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Subject to Legal Review for Accuracy, Clarity, and Consistency

ANNEX I
Explanatory Notes to the Schedule of Korea

1. The Schedule of Korea to this Annex sets out, pursuant to Articles 11.12 (Non-Conforming Measures) and 12.6 (Non-Conforming Measures), Korea's existing measures that are not subject to some or all of the obligations imposed by:

- (a) Article 11.3 (National Treatment) or 12.2 (National Treatment);
- (b) Article 11.4 (Most-Favored-Nation Treatment) or 12.3 (Most-Favored-Nation Treatment);
- (c) Article 12.5 (Local Presence);
- (d) Article 11.8 (Performance Requirements);
- (e) Article 11.9 (Senior Management and Boards of Directors); or
- (f) Article 12.4 (Market Access).

2. Each Schedule entry sets out the following elements:

- (a) **Sector** refers to the sector for which the entry is made;
- (b) **Obligations Concerned** specifies the article(s) referred to in paragraph 1 that, pursuant to Articles 11.12.1(a) and 12.6.1(a), do not apply to the non-conforming aspects of the law, regulation, or other measure, as set out in paragraph 3;
- (c) **Measures**¹ identifies the laws, regulations, or other measures for which the entry is made. A measure cited in the **Measures** element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement, and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
- (d) **Description** sets out non-conforming aspects of the measure for which the entry is made and commitments for liberalization, if any.

3. In the interpretation of a Schedule entry, all elements of the entry shall be considered in their totality.

4. In accordance with Article 11.12.1(a) and 12.6.1(a), and subject to Articles 11.12.1(c) and 12.6.1(c), the articles of this Agreement specified in the **Obligations Concerned** element of an

¹ For greater certainty, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in Article 11.12.1 and Article 12.6.1.

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entry do not apply to the non-conforming aspects of the law, regulation, or other measure identified in the **Measures** element of that entry.

5. Where Korea maintains a measure that requires that a service provider be a national, permanent resident, or resident of its territory as a condition to the provision of a service in its territory, a Schedule entry for that measure taken with respect to Article 12.2 (National Treatment), 12.3 (Most-Favored-Nation Treatment), or 12.5 (Local Presence) shall operate as a Schedule entry with respect to Articles 11.3 (National Treatment), 11.4 (Most-Favored-Nation Treatment), or 11.8 (Performance Requirements) to the extent of that measure.

6. For Korea, a **foreign person** means a foreign national or an enterprise organized under the laws of another country.

7. For greater certainty, Local Presence (Article 12.5) and National Treatment (Article 12.2) are separate disciplines and a measure that is only inconsistent with Local Presence (Article 12.5) need not be reserved against National Treatment (Article 12.2).