

## ARTICLE 16

### Reservations and Exceptions

1. Articles 4 (Non-discriminatory Treatment as Compared with a Party's Own Investors), 5 (Non-discriminatory Treatment as Compared with a Non-Party's Investors), 8 (Senior Management, Boards of Directors and Entry of Personnel) and 9 (Performance Requirements) shall not apply to:
  - (a)
    - (i) any existing non-conforming measure maintained in the area of a Party;
    - (ii) any measure maintained or adopted after the date of entry into force of this Agreement that, at the time of sale or other disposition of a government's equity interests in, or the assets of, an existing Government enterprise or an existing governmental entity:
      - prohibits or imposes limitations on the ownership or control of equity interests or assets, or
      - imposes nationality requirements relating to senior management or members of the board of directors;
  - (b) the continuation or prompt renewal of any non-conforming measure referred to in subparagraph (a); or
  - (c) an amendment to any non-conforming measure referred to in subparagraph (a) to the extent that the amendment does not decrease the conformity of the measure, as it existed immediately before the amendment, with Articles 4 (Non-discriminatory Treatment as Compared with a Party's Own Investors), 5 (Non-discriminatory Treatment as Compared with a Non-Party's Investors), 8 (Senior Management, Boards of Directors and Entry of Personnel) and 9 (Performance Requirements).
2. Articles 4 (Non-discriminatory Treatment as Compared with a Party's Own Investors), 5 (Non-discriminatory Treatment as Compared with a Non-Party's Investors), 8 (Senior Management, Board of Directors and Entry of Personnel) and 9 (Performance Requirements) shall not apply to any measure that a Party adopts or maintains with respect to sectors, subsectors or activities, as set out in its schedule to Annex II.
3. Article 5 (Non-discriminatory Treatment as Compared with a Non-Party's Investors) shall not apply to treatment accorded by a Party pursuant to agreements or arrangements set out in Annex III.