

**DEFINITIONS**

For purposes of Sections B and C of the Schedule of Mexico:

**capital** means the following, as defined in Mexican measures, applied on a national treatment basis:

Type of Financial Institution	Concept of "Capital"
commercial banks	capital neto
securities firms	capital global
insurance companies	requerimiento bruto
casualty	de solvencia (allocation to casualty insurance)
life and health	requerimiento bruto
	de solvencia (allocation to life and health insurance)
factoring companies	capital contable
leasing companies	capital contable;

**investor of another Party** means an investor of another Party as defined in Article 1403(5);

**foreign commercial bank affiliate** means a foreign financial affiliate that is a commercial bank;

**foreign financial affiliate** means a financial institution established in Mexico and owned and controlled by an investor of another Party;

**foreign insurance affiliate** means a foreign financial affiliate that is an insurance company;

**insurance investor of another Party** means an investor of another Party that is an insurance company; and

**transition period** means the period beginning with the entry into force of this Agreement and ending on the earlier of i) January 1, 2000, or ii) six years from the entry into force of this Agreement.