani o th Unit d Stat and national and organization o th Mongolian P opl ' p lic concl d d on th a i o nondi crimination and in th x rci o th ir ind p nd nt commercial j dgment and on th a i o c tomary commercial con id ration ch a pric , q ality, availa ility, d liv ry, and t rms o payment.

3. N ith r Party hall r q ir or nco rag national or compani o th Unit d Stat or national or organization o th Mongolian P opl ' p lic to ngag in art r or co nt rtrad tran action . N v rth l , wh r national , compani or organization d cid to r ort to art r or co nt rtrad op ration , th Parti will nco rag th m to rni h to ach oth r all n c ary in ormation to acilitat th tran action.

A TICLE IV

EXPANSION AND P OMOTION OF T ADE

1. Th Parti a irm th ir d ir to xpand trad in prod ct and rvic con i t nt with th t rms o thi Agr ment. Th y hall tak appropriat mea r to nco rag and acilitat th xchang o good and rvic and to c r avora l condition or long-t rm d v lopment o trad r lation tw e n th ir r p ctiv national , compani and organization .

2. Th Parti hall tak appropriat mea r to nco rag th xpan ion o commercial contact with a vi w to incr a ing trad . In thi r gard, th Gov rnment o th Mongolian P opl ' p lic xp ct that, d ring th t rm o thi Agr ment, national and organization o th Mongolian P opl ' p lic hall incr a th ir ord r in th Unit d Stat or prod ct and rvic , whil th Gov rnment o th Unit d Stat anticipat that th ct o thi Agr ment hall to nco rag incr a d p rcha y national and compani o th Unit d Stat o prod ct and rvic rom th Mongolian P opl ' p lic. Toward thi nd, th Parti hall p liciz thi Agr ment and n r that it i mad availa l to all int r t d parti .

3. Each Party hall nco rag and acilitat th holding o trad promotional v nt ch a air , xhi ition , mi ion and minar in it t rritory and in th t rritory o th oth r Party. Similarly, ach Party hall nco rag and acilitat th participation o it r p ctiv national , compani and organization in ch v nt . S j ct to th law s in orc within th ir r p ctiv t rritori , th Parti agr to allow th import and r - xport on a d ty r a i o all articl or in ch v nt , provid d that ch articl ar not old or oth rwi tran rr d.

A TICLE V

GOVE NMENT COMME CIAL OFFICES

Upon agr ment o th Parti , ach Party may ta li h gov rnment commercial o ic a int gral part o it diplomatic mi ion in th t rritory o th oth r Party.

A TICLE VI

BUSINESS FACILITATION

1. Each Party hall a ord commercial r pr ntation o th oth r Party air and q ita l tr atment with r p ct to th cond ct o th ir op ration .

2. S j ct to it law s and proc d r gov rning immigration, ach Party hall p rmit th ta li hment within it t rritory o commercial r pr ntation o national , compani and organization o th oth r Party and hall accord ch r pr ntation tr atment at l a t a avora l a that accord d to commercial r pr ntation o national , compani and organization o third co ntri .

3. S j ct to it law s and proc d r gov rning immigration, ach Party hall p rmit ch commercial r pr ntation ta li h d in it t rritory to hir dir ctly mploy who ar national o ith r Party or o third co ntri and to comp n at ch mploy on t rms and in a c rr ncy that i mut ally agr d tw e n th parti , con i t nt with ch Party' minimum wag law s. R

4. Each Pa ha pe mi comme cia ep e en a ion of he o he Pa o impo and u e in acco dance wi h no ma comme cia p ac ice , office and o he equipmen , uch a pewri e , pho ocopie compu e and e efax machine in connec ion wi h he conduc of hei ac ivi ie in he e i o of uch Pa .

5. Each Pa ha pe mi , on a nondi c imina o ba i and a nondi c imina o p ice (whe e uch p ice a e e o con o ed b he gove nmen , comme cia ep e en a ion of - he o he Pa acce o and u e of office pace and iving accommoda ion , whe he o no de igna ed fo u e b fo eigne . The e ms and condi ion of uch acce and u e ha in no even be on a ba i e favo ab e han ha acco ded o comme cia ep e en a ion of na iona , companie and o ganiza ion of hi d coun ie .

6. Subjec o i aw s and p ocedu e gove ning immig a ion, each Pa ha pe mi na iona , companie and o ganiza ion of he o he Pa o engage agen , con u an and di ibu o of ei he Pa and of hi d coun ie on p ice and e ms mu ua ag eed be ween he pa ie .

7. Subjec o i immig a ion aw s and p ocedu e , each Pa ha pe mi na iona , companie and o ganiza ion of he o he Pa o e ve a agen , con u an and di ibu o of na iona , companie and o ganiza ion of ei he Pa and of hi d coun ie on p ice and e ms mu ua ag eed be ween he pa ie .

