

4. Section II of the Schedule of a Party sets out reservations taken by the Party, pursuant to Articles H *bis*-09(3) for measures the Party may adopt or maintain that do not conform with obligations imposed by Article H *bis*-02 (National Treatment), H *bis*-03 (Most-Favoured-Nation Treatment), H *bis*-04 (Right of Establishment), H *bis*-05 (Cross-Border Trade), or H *bis*-08 (Senior Management and Boards of Directors).

5. Each reservation in Section II 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) **Type of Reservation** specifies the obligation referred to in paragraph 4 for which a reservation is taken;
- (d) **Description** sets out the scope of the sector, sub-sector or activities covered by the reservation; and
- (e) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sector, sub-sector or activities covered by the non-conforming measure.

6. In the interpretation of a reservation in Section II, all elements of the reservation shall be considered. The Description element shall prevail over all other elements.

7. 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;

existing means “existing” as defined in Article H *bis*-19; and

SIC means, with respect to Canada, Standard Industrial Classification (SIC) number as set out in Statistics Canada, *Standard Industrial Classification*, fourth edition, 1980.