

**AGREEMENT  
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF TURKEY  
AND THE GOVERNMENT OF THE RUSSIAN FEDERATION  
ON COOPERATION IN RELATION TO THE CONSTRUCTION  
AND OPERATION OF A NUCLEAR POWER PLANT AT THE AKKUYU SITE  
IN THE REPUBLIC OF TURKEY**

**PREAMBLE**

The Government of the Republic of Turkey (the Turkish Party) and the Government of the Russian Federation (the Russian Party),

taking into account that both the Republic of Turkey and the Russian Federation are members of the International Atomic Energy Agency and are parties to the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968;

noting that the Republic of Turkey and the Russian Federation are parties to the Convention on Early Notification of a Nuclear Accident of 26 September 1986, the Convention on Nuclear Safety of 17 June 1994 and the Convention on the Physical Protection of Nuclear Material of 26 October 1979;

taking into account the Agreement between the Government of the Republic of Turkey and the Government of the Russian Federation on Early Notification of a Nuclear Accident and Exchange of Information on Nuclear Facilities of 6 August 2009;

also noting that, the Republic of Turkey is in the process of acceding to and the Russian Federation is a party to the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management of 5 September 1997;

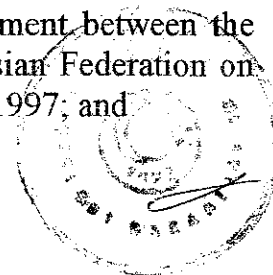
recognizing that the Republic of Turkey is a party to the Paris Convention on Third Party Liability in the Field of Nuclear Energy of 29 July 1960 and the Joint Protocol Relating to the Application of the Vienna Convention and the Paris Convention of 21 September 1988 and the Russian Federation is a party to the Vienna Convention on Civil Liability for Nuclear Damage of 21 May 1963;

seeking to make more efficient the cooperation between the Parties in the field of the peaceful use of nuclear energy based on the Agreement between the Government of the Republic of Turkey and the Government of the Russian Federation for Cooperation in the Energy Field of 15 December 1997;

following the provisions of the Agreement between the Government of the Republic of Turkey and the Government of the Russian Federation on Cooperation in the Field of Peaceful Use of Nuclear Energy of 6 August 2009 and the Protocol between the Ministry of Energy and Natural Resources of the Republic of Turkey and the Ministry of Energy of the Russian Federation on Cooperation in the Sphere of Nuclear Power of 6 August 2009;

noting the rights and obligations of the Parties under the Agreement between the Government of the Republic of Turkey and the Government of the Russian Federation on the Promotion and Reciprocal Protection of Investments of 15 December 1997; and

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referring to the Joint Statement of the Minister of Energy and the Natural Resources of the Republic of Turkey and the Vice Prime Minister of the Russian Federation Concerning Cooperation for Construction of a Nuclear Power Plant in the Republic of Turkey dated 13 January 2010,

have agreed as follows:

## ARTICLE 1 DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the following definitions shall apply throughout this Agreement:

**Agreement** means this agreement between the Government of the Republic of Turkey and the Government of the Russian Federation on Cooperation in relation to the Construction and Operation of a Nuclear Power Plant at the Akkuyu Site in the Republic of Turkey.

**Authorized Organizations** means the Competent Authorities, the Turkish Organizations and the Russian Organizations.

**Competent Authorities** means the authorities (and their replacements) designated by the Parties under Article 4 of this Agreement.

**Project Agreements** means each agreement in connection with the Project between:

- (a) the Turkish Party or any entity that (as at the date of this Agreement or subsequently) is controlled (directly or indirectly) or majority owned (directly or indirectly) by the Turkish Party; and
- (b) the Project Company, any Project Participant and/or the Russian Party,

including, but not limited to the Power Purchase Agreement for the Project Company.

**IAEA** means International Atomic Energy Agency.

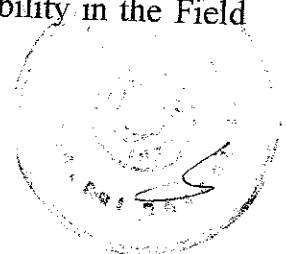
**Joint Protocol** means the Joint Protocol Relating to the Application of the Vienna Convention and the Paris Convention of 21 September 1988.

**MENR** means the Ministry of Energy and Natural Resources of Turkey.

**NPP** means the nuclear power plant to be constructed at the Site as part of the Project including, without limitation, the nuclear island(s), the turbine island(s), the balance of plant and all ancillary infrastructure located on the Site.