8. Each Pa ha pe mi na iona , companie and o ganiza ion of he o he Pa o adve i e hei p oduc and e vice (a h ough di ec ag eemen wi h he adve i ing media, inc uding e evi ion, adio, p in and bi boa d, and (b b di ec mai , inc uding he u e of enc o ed enve ope and ca d p eadd e ed o ha na iona , compan o o ganiza ion.

9. Each Pa ha encou age di ec con ac , and pe mi di ec a e , be ween na iona , companie and o ganiza ion of he o he Pa and end-u e and o he cu ome of hei good and e vice , and wi h agencie and o ganiza ion who e deci ion wi affec po en ia a e .

10. Each Pa ha pe mi na iona , companie and o ganiza ion of he o he Pa o conduc ma ke udie , ei he di ec o b con ac , wi hin i e i o . To faci i a e he conduc of ma ke e ea ch, each Pa ha upon eque make avai ab e non-confiden ia , non-p op ie a info ma ion wi hin i po e ion o na iona , companie and o ganiza ion of he o he Pa engaged in uch effo .

11. Each Pa ha p ovide nondi c imina o acce o gove nmen a -p ovided p oduc and e vice , inc uding pub ic u i i ie , o na iona , companie and o ganiza ion of he o he Pa in connec ion wi h he ope a ion of hei comme cia ep e en a ion .

12. Each Pa ha pe mi comme cia ep e en a ion o ock an adequa e upp of amp e and ep acemen pa fo af e a e e vice on a non-comme cia ba i .

13. Nei he Pa ha impo e mea u e which un ea onab impai con ac ua o p ope igh o o he in e e acqui ed wi hin i e i o b na iona , companie and o ganiza ion of he o he Pa .

ARTICLE VII

TRANSPARENCY

1. Each Pa ha make avai ab e pub ic on a ime ba i a aw s and egu a ion e a ed o comme cia ac ivi , inc uding ade, inve men axa ion, banking, in u ance and o he financia e vice , an po and abo . Each Pa ha a o make uch info ma ion avai ab e in eading ooms in i own capi a and in he capi a of he o he Pa .

2. Each Pa ha p ovide na iona , companie and o ganiza ion of he o he Pa wi h acce o avai ab e non-confiden ia , non-p op ie a da a on he na iona economy and individua ec o , inc uding info ma ion on fo eign ade.

3. Each Pa ha a ow he o he Pa he oppo uni o commen on he fo mu a ion of u e and egu a ion which affec he conduc of bu ine ac ivi ie .

ARTICLE VIII)

FINANCIAL P I I LATING T T AD E IN P UCT AND IC

1. Unless otherwise agree between the parties to individual transactions, all commercial transactions between nationals,companies an organizations of the Parties shall be ma e in Unite tates ollars or any other currency that may be esignate from time to time by the International Monetary Fun as being a freely usable currency.

2. Neither Party shall restrict the export from its territory of convertible currencies or eposits, or instruments representative thereof, obtaine in connection with tra e in pro ucts an services by nationals, companies an organizations of the other Party.

3. Nationals, companies an organizations of a Party hol ing currency of the other Party receive in an authorize manner may eposit such currency in financial institutions locate in the territory of the other Party an may maintain an use such currency for local expenses.

4. Without erogation from paragraphs 2 or 3 of this Article, in connection with tra e in pro ucts an services, each Party shall grant to nationals, companies an organizations of the other Party the better of most-favore - nation or national treatment with respect to:

(a) opening an maintaining accounts, in both local an foreign currency, an having access to fun s eposite , in financial institutions locate in the territory of the Party;

(b) payments, remittances an transfers of convertible currencies, or financial instruments representative thereof, between the territories of the two Parties, as well as between the territory of that Party an that of any thir country;

(c) rates of exchange an relate matters, inclu ing access to freely usable currencies, such as through currency auctions; an

( ) the receipt an use of local currency.

A TICL IX

P T CTI INT LL CTUAL P TY IGHT

1. ach Party shall provi e a equate an effective protection an enforcement for patents, tra emarks, copyrights, tra e secrets, in ustrial esigns an layout esigns for integrate circuits. ach Party reaffirms its commitments to those international agreements relating to intellectual property to which both Parties are signatories. pecifically, each Party reaffirms the commitments ma e with respect to in ustrial property in the Paris Convention for the Protection of In ustrial Property of March 29, 1883, as revise at tockholm on July 14, 1967.

2. To provi e a equate an effective protection an enforcement of intellectual property rights each Party shall, inter alia observe the following commitments:

(a) Copyright an relate rights

(i) ach Party shall a here to the Berne Convention for the Protection of Literary an Artistic Works (Paris 1971) ("Berne Convention"). In a ition, it shall comply with the provisions set forth below.

(ii) Works protecte by copyright means any original, intellectual creative work of literary or artistic character, irrespective of their value, their literary or artistic merits or their purpose, an inclu e, inter alia, the following:

(1) all types of computer programs;

(2) collections or compilations of protecte or unprotecte material or ata whether in print, machine rea able or any other me ium, inclu ing atabases, which shall be protecte if they constitute intellectual creation by reason of the selection, coor ination, or arrangement of their contents.

