EXPLANATORY NOTE

ANNEX I

1. The Schedule of a Party to this Annex sets out, pursuant to Articles 14.12 (Non-Conforming Measures) and 15.7 (Non-Conforming Measures), a Party’s existing measures that are not subject to some or all of the obligations imposed by:

(a) Article 14.4 (National Treatment) or 15.3 (National Treatment);

(b) Article 14.5 (Most-Favored-Nation Treatment) or 15.4 (Most-Favored-Nation Treatment);

(c) Article 14.10 (Performance Requirements);

(d) Article 14.11 (Senior Management and Boards of Directors);

(e) Article 15.5 (Market Access); or

(f) Article 15.6 (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 obligation(s) referred to in paragraph 1 that, pursuant to Articles 14.12.1(a) (Non-Conforming Measures) and 15.7.1(a) (Non-Conforming Measures), do not apply to the non-conforming aspects of the law, regulation, or other measure, as set out in paragraph 3;

(d) Level of Government indicates the level of government maintaining the scheduled measure(s);

(e) Measures 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

(f) **Description**, as indicated in the introductory note for each Party’s Schedule, either sets out the non-conforming measure or provides a general non-binding description of the measure for which the entry is made.

3. Articles 15.6 (Local Presence) and 15.3 (National Treatment) are separate disciplines and a measure that is only inconsistent with Article 15.6 (Local Presence) need not be reserved against Article 15.3 (National Treatment).