

ARTICLE 12**Transfers⁷**

1. A Contracting Party shall permit all transfers relating to a covered investment to be made freely and without delay. Such transfers include:

- (a) contributions to capital;
- (b) profits, capital gains, dividends, interest, royalties including payments in relation to intellectual and industrial property rights, fees, returns-in-kind or other income derived from the investment;
- (c) proceeds obtained from the total or partial sale of the covered investment, or from the partial or complete liquidation of the investment;
- (d) payments made under a contract entered into by an investor, or its covered investments, including those pursuant to a loan agreement;
- (e) payments made pursuant to Articles 10 and 11 and arising under Part C; and
- (f) earnings of nationals of a Contracting Party who work in connection with an investment in the territory of the other Contracting Party.

2. Each Contracting Party shall permit transfers relating to a covered investment to be made in a freely convertible currency at the market rate of exchange prevailing on the date of transfer. In the event that the market rate of exchange does not exist, the rate of exchange shall correspond to the cross rate obtained from those rates which would be applied by the International Monetary Fund on the date of payment for conversions of currencies concerned into Special Drawing Rights.

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, a Contracting Party may prevent a transfer through the equitable, non-discriminatory and good faith application of its laws relating to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities;
- (c) criminal or penal offenses;
- (d) reports of transfers of currency or other monetary instruments; or
- (e) ensuring the satisfaction of judgments in adjudicatory proceedings.

⁷ Annex B.12 shall apply to this Article.