(iii) The rights protecte pursuant to paragraph 2 (a) this Article inclu e, inter alia, the following: d

(1) the r ht t rt r auth r ze the rtat n nt the terr t ry f the Party f lawfully made c es f the w ork as well as the r ht t revent the rtat n nt the terr t ry f the Party f c es f the w ork made w ith ut the auth r zat n f the r ht-h lder;

(2), the r ht t make the f rst ubl c d str but n f the r nal r each auth r zed c y f a w ork by sale rental r therw ise; and

(3) the r ht t ke a ubl c c n cat n f a w ork (e. . t erf r d s lay r ject exh b t br adcast trans t r retrans t a w ork).

(v) Each Party shall extend the r tect n aff rded under th s sect n t auth rs (as def ned under the Berne C nvent n) f the ther Party whether they are natural ers ns r where the ther Party's d mest c law s r v des c a n es and r an zat ns and t the r success rs n t tle.

(v) Pr tected r hts under ara ra h 2(a) f th s Art cle shall be freely and se arately ex l table and transferable.

(v) Each Party shall c nf ne any l tat ns r exce t ns t the r hts r v ded under ara ra h 2(a) f th s Art cle (nclud n any l tat ns r exce t ns that restr ct such r hts t " ubl c" act v ty) t clearly and carefully def ned s ec al cases wh ch d n t a r an actual r tent al market f r r the value f a r tected w ork.

(v) If e ther Party has aff rded n r tect n t w orks f f re n r n t shall r v de r tect ns c ns stent w ith th s sect, n f r all w orks f the ther Party that are n t n the ubl c d ma n n the r c untry f r n at the t me f entry nt f rce f th s A reement n ts terr t ry.

(v) Translat n and re r duct n l cens n syste er tted n the A end x t the Berne C nvent n:

(1) shall n t be establ shed where le t te l cal needs are be n t by v luntary act ns f c yr ht h lders r c uld-be met by such act n but f r nterven n fact rs uts de the c yr ht h lder's; and

(2) shall r v de an effect ve rtun ty f r the c yr ht h lder t be heard r r t the rant f any such l censes.

a e
(x) Any c uls ry r n n-v luntary l cense (r any restr ct n f exclus ve r hts t a r ht f remunerat n) shall r v de ans t ensure ay nt and re ttance f r yalt es at a level c ns stent w ith what w ould be ne t ated n a v luntary bas s. ,

(x) The Part es shall at a n extend t r ducers f s und rec rd n s the exclus ve r hts t d r t auth r ze the f ll w in :

e e
(1) t re r duce the rec rd n by any means r r cess n wh le r n art;

(2) t exerc se the rtat n and exclus ve d str but n and rental r hts r v ded n ara ra h ( ) (1) and (2) f th s sect n.

(x) The r v s ns f ara ra hs v v and v f th s sect n shall a ly mutat s mutand s t the r ducers f s und rec rd n s.

(x) Para ra h v f th s sect n shall a ly mutat s mutand s t s und rec rd n s.

(x) Each Party shall:

(1) adhere t the Geneva C nvent n f r the Pr tect n f Pr ducers f Ph n rams and r tect s und rec rd n s f rst f xed r ubl shed n the terr t ry f the ther Party;

(2) r tect s und rec rd n s f r a term f at least 50 years fr ubl cat n;

(3) r tect s und rec rd n s ubl shed n the terr t ry f a Party w ith n th rty days f the r ubl cat n elsewhere and rec rd n s r duced by a nat nal c any r r an zat n f a Party; and ,

(4) gran rg mak frs publ c d s r bu n f r g nal r ac au r z d s und r c rd ng by sal s r n al, r rwis xc p a frs sal f r g nal r suc s und r c rd ng s all n x aus r n al r mp r a n r g r n ("r n al r g " s all mean r g au r z r pr b d sp sal f p ss ss n f r g nal r c p s f r d r c r nd r c c mmerc al advan ag).

(x v) acqu s n and val d y f n ll c ual pr p r y r g s n s und r c rd ngs s all n b subj c any f rmal s and pr c n s all ar s au ma cally up n cr a n f s und r c rd ng.

(b) rad marks

( ) Pr c abl Subj c Ma r

(1) rad marks s all c ns s f a l as any s gn, w ords, nclud ng p rs nal names, d s gns, l rs, numerals, c l rs, s ap f g ds r f r packag ng, pr v d d a mark s capabl f d s ngu s ng g ds r s rv c s f n na nal, c mpany r rgan za n fr m s f r na nals, c mpar s r rgan za ns.

(2) rm " rad marks" s all nclud s rv c marks, c ll c v and c r f ca n marks.

