

2. The Contracting Parties shall, within a two year period after the entry into force of this Agreement, exchange letters listing, to the extent possible, any existing measures that it may rely on to limit national treatment obligations in accordance with paragraph (1)(b) hereof.
3. Nothing in this Agreement shall prevent either Contracting Party from maintaining its state monopolies existing on the date of entry into force of this Agreement. The Contracting Parties shall, within a two year period after the entry into force of this Agreement, exchange letters listing their existing state monopolies.

III. General Exceptions and Exemptions:

1. Nothing in this Agreement shall be construed to prevent a Contracting Party from adopting, maintaining or enforcing any measure otherwise consistent with this Agreement that it considers appropriate to ensure that investment activity in its territory is undertaken in a manner sensitive to environmental concerns.
2. Provided that such measures are not applied in an arbitrary or unjustifiable manner, or do not constitute a disguised restriction on investment, nothing in this Agreement shall be construed to prevent a Contracting Party from adopting or maintaining measures:
 - (a) necessary to ensure compliance with laws and regulations that are not inconsistent with the provisions of this Agreement;
 - (b) necessary to protect human, animal or plant life or health; or
 - (c) relating to the conservation of living or non-living exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption.
3. Nothing in this Agreement shall be construed to prevent a Contracting Party from adopting or maintaining reasonable measures for prudential reasons, such as:
 - (a) the protection of investors, depositors, financial market participants, policy-holders, policy-claimants, or persons to whom a fiduciary duty is owed by a financial institution;
 - (b) the maintenance of the safety, soundness, integrity or financial responsibility of financial institutions; and
 - (c) ensuring the integrity and stability of a Contracting Party's financial system.
4. Investments in cultural industries are exempt from the provisions of this Agreement.
5. The provisions of Articles II, III, IV, V and VI of this Agreement do not apply to:
 - (a) procurement by a government or state enterprise;