**Nuclear Fuel** means nuclear fuel in the form of complete control and fuel assemblies.

**Paris Convention** means the Paris Convention on Third Party Liability in the Field of Nuclear Energy of 29 July 1960.



**Parties** means the Turkish Party and the Russian Party.

**Power Purchase Agreement (PPA)** means an agreement between Turkish Electricity Trade and Contracting Co. Inc. (TETAŞ) and the Project Company regarding the purchase and sale of the electricity generated by the NPP.

**Project** means the Akkuyu nuclear power plant project which shall include, without limitation, site investigations, design, construction, commissioning and operation for its entire operational life of the NPP, waste management and its decommissioning.

**Project Company** means a joint stock company established under the laws and regulations of the Republic of Turkey for the purpose of implementing the Project including but not limited to the operation of the NPP.

**Project Participants** means any member of the Project Company's supply chain including, without limitation, each contractor and subcontractor (of any tier) of the Project Company or any of its debt providers and direct or indirect equity investors.

**Rosatom** means the State Atomic Energy Corporation "Rosatom" of the Russian Federation.

**Russian Organizations** means any Russian state controlled organization which is authorized by the Russian Competent Authority for the relevant purpose.

**Site** means a ground area at Akkuyu in Mersin Province of the Republic of Turkey, which is, at the date of this Agreement, owned by Electricity Generation Co. Inc. of the Republic of Turkey (EÜAŞ) and to be allocated to the Project Company.

**Turkish Organizations** means any Turkish state controlled organization which is authorized by the Turkish Competent Authority for the relevant purpose.

**Unit 1, Unit 2, Unit 3 and Unit 4** means the first, the second, the third and the fourth VVER 1200 (AES 2006 Design) type power units of the NPP.

## ARTICLE 2

### APPROVAL OF THE PROJECT

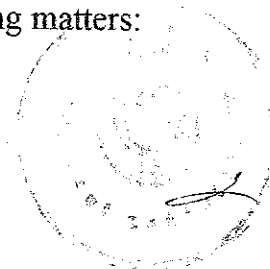
The Parties hereby approve the implementation of the Project in accordance with this Agreement. Unless otherwise provided by this Agreement, the Parties shall implement this Agreement in accordance with Turkish national laws, regulations, including all Turkish license requirements.

## ARTICLE 3

### PURPOSE AND SCOPE

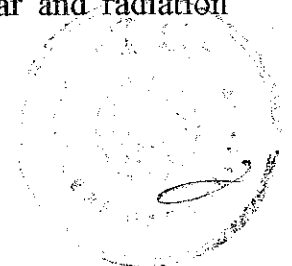
1. The Parties shall cooperate in relation to the Project.
2. Such cooperation shall apply, but not be limited to, the following matters:
  - 2.1. designing and constructing the NPP;

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- 2.2. developing and constructing the infrastructure, including, without limitation, infrastructure related to grid connections, required for the Project's implementation;
- 2.3. managing the Project's implementation;
- 2.4. ensuring the reliable quality of the Project at all stages of the design, construction and operation of the NPP;
- 2.5. the commissioning of the NPP;
- 2.6. the safe and reliable operation of the NPP;
- 2.7. the purchase and sale of the electricity generated by the NPP;
- 2.8. the upgrading, testing and maintenance of the NPP;
- 2.9. the provision of spare parts to address wear and tear in connection with the NPP during its whole operating life;
- 2.10. the development and use of diagnostics and inspection arrangements with respect to equipment operation for the NPP;
- 2.11. the training and retraining of operating personnel for the NPP;
- 2.12. the development and use of technical training facilities, including simulators, for the training of operating personnel for the NPP;
- 2.13. scientific support in connection with the safety of the NPP;
- 2.14. physical protection of the NPP;
- 2.15. the integrity and physical protection of nuclear and radioactive materials at or in transit to or from the NPP;
- 2.16. the supply of fresh nuclear fuel;
- 2.17. decontamination and safe management of radioactive waste from the operation of NPP;
- 2.18. designing, manufacturing, developing and fabricating systems, equipment, components and materials for use in the construction and operation of the NPP;
- 2.19. safety management with respect to spent nuclear fuel arising from the operation of the NPP;
- 2.20. transportation of spent nuclear fuel;
- 2.21. emergency response planning with respect to the NPP;
- 2.22. the decommissioning of the NPP;
- 2.23. the nuclear fuel cycle, including the establishment and operation of nuclear fuel fabrication facilities in the Republic of Turkey;
- 2.24. technology transfer; and
- 2.25. exchange of information and experience in the field of licensing and supervision of nuclear facilities and activities and nuclear and radiation safety and security.