( ) Acqu s n f R g s

(1) A rad mark r g may b acqu r d by r g s ra n r by us . A sys m f r r g s ra n f rad marks s all b pr v d d. Us f a rad mark may b r qu r d as a pr r qu s f r r g s ra n.

(2) Eac Par y s all publ s ac rad mark r b f r s r g s r d r pr mp ly af r s r g s r d and s all aff rd r par s a r as nabl pp r un y p n canc l r g s ra n. In add n, ac Par y may aff rd an pp r un y f r r Par y pp s r g s ra n f a rad mark.

(3) na ur f g ds r s rv c s w hc a rad mark s b appl d s all n n cas f rm an bs acl r g s ra n f rad mark.

( ) R g s C nf rr d

(1) wn r f a r g s r d rad mark s all av xclus v r g Ts r n. H es all b n l d pr v n all rd par s n av ng s c ns n fr m us ng n c mmerc d n cal r s milar s gns f r g ds r s rv c s w hc ar d n cal r s milar s n r sp c f w hc rad mark s pr c d, w h r suc us w ould r sul n a l k l d f c nfus n.

(2) Eac Par y s all r fus r g s r r s all canc l r g s ra n and pr b us f a rad mark l k ly caus c nfus n wi a rad mark f an r w hc s c ns d r d b w ell-kn wn. A Par y may n r qu r a r pu a n f rad mark x nd b y nd s c r f publ c w hc n rmally d als wi r l van g ds r s rv c s.

(3) wn r f a rad mark s all b n l d ak ac n aga ns any unau r z d us w hc c ns u s an ac f unfa r c mp n r pass ng ff.

(v) rm f Pr c n

r g s ra n f a rad mark s all b nd f n ly r n wabl f r rms f n l ss an 10 y ars w h n c nd ns f r r n wal av b n me . In al r g s ra n f a rad mark s all b f r a rm f a l as 10 y ars.

(v) R qu r men f Us

(1) If us f a r g s r d mark s r qu r d ma n a n rad mark r g s, r g s ra n may b canc l d nly af r an un n rrup d p r d f a l as w o y ars f n n-us , unl ss l g ma r as ns f r n n-us x s . Us f rad mark wi c ns n f wn r s all b r c gn z d as us f rad mark f r purp s f ma n a n ng r g s ra n.

(2) L g ma r as ns f r n n-us s all nclud n n-us du c rcums anc s ar s ng nd p nd n ly f w ill f T rad mark ld r (suc as mp r r s r c ns n r r g v rnmen r qu r men s f r pr duc s pr c d by rad mark) w hc c ns u an bs acl us f mark.

(vi) Oth i ments

Th s of a t ad ma k in comme c shall not 'b nc mb d by sp cial i ments, s ch as s which d c s th f nction of a t ad ma k as an indication of so c o s with anoth t ad ma k.

(vii) omp lso y Lic nsing

omp lso y lic nsing of t ad ma ks shall not b p mitt d.

(viii) T ansf

T ad ma k gist ations may b t ansf d.

(c) Pat nts

(i) Pat ntabl S bj ct Matt

Pat nts shall b g ant d fo all inv ntions, wh th th y conc n p od cts o p oc ss s, in all fi lds of t chnology, with th xc ption of any inv ntion o discov y which is s f l sol ly in th tilization of sp cial n cl a mat ial o atomic n gy in an atomic weapon.

(ii) ights onf d

(1) A pat nt shall conf th ight to p v nt oth s not having th pat nt own 's cons nt f om making, sing, o s lling th s bj ct matt of th pat nt. In th cas of a pat nt d p oc ss, th pat nt conf s th ight to p v nt oth s not having cons nt f om sing that p oc ss and f om sing, s lling, o impo ting at l ast th p od ct obtain d di ctly by that p oc ss.

(2) Wh th s bj ct matt of a pat nt is a p oc ss fo obtaining a p od ct, ach Pa ty shall p ovid that th b d n of stablishing that an all g d inf inging p od ct was not mad by th p oc ss shall b on th all g d inf ing at l ast in on of th following sit ations:

(A) th p od ct is n w, o

(B) a s bstantial lik lihood xists that th p od ct was mad by th p oc ss and th pat nt own has b n nabl th o gh asonabl ffo ts to d t min th p oc ss act ally s d. In gath ing and val ation of vid nc to th cont a y, th l gitimat int sts of th d f ndant in p ot cting his man fact ing and b sin ss s c ts shall b tak n into acco nt.

(iii) T rm of P ot ction

Th t m of p ot ction shall b at l ast 20 y a s f om th dat of filing of th pat nt application o 17 y a s f om th dat of g ant of th pat nt. Each Pa ty is nco ag d to xt nd th t m of pat nt p ot ction, in app op iat cas s, to comp nsat fo d lays ca s d by g lato y app oval p oc ss s.

