

## ARTICLE 16

### Reservations and Exceptions

1. Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment), 8 (Senior Management, Boards of Directors and Entry of Personnel) and paragraphs 2, 3 and 4 of Article 9 (Performance Requirements) shall not apply to:
  - (a) any measure:
    - (i) existing and non-conforming, maintained in the territory of a Party,
    - (ii) 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 state 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 (National Treatment), 5 (Most-Favoured-Nation Treatment), 8 (Senior Management, Boards of Directors and Entry of Personnel) and paragraphs 2, 3, and 4 of Article 9 (Performance Requirements).
2. Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment), 8 (Senior Management, Boards of Directors and Entry of Personnel) and paragraphs 2, 3 and 4 of Article 9 (Performance Requirements) shall not apply to any measure that a Party adopts or maintains with respect to sectors or matters, as set out in its schedule to Annex I.
3. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment accorded by a Party pursuant to agreements set out in its schedule to Annex II.
4. In respect of intellectual property rights, a Party may derogate from Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment), and subparagraph 2(c) of Article 9 (Performance Requirements) in a manner that is consistent with the TRIPS Agreement, including any amendments to the TRIPS Agreement in force for both Parties, and waivers to the TRIPS Agreement adopted pursuant to Article IX of WTO Agreement.