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3. The matters of cooperation contemplated by this Article shall be undertaken by Turkish Organizations and Russian Organizations without financial burden on the Turkish Party. Cooperation regarding the nuclear fuel cycle, including the establishment and operation of nuclear fuel fabrication facilities in the Republic of Turkey and technology transfer will be carried out on separate terms to be agreed upon by the Parties.

#### **ARTICLE 4**

#### **COMPETENT AUTHORITIES**

1. For the purpose of implementing this Agreement, the Parties have designated the following Competent Authorities:

- 1.1. on the part of the Russian Party, Rosatom; and
- 1.2. on the part of the Turkish Party, MENR.

2. The Parties shall promptly notify each other through diplomatic channels if they designate a replacement Competent Authority or change the name of the Competent Authority then nominated.

3. The cooperation contemplated by this Agreement shall, in addition to the Competent Authorities, be carried out by Turkish Organizations and Russian Organizations.

#### **ARTICLE 5**

#### **PROJECT COMPANY**

1. The Russian Party shall cause the initiation of the necessary procedures for the establishment of the Project Company within 3 (three) months as of the date of signature of this Agreement.

2. The Project Company shall be owner of the NPP, including the electricity generated by it.

3. The Project Company shall be established in the form of a joint stock company under the laws and regulations of the Republic of Turkey with the shares in the Project Company being initially 100 (one hundred) per cent owned directly or indirectly by the companies authorized by the Russian Party.

4. The cumulative shares of the Russian Authorized Organizations in the Project Company shall not be less than 51 (fifty one) per cent at any time. The distribution of the remaining minority shares of the Project Company will at any time be subject to the consent of the Parties with the purpose of protecting national interests in issues of national security and the economy.

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5. Issues relating to the corporate governance of the Project Company, including, but not limited to distribution of shares, appointment of directors, form of shareholders investment, restrictions with respect to the transfer of shares and the funding mechanisms applicable to the Project Company and the Project shall be subject to the consent of the Turkish Party with the purpose of protecting national interests in issues of national security and the economy.

6. The responsibility to insure risks covering investment and operation periods of this Project belongs to the Project Company.

The Russian Party will take on the responsibility in case of failure of the Project Company to designate the successor to the Project Company, which will possess all necessary competences and capabilities, to assure the fulfilling of its obligations regarding this Agreement. The Turkish Party respectively will take all the necessary measures, as permitted by applicable laws and regulations of the Republic of Turkey, to assure for the timely and proper issuance of all the necessary permits and licenses in accordance with the laws and regulations of the Republic of Turkey.

After the PPA expiry dates for each Power Unit, but not earlier than 15 (fifteen) years after the commercial operation date of each Power Unit, the Project Company shall, for NPP power Unit 1, Unit 2, Unit 3 and Unit 4, give to the Turkish Party 20 (twenty) per cent of net profit of the Project Company on a yearly basis throughout the lifetime of the NPP.

## ARTICLE 6

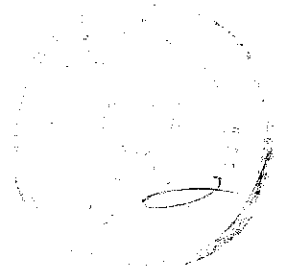
### IMPLEMENTATION OF THE PROJECT

1. The Russian Party shall cause the Project Company to duly apply for obtaining all the documents, permits, licenses, consents and approvals necessary to start the construction of the NPP within one year after the entry into force of this Agreement. If the Project Company does not apply for necessary documents, permits, licenses, consents and approvals mentioned in this item of Article 6, this Agreement and land allocation to the Project Company shall be terminated, with no liability to the Turkish Party.

2. The Project Company with the full support of the Russian Party shall put into commercial operation Unit 1 within seven years from the date of issuance of all documents, permits, licenses, consents and approvals necessary to start the construction. The Project Company with the full support of the Russian Party shall put into commercial operation Unit 2, Unit 3 and Unit 4 with one year intervals consecutively after the start of the commercial operation of Unit 1. In case of earlier or later entry into commercial operation of the NPP units, the responsibilities of the Parties shall be determined in the PPA accordingly.

3. The general contractor for the construction of the NPP shall be JSC "Atomstroyexport" (ASE).

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4. The Parties agree that Turkish companies shall be widely employed by ASE as members of its supply chain for the supply of commodities, the rendering of services and the implementation of works in connection with the construction phase of the Project. The Project Company shall take into account the nature and special safety requirements of new build nuclear power plant projects when employing members of its supply chain.

5. The Parties agree that Turkish citizens shall be trained free of charge and widely employed for the purpose of operating needs of the NPP. Such training shall include, but not be limited to, the establishment, without financial burden on the Turkish Party, of an on-site full scope simulator.