(iv) T ansitional P ot ction

A Pa ty shall p ovid t ansitional p ot ction fo p od cts mbodying s bj ct matt d med to b npat ntabl nd its pat nt law p io to its impl mentation of this Ag ment, wh th following conditions a satisfi d:

(1) th s bj ct matt to which th p od ct lat s will b come pat ntabl aft impl mentation of this Ag ment;

(2) a pat nt has b n iss d fo th p od ct by th oth Pa ty p io to th nt y into fo c of this Ag ment; and

(3) th p od ct has not b n ma k t d in th t ito y of th Pa ty p oviding s ch t ansitional p ot ction.

Th own of a pat nt fo a p od ct satisfying th conditions s t fo th abov shall hav th ight to s bmit a copy of th pat nt to th Pa ty p oviding t ansitional p ot ction. S ch Pa ty shall limit th ight to mak , s , o s ll th p od ct in its t ito y to s ch own fo a t m to xpi with that of th pat nt s bmitt d. C

(v) Comp o Licen e

Each Pa t ma imit the patent owne ' exc ive ight th o gh comp o icen e on to emed an adj dicated vio ation of competition aw s o to add e , on d ing it exi tence, a dec a ed nationa eme genc Whe e the aw of a Pa t a ow s fo the g ant of comp o icen e , ch icen e ha be g anted in a manne which minimize di to tion of t ade and the fo owing p ovi ion ha be e pected:

(1) Comp o icen e ha be non-exc ive and non-a ignab e except with that pa t of the ente p i e o goodwi which exp oit ch icen e

(2) The pa ment of emune ation to the patent owne adeq ate to compen ate the patent owne f fo the icen e ha be eq i ed, except fo comp o icen e to emed adj dicated vio ation of competition aw

(3) Each ca e invo ving the po ib e g ant of a comp o icen e ha be con ide ed on it individ a me it

(4) An comp o icen e ha be evoked when the ci c mstance which ed to it g anting cea e to exi t, taking into acco nt the egitimate inte e t of the patent owne and of the icen ee The contin ed exi tence of the e ci c mstance ha be eviewed pon eq e t of the patent owne

(5) Deci ion to g ant o to contin e comp o icen e and the compen ation p ovided fo comp o icen e ha be bject to eview b a di tinct highe a tho it

(d) La o t-De ign of Semicond cto Chip

(i) S bject Matte fo P otection

(1) Each Pa t ha p ovide p otection fo o igina a o t-de ign inco po ated in a emicond cto chip howeve the a o t-de ign might be fixed o encoded*

(2) Each Pa t ma condition p otection on fixation o egi t ation of the a o t-de ign If egi t ation i eq i ed, app icant ha be given at ea t two ea f om fi t comme cia exp oitation of the a o t-de ign in which to app A Pa t which eq i e depo it of identif ing mate ia o othe mate ia e ated to the a o t-de ign ha not eq i e app icant to di c o e confidentia o p op ieta info mation n e it i e entia to a ow identification of the a o t-de ign

(ii) Right Acq i ed

(1) Each Pa t ha p ovide to owne of ight in integ ated ci c it a -o t de ign of the othe Pa t the exc ive ight to do o to a tho ize the fo owing:

(A) to ep od ce the a o t-de ign;

(B) to inco po ate the a o t-de ign in emicond cto chip; and

(C) to impo t o di t ib te a emicond cto chip inco po ating the a o t-de ign and p od ct inc ding ch chip

(2) The condition et o t in pa ag aph (c)(v) of thi A tic e ha app , mutati mutandi , to the g ant of an comp o icen e fo a o t-de ign

(3) Neithe Pa t i eq i ed to extend p otection to a o t-de ign that a e commonp ace in the ind t at the time of thei c eation o to a o t-de ign that a e exc ive dictated b the f nction of the ci c it to which the app

(4) Each Pa t ma exempt the fo owing f om iabi it nde it aw:

(A) ep od ction of a a o t-de ign fo p po e of teaching ana i , o eva ation in the co e of p epa ation of a a o t de ign that i it e f o igina ;

(B) impo tation and di t ib tion of emicond cto chip inco po ating a p otected a o t-de ign, which we e o d b o with the con ent of the owne of the a o t-de ign; and .

(C) impo io o is ibu io up o he poi of o ice of semico uc o chip i co po i g p o ec e l you - esig p o uc s i co po i g such chips by pe so who es blishes h he i o k ow, h o e so ble g ou s o believe, h he l you esig w as p o ec e , p ovi e h , wi h espec o s ock o h o pu ch se he ime o ice is eceive , such pe so may impo o is ibu e o ly such s ock bu is li ble fo e so ble oy l y o he s le of e ch i em f e o ice is eceive .

(iii) Texm of P o ec io

The e m of p o ec io fo he l y-ou esig sh ll e e fo le s e ye s f om he e of fi s comme ci l e ploi io o he e of egis io of he esig , if equi e , whicheve is e lie .

e) I us i l Desig s Mo els

(i) E ch P y sh ll p ovi e, mi imum, p o ec io fo i us i l esig s which e ew, o igi l, o me l o -obvious. E ch P y may co i io such p o ec io o egis io o o he fo mali y. The e m of p o ec io of such esig s sh ll e e fo le s e ye s.

