

ANNEX I

Reservations for Existing Measures

1. The Schedule of a Party sets out, under Articles 9.09 (Investment – Reservations and Exceptions) and 10.07 (Cross-Border Trade in Services – Reservations), the reservations taken by that Party for existing measures of a Party that do not conform with obligations imposed by:

- (a) Articles 9.04 (Investment – National Treatment) or 10.03 (Cross-Border Trade in Services – National Treatment);
- (b) Articles 9.05 (Investment – Most-Favoured-Nation Treatment) or 10.04 (Cross-Border Trade in Services – Most-Favoured-Nation Treatment);
- (c) Article 10.06 (Cross-Border Trade in Services – Local Presence);
- (d) Article 9.07 (Investment – Performance Requirements);
- (e) Article 9.08 (Investment – Senior Management and Boards of Directors);
or
- (f) Article 10.05 (Cross-Border Trade in Services – Market Access).

2. Each reservation sets out the following elements:

- (a) **Sector** refers to the general sector in which the reservation is taken;
- (b) **Sub-Sector** refers to the specific sector in which the reservation is taken;
- (c) **Industry Classification** refers, where applicable, to the activity covered by the reservation according to industry classification codes;
- (d) **Type of Reservation** specifies the obligation referred to in paragraph 1 for which a reservation is taken;

- (e) **Measure** identifies a law, regulation or other measure, as qualified, where indicated, by the **Description** element, for which the reservation is taken. A measure cited in the **Measure** element:
 - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement, and
 - (ii) includes a subordinate measure adopted or maintained under the authority of and consistent with the measure; and
- (f) **Description** sets out the non-conforming aspects of the existing measure for which the reservation is taken. It may also set out commitments for liberalization.

3. In the interpretation of a reservation, all elements of the reservation, with the exception of Industry Classification, are considered. The **Measure** element prevails over other elements, unless a discrepancy between the **Measure** element and the other elements considered in their totality is so substantial and material that it would be unreasonable to conclude that the **Measure** element prevails, in which case the other elements prevail to the extent of that discrepancy. A reservation is interpreted in the light of the relevant provisions of the Articles against which the reservation is taken.

4. Where a Party maintains a measure that requires a service provider be a citizen, permanent resident or resident of its territory as a condition to the provision of a service in its territory, a reservation for that measure taken with respect to Article 10.03, 10.04 or 10.06 (Cross-Border Trade in Services – National Treatment, Most-Favoured-Nation or Local Presence) operates as a reservation with respect to Article 9.04, 9.05 or 9.07 (Investment – National Treatment, Most-Favoured-Nation or Performance Requirements) to the extent of that measure.

5. The listing of a measure in this Annex is without prejudice to a future claim that Annex II may apply to the measure or some application of the measure.

6. For purposes of this Annex:

CPC means Central Product Classification (CPC) numbers as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 77, Provisional *Central Product Classification*, 1991; and

SIC means *Standard Industrial Classification (SIC)* numbers as set out in *Statistics Canada, Standard Industrial Classification*, fourth edition, 1980.