

ANNEX II

1. The Schedule of a Party sets out the reservations taken by that Party, pursuant to Articles 1108(4) and 1206(4), with respect to specific sectors, sub-sectors or activities for which it may maintain existing, non-conforming measures or adopt new or more restrictive measures. Such measures may derogate from an obligation relating to:

(a) national treatment, pursuant to Article 1102 (Investment) or 1202 (Services);

(b) most-favored-nation treatment, pursuant to Article 1103 (Investment) or 1203 (Services);

(c) local presence, pursuant to Article 1205 (Services);

(d) performance requirements, pursuant to Article 1106 (Investment); or

(e) nationality requirements for senior management or members of boards of directors, pursuant to Article 1107 (Investment).

2. Each reservation 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) INDUSTRY CLASSIFICATION refers to the activity, where appropriate, covered by the reservation according to domestic industry classification codes;

(d) TYPE OF RESERVATION specifies the obligation referred to in paragraph 1 for which a reservation is taken;

(e) DESCRIPTION describes the scope of the sector, sub-sector or activities covered by the reservation; and

(f) LEGAL CITATION OF EXISTING MEASURES identifies existing measures that apply to the sector, sub-sector or activities covered by the reservation.

3. In the interpretation of a reservation, all elements of the reservation should be considered. In the event of any

inconsistency between DESCRIPTION and any other element of the reservation, the DESCRIPTION shall govern to the extent of the inconsistency.

4. For purposes of this Annex:

CMAP means Clasificación Mexicana de Actividades y Productos;

CPC means Central Product Classification numbers as set out in Statistical Office of the United Nations, Statistical Papers, Series M, No. 77, Provisional Central Product Classification, 1991;

Mexican enterprise means an enterprise constituted under the laws of Mexico;

Mexican national means a national of Mexico, as defined by the Constitution of Mexico;

person of a Party means a national or an enterprise of a Party; and

SIC means:

(a) with respect to Canada, Standard Industrial Classification (SIC) numbers as set out in Statistics Canada, Standard Industrial Classification, fourth edition, 1980; and

(b) with respect to the United States, Standard Industrial Classification (SIC) numbers as set out in the United States Office of Management and Budget, Standard Industrial Classification Manual, 1987.