(ii) E ch P y sh ll p ovi e o he ow ne of p o ec e esig he igh o p eve o he s f om maki g, copyi g, usi g, o selli g h i us i l esig .

(iii) Nei he P y sh ll issue Compulso y lice ses fo i us i l esig s e cep o eme y ju ic e viol io s of compe i io l w o which he co i io s se ou i p g ph (c) (v) of his A icle sh ll pply, mu is mu is.

(f) Ac s Co y o Ho es Comme ci l P c ices he P o ec io of T e Sec e s

(i) I he cou se of e su i g effec ive p o ec io g i s . u f i compe i io s p ovi e fo i A icle 10 bis of he P is Co ve io , e ch P y sh ll p ovi e i i s omes ic l w p c ice he leg l me s fo io ls, comp ies o g iz io s o p eve e sec e s f om bei g isclose o, cqui e by, o use by o he s wi hou he co se of he e sec e ow ne i ma e co y o ho es comme ci l p c ices i sof s such i fo ma io :

(1) is o , s bo y o i he p ecise co figu io ssembly of i s compo e s, ge e lly k ow n o e ily x sce i ble;

(2) h s c u l o po e i l comme ci l v lue bec use i is o ge e lly k ow n o e ily sce i ble;

(3) h s bee subjec o e so ble s eps u e he ci cums ces o keep i sec e .

(ii) Nei he P y sh ll limi he u io of p o ec io fo e sec e s so lo g s he co i io s i p g ph 2(f) (i) of his A icle e is .

(iii) Lice si g

Nei he P y sh ll iscou ge o impe e volu y lice si g of e sec e s by imposi g e cessive o isc imi o y co i io s o such lice ses o co i io s which ilu e he v lue of e sec e s.

(iv) Gove me Use

(1) A P y which equi es h e sec e s be submi e o c y ou gove me l fu c io s, sh ll o use he e sec e s fo he comme ci l o compe i ive be efi of he gove me o of y pe so o he h he ow ne of he e sec e e cep wi h he e sec e ow ne 's co se , o p yme of he e so ble v lue of he use, o if e so ble pe io of e clusive use is give he ow ne of he e sec e .

(2) E ch P y may isclose e sec e s o hi p ies, o ly wi h he e sec e ow ne 's co se o o he eg ee equi e o c y ou ecess y gove me fu c io s. Whe eve p c ic ble, ow ne s of e sec e s sh ll be give oppo u i y o e e i o co fi e i li y g eeme s wi h y o gove me e i y o which he P y is isclosi g e sec e s o c y ou ecess y gove me fu c io s.

(3) E ch P y may equi e ow ne s of e sec e s o isclose hei x e sec e s o hi p ies o p o ec huma he l h o s fe y o o p o ec he e vi o me o ly whe he e sec e ow ne is give oppo u i y o x

enter into con i enti it greements with n non-government entit receiving the tr e secrets to prevent urther isc osure or use o the tr e secret.

(g) En orcement o Inte ectu Propert Rights

(i) E ch P rt sh protect inte ectu propert rights covere b this Artic e me ns o civi w crimin w or ministr tive w or combin tion thereo in con ormit with the provisions be ow. E ch P rt sh provi e e ective proce ures intern n t the bor er to protect these inte ectu propert rights g inst n ct o in ringement n e ective reme ies to stop n prevent in ringements n to e ective eter urther in ringements. These proce ures sh be pp ie in such manner s to voi the cre tion o obst c es to egitimate tr e n provi e or s egu r s g inst buse.

(ii) Proce ures concerning the en orcement o inte ectu propert rights sh be ir n equit b e.

(iii) Decisions On the merits o c se sh s gener ru e be in writing n re sone . The sh be ma e known t e st to the p rties to the ispute without un ue e .

(iv) E ch P rt sh provi e n opportunit ox ju ici review o in ministr tive ecisions on the merits o n ction concerning the protection o n inte ectu propert right. Subject to juris iction provisions in n tion ws concerning the import nce o c se n opportunit or ju ici review o the eg spects o initi ju ici ecisions on the merits o c se concerning the protection o n inte ectu propert right sh so be provi e .

(v) Reme ies g inst P rt

Notwithst n ing the other provisions o this Artic e when P rt is sue or in ringement o n inte ectu propert right s resu t o the use o th t right b or or the government the P rt ma imit reme ies g inst the government to p ment o u compens tion to the right-ho er.

3. E ch P rt grees to submit or en ctment no ter th n December 31 1992 the egis tion necess r to c rr out the ob ig tions o this Artic e n to exert its best e orts to en ct n imp ement this egis tion b th t te.

