

ARTICLE 17**Reservations and Exceptions**

1. Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment), 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 territory 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 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 paragraph (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 9 (Performance Requirements).

2. Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment), 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 (Reservations for Future Measures).

3. Article 5 (Most-Favoured-Nation Treatment) shall not apply to treatment accorded by a Party pursuant to agreements set out in Annex III (Exceptions from Most-Favoured-Nation Treatment).

4. In respect of intellectual property rights, a Party may derogate from Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment) and 9(1)(f) (Performance Requirements) in a manner that is consistent with:

- (a) the TRIPS Agreement;
- (b) an amendment to the TRIPS Agreement in force for both Parties; and
- (c) a waiver to the TRIPS Agreement granted pursuant to Article IX of the WTO Agreement.

5. Articles 4 (National Treatment), 5 (Most-Favoured-Nation Treatment) and 8 (Senior Management and Board of Directors) do not apply to:

- (a) procurement by a Party or a State enterprise; or
- (b) a subsidy or grant provided by a Party or a State enterprise, including a government-supported loan, a guarantee or insurance.