

ANNEX II

EXPLANATORY NOTES

1. The Schedule of a Party to this Annex sets out, pursuant to Article 8.12 (Non-Conforming Measures) and Article 9.7 (Non-Conforming Measures), the specific sectors, subsectors or activities for which that Party may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 8.4 (National Treatment) or Article 9.3 (National Treatment);
 - (b) Article 8.5 (Most-Favoured-Nation Treatment) or Article 9.4 (Most-Favoured-Nation Treatment);
 - (c) Article 8.10 (Performance Requirements);
 - (d) Article 8.11 (Senior Management and Boards of Directors);
 - (e) Article 9.5 (Market Access); or
 - (f) Article 9.6 (Local Presence).
2. Each Schedule entry sets out the following elements:
 - (a) **sector** refers to the sector for which the entry is made;
 - (b) **sub-sector**, where referenced, refers to the specific subsector for which the entry is made;
 - (c) **obligations concerned** specifies the obligations referred to in paragraph 1 that, pursuant to Article 8.12.2 (Non-Conforming Measures) and Article 9.7.2 (Non-Conforming Measures), do not apply to the sectors, subsectors or activities listed in the entry;
 - (d) **description** sets out the scope or nature of the sectors, subsectors or activities covered by the entry to which the reservation applies; and
 - (e) **existing measures**, where specified, identifies, for transparency purposes, a non-exhaustive list of existing measures that apply to the sectors, subsectors or activities covered by the entry.
3. In accordance with Article 8.12.2 (Non-Conforming Measures) and Article 9.7.2 (Non-Conforming Measures), the articles of this Agreement specified in the obligations

concerned element of an entry do not apply to the sectors, subsectors and activities identified in the description element of that entry.