4. For purposes o this Artic e:

( ) "right-ho er " me ns the right-ho er himse n other n tur or eg persons uthorize b him who re exc usive icensees o the right or other uthorize persons inc u ing e er tions n ssoci tions h ving eg st n ing un er omestic w to ssert such rights; n

(b) "A manner contr r to honest commerci pr ctice" is un erstoo to encomp ss inter i pr ctices such s the t briber bre ch o contr ct in ucement to bre ch e ectronic n other orms o commerci espion ge n inc u es the cquisition o tr e secrets b thir p rties who knew or h re son b e groun s to know th t such pr ctices were invo ve in the cquisition.

ARTICLE X

AREAS FOR FURTHER ECONOMIC AND TECHNICAL COOPERATION

1. For the purpose o urther eve oping bi ter tr e n provi ing or ste incre se in the exch nge o pro ucts n services both P rties sh strive to chieve mutu ccept b e greements on t x tion n investment issues inc u ing the rep tri tion o pro its n tr ns er o c pit .

2. The P rties sh t ke ppropri te steps to oster economic n technic cooper tion on s bro b se s possib e in ie s eeme to be in their mutu interest inc u ing with respect to st tistics n st n r s.

3. The P rties t king into ccount the growing economic signi ic nce o service in ustries gree to consu t on matters ecting the con uct o service business between the two countries n p rticu r matters o mutu interest re ting to in ivi u service sectors with the objective mong others o tt ining maximum possib e market ccess n iber iz tion.

ARTICLE XI ,

MARKET D I R T AFEGUARD S

1. The arties agree to consult rom tly at the request of either arty whenever either actual or ros ective im orts of roducts originating in the territory of the other arty cause or threaten to cause or significantly contribute to market disru tion. Market disru tion exists within a domestic industry whenever im orts of an article, like or directly com etitive with an article roduced by such domestic industry, are increasing ra idly, either absolutely or relatively, so as to be a significant cause of material injury, or threat thereof, to such domestic industry.

2. The consultations rovided for in aragra h 1 of this Article shall have the objectives of (a) resenting and examining the factors relating to such im orts that may be causing or threatening to cause or significantly contributing to market disru tion, and (b) finding means of reventing or remedying such market disru tions. uch consultations shall be concluded within sixty days from the date of the request for such consultation, unless the arties otherwise agree.

3. nless a different solution is mutually agreed u on during the consultations, the im orting arty may (a) im ose quantitative im ort limitations, tariff measures or any other restriction's or measures it deems a ro riate to revent or remedy threatened or actual market disru tions and (b) take a ro riate measures to ensure that im orts from the territory of the other arty com ly with such quantitative limitations or other restrictions. n this event, the other arty shall be free to deviate from its obligations under this Agreement with res ect to substantially equivalent trade.

4. Where in the judgment of the im orting arty, emergency action is necessary to revent or remedy such market disru tions the im orting arty may take such action at any time and without rior consultations rovided that such consultations shall be requested immediately thereafter.

5. Each arty shall ensure that its domestic rocedures for determining market disru tion are trans arent and afford affected arties an o ortunity to submit their views.

6. The arties acknowledge that the elaboration of the market disru tion safeguard rovisions in this Article is without rejudice to the right of either arty to a ly its laws and regulations a licable to trade in textiles and textile roducts .and its laws and regulations a licable to unfair trade, including antidum ing and countervailing duty laws.

ART CLE X

D I TE ETTLEMENT

1. Nationals, com anies and organizations of either arty shall be accorded national treatment with res ect to access to all courts and administrative bodies in the territory of the other arty as laintiffs defendants or otherwise. They shall not claim or enjoy immunity from suit or execution of judgment, roceedings for the recognition and enforcement of arbitral awards, or other liability in the territory of the other arty with res ect to commercial transactions; they also shall not claim or enjoy immunities from taxation with res ect to commercial transactions, exce t as may be rovided in other bilateral agreements.

2. The arties encourage the ado tion of arbitration for the settlement of dis utes arising out of commercial transactions concluded between nationals or com anies of the nited tates and nationals or organizations of the Mongolian eo le's Re ublic. uch arbitration may be rovided for by agreements in contracts between such nationals, com anies or organizations, or in se arate written agreements between them.

3. The arties may rovide for arbitration under any internationally recognized arbitration rules including the NC TRAL Rules in which case the arties should designate an A ointing Authority under said rules in a country p other than t he nited tates or the Mongolian eo le's Re ublic.

4. nless otherwise agreed between the arties, the arties should s ecify as the lace of arbitration a country other than the nited tates or the Mongolian eo le's Re ublic, that is a arty to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York, 1958. p

5. Nothi i thi ticle hall be co t ued to p eve t, a d the Pa tie hall ot p ohibit, the pa tie f om a eei upo a y othe fo m of a bit atio o di pute ettleme t which they mutually p efe a d a ee be t uit thei pa ticula eed .

6. Each Pa ty hall e u e that a effective mea exi t withi it te ito y fo the eco itio a d e fo ceme t of a bit al awa d .

