

- (2) *Each Contracting Party shall accord investments or returns of investors of the other Contracting Party*
- (a) *fair and equitable treatment in accordance with principles of international law, and*
 - (b) *full protection and security.*
- (3) *Each Contracting Party shall, in accordance with its applicable measures in existence on the date of entry into force of this Agreement, permit establishment of a new business enterprise or acquisition of an existing enterprise or a share of such enterprise by investors or prospective investors of the other Contracting Party on a basis no less favourable than that which, in like circumstances, it permits such acquisition or establishment by:*
- (a) *its own investors or prospective investors; or*
 - (b) *investors or prospective investors of any third state.*
- (4) *A decision by Canada, following a review under the Investment Canada Act, with respect to whether or not to permit an acquisition that is subject to review, shall not be subject to the dispute settlement provisions of Articles XIII or XV of this Agreement.*
- (5) *A Canadian natural person or enterprise as defined in Article I(g) shall be considered an investor under this Agreement only if it obtains such approvals as may be required by the competent authorities of Thailand as established under the Thai Cabinet's decision of July 26, 1994 (as contained in the Secretariat of the Cabinet's Note No. 0201/9549 dated 28 July 1994), a copy of which is attached hereto as Annex II.*

ARTICLE III

Most-Favoured-Nation (MFN) Treatment after Establishment and Exceptions to MFN

- (1) *Investments of investors of one Contracting Party in the territory of the other Contracting Party, or returns therefrom, shall receive treatment from the latter Contracting Party which, in like circumstances, is no less favourable than that accorded in respect of the investments or returns of investors of any third State.*
- (2) *Each Contracting Party shall, in its territory, accord to investors of the other Contracting Party, as regards their management, use, enjoyment or disposal of their investments or returns, treatment no less favourable than that which, in like circumstances, it grants to investors of any third State.*
- (3) *Subparagraph (3)(b) of Article II and paragraphs (1) and (2) of this Article do not apply to treatment by a Contracting Party pursuant to any existing or future bilateral or multilateral agreement:*
- (a) *establishing, strengthening or expanding a free trade area, common external tariff area, monetary union, regional association for economic cooperation or customs union;*
 - (b) *negotiated within the framework of the GATT or its successor organization and liberalizing trade in services; or*