6. The Parties shall, as permitted by the applicable laws and regulations of the Republic of Turkey and the Russian Federation, support and cooperate with the Project Company in connection with the Project.

## ARTICLE 7

### LAND ALLOCATION AND ACCESS

1. The Turkish Party shall allocate the Site with its current license and existing infrastructure, free of charge, to the Project Company until the end of the decommissioning process of the NPP. Additional land on which the NPP will be built and which is owned by the Turkish State shall also be allocated to the Project Company free of charge. If necessary the Project Company shall make the necessary payments for this additional land to the Forestry Fund.

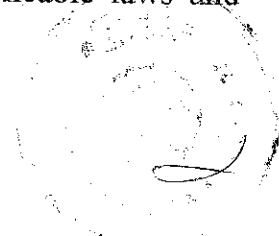
2. The Turkish Party shall facilitate the Project Company with the expropriation, under the applicable laws and regulations of the Republic of Turkey, of all other land owned by private parties required in connection with the Project. The Turkish Party, as permitted by the applicable laws and regulations of the Republic of Turkey, shall guarantee access to such land for the employees, contractors, agents, representatives or other persons seeking such access on behalf, or with the consent, of the Project Company. The Project Company shall give to the Turkish Party the lists containing information of the identities of such persons before their arrival to such land. The Turkish Party will also facilitate, as permitted by applicable laws and regulations of the Republic of Turkey, the issuance of the necessary permits for the employment of foreign nationals in the Republic of Turkey related to the Project. The Turkish Party will reserve the right to reject access for certain persons to such land due to national security concerns.

## ARTICLE 8

### LICENSING, APPROVALS AND REGULATIONS

1. The NPP shall be licensed and inspected in accordance with the laws and regulations of the Republic of Turkey in terms of nuclear safety and radiation protection.

2. The Project Company shall obtain all other necessary licenses, permits and approvals from governmental organizations as may be required by applicable laws and regulations of the Republic of Turkey.



3. The Turkish Party shall, as permitted by applicable laws and regulations of the Republic of Turkey, take all necessary measures to facilitate, subject to compliance by the Project Participants with the laws and regulations of the Republic of Turkey, the grant of all approvals, permissions, licenses, registrations and consents required by any Project Participant under the laws and regulations of the Republic of Turkey in connection with the Project including, without limitation, in relation to the delivery of goods, execution of works or performance of services which are contemplated by this Agreement.

4. The Project Company will be subject to the applicable laws, regulations and codes in the Republic of Turkey with regard to electricity transmission system connection, system operation and electricity market operation.

The NPP will participate in the balancing of the Turkish transmission system to the extent consistent with technical parameters to be agreed in Project Agreements.

## ARTICLE 9

### PROJECT FUNDING

With a view to assisting the financing of the design and construction of the NPP, the Russian Party shall provide ASE with financing on preferential terms for purchasing goods (works and services) of Russian origin to be used in the Project.

## ARTICLE 10

### POWER PURCHASE AGREEMENT

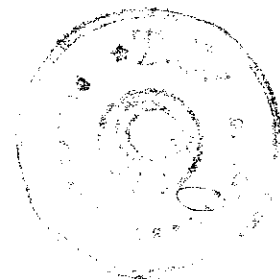
1. The Turkish Party shall cause TETAŞ to enter into the PPA, with the Project Company for the purchase of fixed amount of electricity with respect to Unit 1, Unit 2, Unit 3 and Unit 4 within thirty days after issuance of Energy Market Regulatory Authority license for electricity production for the Project Company.

2. The Project Company shall present to TETAŞ, at least one year before the start of the commercial operation date of Unit 1 the monthly electricity generation amounts for all the units of the NPP for the whole duration of the PPA.

Furthermore, the Project Company shall present, each year in April, a table of the "settlement period" electricity generation amounts for the next year as stipulated by the PPA. The Project Company will present the first such table four months before the commercial operation date of each unit of the NPP.

3. In case of excess power production per unit than the volume obliged for the entire period of the PPA, such excess power production shall be purchased in compliance with the provisions of the PPA.
4. In case of less production than the volume stipulated in the PPA, the Project Company shall fulfill its obligations by providing the lacking volume of electricity.

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5. TETAŞ shall guarantee to purchase from the Project Company the fixed amount – 70 (seventy) per cent for Unit 1 and Unit 2 and 30 (thirty) per cent for Unit 3 and Unit 4 - as stipulated in the PPA of the electricity planned to be generated by the NPP during 15 (fifteen) years from the date of commercial operation of each power unit at weighted average price of 12.35 (twelve point thirty five) US cents per kWh (not including Value Added Tax).

6. The Project Company will sell 30 (thirty) per cent of the electricity planned to be generated by Unit 1 and Unit 2 and 70 (seventy) per cent of the electricity planned to be generated by Unit 3 and Unit 4 on the free electricity market itself or via an energy retail supplier.

7. The unit price shall consist of the investment cost, fixed operating cost, variable operating cost and fuel cost. The details of the unit price shall be as follows:

7.1.all capital expenditure (including, without limitation, license fees, development fees and costs and arranging fees in respect of any financing) incurred by the Project Company in connection with bringing Unit 1, Unit 2, Unit 3 and Unit 4 of the Project into commercial operation is returned within 15 (fifteen) years from the date of the entry into commercial operation of these Units ;

7.2.all operational expenditure (including, without limitation, license fees, costs and any reserves (whether internal or external, voluntary or compulsory) relating to fuel supply and the fuel cycle, the transportation, storage and disposal of spent fuel and waste, decommissioning and the return to use of the site), insurance premiums and taxes of the Project Company, and costs in respect of modernization of Unit 1, Unit 2, Unit 3 and Unit 4, incurred or to be incurred in connection with the Project during the term of the PPA is funded on an as incurred basis (for the avoidance of doubt a reserve made in respect of a future cost is incurred when the reserve is made);

7.3. the scheduled debt service (i.e. interest, principal and fees) payable in relation to any debt financing obtained to wholly or partially fund bringing Unit 1, Unit 2, Unit 3 and Unit 4 of the Project into commercial operation is funded on an as incurred basis;

7.4. the investments made by the direct and indirect investors in the Project Company in connection with bringing Unit 1, Unit 2, Unit 3 and Unit 4 of the Project into commercial operation are repaid on a straight-line basis within 15 (fifteen) years of the entry into commercial operation of that Unit.

8. No escalation shall be applied to the unit price components. No increase in the unit price shall be demanded within the period of the PPA. Changes in costs incurred as a result of changes in the Turkish laws and regulations after the signing date of this Agreement shall be reflected to TETAŞ in proportion to the percentage of the electricity purchased by TETAŞ according to the PPA.

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9. The Project Company shall pay a separate amount 0.15 US dollar cent per kWh to the account for spent fuel, radioactive waste management and 0.15 US dollar cent per kWh to the account for decommissioning for electricity purchased by TETAŞ within the framework of the PPA. With regards to the electricity sold outside the framework of the PPA, the Project Company will make the necessary payments to relevant funds stipulated by the applicable Turkish laws and regulations.

10. Annual variation of electricity price within the tariff scale agreed between TETAŞ and the Project Company, being an integral part of the PPA, shall be calculated by the Project Company in order to ensure the payback of the Project, taking into account the price limit at the maximum level of 15.33 (fifteen point thirty three) US cents per kWh.

11. If any of the units of the NPP shall be taken into operation after the programmed date stipulated in this Agreement, except for the force majeure situations envisaged in the PPA, the price of the electricity to be sold will be adjusted according to the conditions of the PPA.

## **ARTICLE 11**

### **TAXATION**

1. All taxes and duties in connection with the Project shall be levied in accordance with the applicable laws and regulations of the Parties' States, taking into account this Agreement and the Agreement between the Government of the Republic of Turkey and the Government of the Russian Federation for the Avoidance of Double Taxation with Respect to Taxes on Income of 15 December 1997.

2. The Parties shall ensure that, unless otherwise provided in this Agreement, all laws and regulations of the Republic of Turkey with regard to taxation be respected.

## **ARTICLE 12**

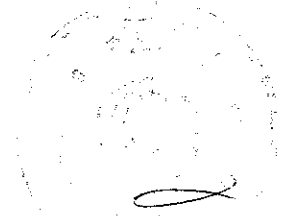
### **FUEL, WASTE MANAGEMENT AND DECOMMISSIONING**

1. Nuclear Fuel shall be sourced from suppliers on the basis of long-term agreements entered into between the Project Company and the suppliers.

2. Subject to separate agreement that may be agreed by the Parties, spent nuclear fuel of Russian origin may be reprocessed in the Russian Federation.

3. The Parties shall, as permitted by the applicable laws and regulations of their respective States, assist the Project Company with obtaining all relevant approvals, permissions, licenses, registrations and consents required in connection with the trans-boundary movement of nuclear materials, including, without limitation, the trans-boundary movement of Nuclear Fuel, spent nuclear fuel or any other radioactive material.

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4. The Project Company is responsible for decommissioning and the waste management of the NPP. Within this framework, the Project Company will make the necessary payments to relevant funds stipulated by the applicable Turkish laws and regulations.

### ARTICLE 13

#### INTELLECTUAL PROPERTY RIGHTS

1. In this Article 13:

- 1.1. "intellectual property" has the meaning set forth in article 2 of the Convention establishing The World Intellectual Property Organization, signed in Stockholm on 14 July 1967 and amended on 2 October 1979 and includes, without limitation, industrial property and confidential information;
- 1.2. "industrial property" has the meaning set forth in article 1 of The Paris Convention for the Protection of Industrial Property of 20 March 1883, as revised in Stockholm on 14 July 1967 and as amended on 28 September 1979; and
- 1.3. "confidential information" means all information relating to a secret of production (know-how), including scientific and technical information and technological and manufacturing information and which has actual or potential commercial value owing to its unavailability to a third party.

2. All matters associated with the protection of intellectual property which is created, used or transferred in connection with the implementation of the Project, shall be addressed in the applicable contracts between the parties involved.

3. Except to the extent provided otherwise under any contract in connection with the Project, all rights to intellectual property used or created in connection with the implementation of the Project shall vest in Rosatom which shall provide a license to use such intellectual property to the Project Company for the purpose of the Project Company's implementation of the Project.

4. All information regarding joint developments in relation to the Project shall not be disclosed to any third party other than where such disclosure is necessary for the implementation of the Project and where consent of the Parties is reached.

### ARTICLE 14

#### TERMS OF DISCLOSURE

1. Nothing in this Agreement shall require either of the Parties, or any other entity involved in the implementation of the Project, to exchange information that constitutes state secrets of the Republic of Turkey or state secrets of the Russian Federation.

2. Nothing in this Agreement shall restrict either of the Parties, or any other entity involved in the implementation of the Project, from exchanging, in accordance with this Agreement, both open access and restricted information in connection with the Project.

3. Any information provided by one Party to another Party under this Agreement or which is produced as a result of the performance of this Agreement and which is considered to be restricted by the Turkish Party or MENR or considered to be restricted by the Russian Party or Rosatom, will be clearly defined and marked in the following manner:

3.1. documents containing information which the Russian Party or Rosatom considers to be restricted shall, in compliance with the laws and regulations of the Russian Federation, be marked «Конфиденциально» «Confidential»; and

3.2. documents containing information which the Turkish Party or MENR considers to be restricted shall, in compliance with the laws and regulations of the Republic of Turkey, be marked «Özel» «Confidential».

4. The Parties and those entities implementing the Project within the framework of this Agreement, shall limit the number of people that have access to restricted information to the maximum extent possible and shall ensure that such restricted information shall only be used or distributed to the extent necessary for the implementation of the Project. No restricted information shall be disclosed or conveyed to a third party that is not involved in the implementation of the Project without the prior written consent of the Party for which the information is restricted.

5. The Turkish Party shall treat all restricted information of the Russian Party as though it was the Turkish Party's own restricted information. The Russian Party shall treat all restricted information of the Turkish Party as though it was the Russian Party's own restricted information.

6. All restricted information shall be protected in compliance with the domestic laws and regulations of the Parties' States.

## ARTICLE 15

### INTERNATIONAL NUCLEAR FRAMEWORK

1. Export of nuclear materials, equipment, special non-nuclear materials and corresponding technologies as well as nuclear related dual use materials and equipment under this Agreement shall be implemented in accordance with the obligations of the Parties arising from the Treaty on the Non-proliferation of Nuclear Weapons of July 1, 1968 and other international treaties and arrangements under multilateral mechanisms of export control to which the Republic of Turkey and the Russian Federation are Parties and members.

2. Nuclear materials, equipment, special non-nuclear materials and corresponding technologies received under this Agreement as well as nuclear and special non-nuclear materials, and equipment produced thereof or as a result of their use:

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- 2.1 shall not be used for the manufacturing of nuclear weapons and other nuclear explosive devices or for achieving any military purpose;
- 2.2 shall be provided with physical protection in accordance with the national legislation of the receiving Party's State and at a level no lower than the levels recommended by the IAEA "Physical Protection of Nuclear Material and Nuclear Facilities" (INFCIRC/225/Rev.4);
- 2.3 shall be exported or re-exported or transferred from the jurisdiction of the receiving Party's State to any other country under the conditions of this Article and only upon previous written consent of the other Party.

3. With regards to nuclear materials received under this Agreement as well as nuclear materials produced as a result of utilization of nuclear materials, equipment, special non-nuclear materials and corresponding technologies received under this Agreement, the provisions of the Agreement between the Government of the Republic of Turkey and the International Atomic Energy Agency for the Application of Safeguards in connection with the Treaty on the Non-proliferation of Nuclear Weapons dated 30 of June 1981 shall be applied during the entire period of their actual presence in the territory or under the jurisdiction of the Republic of Turkey and the provisions of the Agreement between the Union of Soviet Socialist Republics and the International Atomic Energy Agency for the Application of Safeguards in the Union of Soviet Socialist Republics in connection with NPT dated 21 of February 1985 shall be applied to the extent applicable during the entire period of their actual presence in the territory or under the jurisdiction of the Russian Federation.

4. Nuclear material transferred under this Agreement and material obtained through the use of nuclear material, equipment, special non-nuclear material transferred under this Agreement on the territory of the receiving Party's State, shall not be enriched above 20 (twenty) per cent for uranium-235 and shall not be reprocessed radio-chemically with a purpose to separate plutonium without previous written consent of the transferring Party.

5. Nuclear related dual use equipment and materials as well as corresponding technologies used for nuclear purposes transferred by either Party under this Agreement and their reproductions shall be used only for declared purposes not connected with the manufacture of nuclear explosive devices.

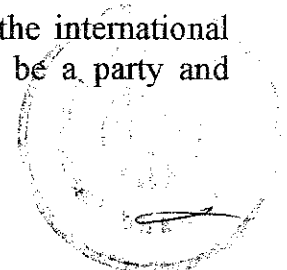
6. Equipment, materials and corresponding technologies in paragraph 5 of this Article shall neither be used in nuclear fuel cycle activities or in any other facilities which are not subject to respective IAEA safeguards agreements; nor be copied, modified, re-exported or transferred to third parties without written consent of the other Party.

## ARTICLE 16

### NUCLEAR LIABILITY

Third party liability for nuclear damage, which may arise in connection with cooperation under this Agreement will be regulated in compliance with the international agreements and instruments to which the Republic of Turkey is or will be a party and national laws and regulations of the Turkish Party.

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ARTICLE 17  
DISPUTE SETTLEMENT

1. Disputes between the Parties regarding the application and/or interpretation of this Agreement shall be settled by means of consultation and negotiation between MENR and Rosatom.

2. If required, MENR and Rosatom at the suggestion of one of them, shall hold meetings in order to review each of their recommendations on the implementation of this Agreement and the resolution of any disputes that may have arisen.

3. If a dispute is not settled in this way within six months from the beginning of negotiations, it shall be submitted to an arbitration tribunal upon the request of either Party.

4. Such arbitration tribunal shall be constituted for each individual case in the following way. Each of the Parties shall appoint one member of the tribunal within two months from the date of the receipt of the request of arbitration procedure. Those two members of the tribunal shall then select a national of a third State who on approval by both Parties shall be appointed as the Chairman of the arbitration tribunal within two months from the date of appointment of two other members.

5. If within the periods specified in the paragraph 4 of this Article the necessary appointments have not been made, either Party may, in the absence of any other arrangement, appeal to the President of the International Court of Justice of the UN to make these appointments. If the President of the International Court of Justice of the UN is a national of either Party or if he is otherwise prevented from discharging the said function, Vice-President of the International Court of Justice of the UN shall be invited to make the necessary appointments. If the Vice-President of the International Court of Justice of the UN is the national of either Party or if he is otherwise prevented from discharging the said function, the member of the International Court of Justice of the UN next in seniority who is not national of either Party shall be invited to make the necessary appointments.

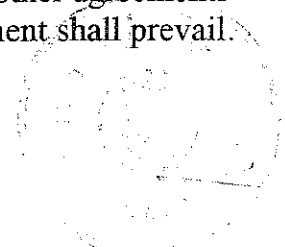
6. The arbitration tribunal shall reach its decision by a majority of votes. Such decision shall be final and binding upon both Parties. Each Party shall bear the expenses of its own member of tribunal and of its representation in the arbitral proceedings, the expenses connected with the activity of the Chairman of the arbitration tribunal and remaining expenses shall be borne by the two Parties in equal shares. The arbitration tribunal can, however, provide in its decision that one of the Parties shall bear a higher proportion of expenses and such decision shall be binding upon both Parties. The arbitration tribunal shall independently determine its own procedure.

7. Unless the Parties agree otherwise, the arbitration tribunal shall sit in The Hague, and use the premises and facilities of the Permanent Court of Arbitration.

8. The arbitration tribunal shall decide the dispute in accordance with this Agreement and applicable rules and principles of international law.

9. In case of any contradictions between this Agreement and any other agreements expressly contemplated by this Agreement, the provisions of this Agreement shall prevail.

8



**ARTICLE 18****ENTRY INTO FORCE, MODIFICATION AND TERMINATION**

1. The Agreement shall enter into force on the date of the receipt of the last written notification by the Parties through diplomatic channels on the completion of internal State procedures required by their national legislation. This Agreement shall be valid until the decommissioning of the NPP is completed.

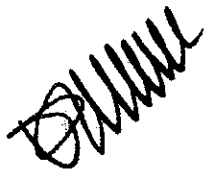
2. The Parties may terminate this agreement at any time by way of one year prior notice to one another. If the Parties so agree, the termination of the Agreement shall not affect the ongoing implementation of the Project (including, without limitation, the ongoing operation of the NPP) or the implementation of programs or projects that have been initiated during the validity of the Agreement but not completed by the date of the termination of the Agreement.

3. If this Agreement is terminated, the obligations of the Parties stipulated in Articles 5, 8, 11,12, 13, 14, 15, 16, 17 and 18 of the Agreement shall survive such a termination unless the Parties agree otherwise.

4. Amendments to this Agreement may be made by the written agreement of the Parties. Such amendments shall come into force in accordance with paragraph 1 of this Article.

Signed in Ankara on May 12, 2010 in two original copies, each in Turkish, Russian and English. Should any dispute concerning the interpretation of the text of this Agreement arise, the English version shall prevail.

**For the Government  
of the Republic of Turkey**



**Taner YILDIZ  
Minister of Energy  
and Natural Resources**

**For the Government  
of the Russian Federation**



**Igor I. SECHIN  
Vice Prime Minister  
of the Russian Federation**



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TÜRKİYE CUMHURİYETİ HÜKÜMETİ İLE RUSYA FEDERASYONU HÜKÜMETİ  
ARASINDA TÜRKİYE CUMHURİYETİNDE AKKUYU SAHASINDA BİR  
NÜKLEER GÜÇ SANTRALİNİN TESİSİNE VE İŞLETİMİNE DAİR  
İŞBİRLİĞİNE İLİŞKİN ANLAŞMANIN ONAYLANMASININ  
UYGUN BULUNDUĞU HAKKINDA  
KANUN TASARISI

**MADDE 1-** (1) 12 Mayıs 2010 tarihinde Ankara'da imzalanan "Türkiye Cumhuriyeti Hükümeti ile Rusya Federasyonu Hükümeti Arasında Türkiye Cumhuriyeti'nde Akkuyu Sahası'nda Bir Nükleer Güç Santralinin Tesisine ve İşletimine Dair İşbirliğine İlişkin Anlaşma"nın onaylanması uygun bulunmuştur.

Eki

**MADDE 2-** (1) Bu Kanun yayımı tarihinde yürürlüğe girer.

**MADDE 3-** (1) Bu Kanun hükümlerini Bakanlar Kurulu yürütür.

RECEP TAYYİP ERDOĞAN  
BAŞBAKAN

 C. ÇİÇEK Devlet Bak. ve Başb. Yrd.	 B. ARINÇ Devlet Bak. ve Başb. Yrd.	 N. ERGÜN A. BABACAN Devlet Bak. ve Başb. Yrd.	 M. AYDIN Devlet Bakanı V.
 H. YAZICI Devlet Bakanı	 F. N. ÖZAK Devlet Bakanı	 M. Z. ÇAĞLAYAN Devlet Bakanı	 F. ÇELİK Devlet Bakanı
 S. A. KAVAF E. BAĞIŞ Devlet Bakanı V.	 S. A. KAVAF Devlet Bakanı	 C. YILMAZ Devlet Bakanı	 S. ERGİN Adalet Bakanı
 M. V. GÖNÜL Millî Savunma Bakanı	 M. V. GÖNÜL S. TALAY İçişleri Bakanı V.	 F. YILDIZ A. DAVUTOĞLU Dışişleri Bakanı V.	 M. ŞİMŞEK Maliye Bakanı
 M. ÇURUĞCU Millî Eğitim Bakanı	 M. DEMİR Bayındırlık ve İskan Bakanı	 K. ARBAÇ Sağlık Bakanı	 B. YILDIRIM Ulaştırma Bakanı
 M. M. EKER Tarım ve Köylüleri Bakanı	 Ö. DİNÇER Çalışma ve Sos. Güv. Bakanı	 N. ERGÜN Sanayi ve Ticaret Bakanı	 T. YILDIZ En. ve Tab. Kay. Bakanı
 E. GÜNAY Kültür ve Turizm Bakanı	 M. ERÖĞLU Çevre ve Orman Bakanı		

Dosya No.

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