TICLE XIII

N TION L SECU ITY

The p ovi io of thi eeme t hall ot limit the i ht of eithe Pa ty to take a y actio fo the p otectio of it ecu ity i te e t .

TICLE XIV

CONSULT TIONS R

1.RThe Pa tie a ee to co ult pe iodically to eview the ope atio of thi eeme t.

2. The Pa tie a ee to co ult p omptly th ou h app op iate cha el at the eque t of eithe Pa ty to di cu a y matte co ce i the i te p etatio o impleme tatio of thi eeme t a d othe eleva t a pect of the elatio betwee the Pa tie .

TICLE XV

DEFINITIONS

u ed i thi eeme t, the te ms et fo th below hall have the followi mea i :

(a) "compa y," mea a y ki d of co po atio , compa y, a ociatio , ole p op ieto hip o othe o a izatio le ally co tituted u de the law s a d e ulatio of a Pa ty o a political ubdivi io the eof; whethe o ot o a ized fo pecu ia y ai o p ivately o ove me tally ow ned; p ovided that, eithe Pa ty e e ve the i ht to de y a y compa y the adva ta e of thi eeme t if atio al of a y thi d cou t y co t ol uch a compa y a d, i the ca e of a compa y of the othe Pa ty, that compa y ha o ub ta tial bu i e activitie i the te ito y of the othe Pa ty o i co t olled by atio al of a thi d cou t y with which the de yi cou t y doe ot mai tai o mal eco omic elatio ;

(b) "comme cial ep e e tatio ," mea a ep e e tatio of a compa y o o a izatio of a Pa ty;

(c) " atio al," mea a atu al pe o who i a atio al of a Pa ty u de it applicable law; a d

(d) "o a izatio al," mea , with e pect to the U ited State , a compa y of the U ited State a d, with e pect to the Mo olia People' epublic, a y eco omic e tity o e te p i e (i cludi a compa y) whethe p ivately o ove me tally ow ned.

TICLE XVI

GENE L EXCEPTIONS R

1. Subject to the equi eme t that uch mea u e a e ot applied i a ma e which would co titute a mea of a bit a y o u ju tifiable di c imi atio betwee cou t ie whe e the ame co ditio p evail, o a di ui ed e t ictio o i te atio al t ade, othi i thi eeme t hall be co t ued to p ohibit the adoptio o e fo ceme t by a Pa ty of:

(a) mea u e ece a y to ecu e complia ce with-law s o e ulatio which a e ot co t a y to the pu po e of thi eeme t;

(b) mea u e fo the p otectio of i tellectual p ope ty i ht a d the p eve tio of deceptive p actice a et out i ticle IX of thi eeme t; o R

(c) any o P asu f d o in A icl XX of GATT.

2. No ing in is Ag n li s applica ion of any xis ing o fu u ag n b w e n a i s on ad in x il s and x il p oduc s.

3. No ing in is Ag n s all p clud a a y f o m applying i s laws la ing o n i i s subs an ially own d o ff c iv ly con oll d by gov i n n of o a y.

ARTICLE XVII

ENTRY INTO FORCE, TERM, SUS ENSION AND TERMINATION

1. T is Ag n (including i s sid l s w hic a an in g al pa of Ag n) s all n in o fo c on a of xc ang of w ri n no ic s of acc p anc by wo gov n n s and s all ma in in fo c as p ovid d in pa ag ap s 2 and 3 of is A icl .

2. (a) T ini ial m of is Ag n s all b y a s, subj c o subpa ag ap (b) and (c) of is pa ag ap .

(b) If i a y ncoun s o fo s s a p obl m cond mn ing i s do s ic l gal au o i y o ca y ou any of i s obliga P ions und is Ag n s suc a y s all qu s P dia consul a ions wi o a y. Onc consul a ions av b n qu s d, o a y s all n in o suc consul a ions as soon as possibl conc ning ci cu ms anc s a av a is n wi a vi w o finding a solu ion o avoid ac ion und subpa ag ap (c).

(c) If i a y do s no av do s ic l gal au o i y o ca y ou is obliga ions und is Ag n , i a y ma y susp nd applica ion of is Ag n o , wi ag n of o a y, any pa of is Ag n . In a v n , a i s will, o full s x n p ac icabl and consis n wi do s ic law, s k o ini mi z dis up ion o xis ing ad la ions b w e n wo coun i s.

3. T is Ag P n s all b x nd d fo succ ssiv ms of y a s ac unl ss i a y as giv n w ri n no ic o o a y of i s in n o mi na is Ag n a l as 30 days p io o xpi a ion of n cu n m.

DONE a Was ing on on is w en y- i d day of Janua y, 1991, in duplica , in Englis and Mongolian languag s. In v n of any conflic b w e n wo x s Englis languag x s all con ol.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF THE MONGOLIAN EO LE'S RE UBLIC:
