(c) bonds, debentures, loans and other forms of debt, including rights derived therefrom as well as securities issued by the government of a Contracting Party;

(d) rights under contracts, including turnkey, construction, management, production or revenue-sharing contracts;

(e) claims to money and to any performance under contract having a financial value;

(f) intellectual property rights, including copyrights and related rights, patent rights and rights relating to utility models, trademarks, industrial designs, layout-designs of integrated circuits, new varieties of plants, trade names, indications of source or geographical indications and undisclosed information;

(g) rights conferred pursuant to legislation or contracts such as concessions, licenses, authorizations and permits; and

(h) any other tangible and intangible, movable and immovable property, and any related property rights, such as leases, mortgages, liens and pledges.

(3) The term "investor of a Contracting Party" means:

(a) a natural person having the nationality of that Contracting Party in accordance with its applicable legislation; or

(b) an enterprise of that Contracting Party,

that has made investments in the other Contracting Party. A branch of an enterprise of a non-Contracting Party, which is located in the other Contracting Party, shall not be deemed as an investor of that Contracting Party.

(4) An enterprise is:

(a) "owned" by an investor if more than fifty percent of the equity interest in it is owned by the investor; and

(b) "controlled" by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions.

(5) The term "an enterprise of a Contracting Party" means any legal person or any other entity duly constituted or organized under the applicable legislation of that Contracting Party, whether or not for profit, and whether private or government owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization, company or branch.

(6) The term "investment activities" means the operation, management, maintenance, use, enjoyment, and sale or other disposal of investments.

(7) The term "the WTO Agreement" means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh, April 15, 1994.

(8) The term "Contracting Party" means Japan or the Kingdom of Saudi Arabia, as the context requires.

Investments include return. The term "return" means the amounts yielded by investments, in particular, profit, capital gains, dividends, royalties and fees.

A change in the form in which assets are invested or reinvested does not affect their character as investments, provided that the change is not inconsistent with the legislation of the Contracting Party where the assets are invested or reinvested.

This Agreement shall also apply to the areas of the exclusive economic zone and the continental shelf insofar as international law permits the Contracting Party concerned to exercise sovereign rights or jurisdiction in these areas.

Article 2

1. Each Contracting Party shall promote as far as possible investment by investors of the other Contracting Party and, subject to its rights to exercise powers in accordance with its applicable legislation including those with regard to foreign ownership and control, admit such investment.

2. Once admitted in accordance with its applicable legislation, each Contracting Party shall accord to investors of the other Contracting Party and to their investments treatment no less favorable than the treatment it accords in like circumstances to its own investors and their investments with respect to investment activities.