

ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constitución Política de los Estados Unidos Mexicanos (United Mexican States Political Constitution).
Título I Capítulo I.

Ley de Nacionalidad y Naturalización (Nationality and Naturalization Law).
Capítulo VI (Disposiciones generales)

Ley Orgánica de la Fracción I del Artículo 27 de la Constitución (Organic Law of the First Section of Article 27 of the United Mexican States Political Constitution).

Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment). Capítulos I y IV (Objeto y Fideicomisos en frontera y litorales)

Reglamento de la Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment).
Título III Capítulo I y Título III Capítulo III. (Inversión extranjera mediante fideicomisos)

DESCRIPTION: Investment

Foreigners and foreign enterprises, as defined in the Constitución Política de los Estados Unidos Mexicanos; and Mexican enterprises without a foreigners' exclusion clause may not acquire "direct dominion" (dominio directo) over land and water in a 100

kilometers strip along the country's borders or in a 50 kilometers strip inland from its coasts (the Restricted Zone).

Nevertheless, foreigners, foreign enterprises and Mexican enterprises may acquire "Certificados de Participación Ordinaria" (CPO's). Such CPO's grant to the beneficiaries the right to use and enjoy the real estate and to receive the profits that it may obtain from the profitable use of the property.

The CPO's are issued by a Mexican credit institution that has been granted authorization to acquire through trust the title to real estate intended for industrial and tourist activities in the Restricted Zone for a period not to exceed 30 years.

The trust is renewable if:

- (a) The beneficiaries of the trust which is to be extinguished or terminated will be beneficiaries of the new trust;
- (b) the new trust is to be executed under the same terms and conditions as the trust which is to be extinguished or terminated, in respect of the purposes of the trust, the use of real estate and its characteristics;
- (c) the respective permits are requested within a period of 360 to 181 days prior to the trust be extinguished or terminated; and
- (d) the provisions of the Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera and its regulations are observed.

DURATION: Indeterminate

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEGAL CITATION: Ley Para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment).

Reglamento de la Ley Para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment).

DESCRIPTION: Investment

The Comisión Nacional de Inversiones Extranjeras in order to evaluate the applications submitted to its consideration (acquisitions or establishment of investments in restricted activities as set out in this Schedule), shall take into account the following criteria:

- (a) Its effects on employment and training;
- (b) Its technological contribution;
- (c) In general its contribution to increase the Mexican industrial production and competitiveness.

The Comisión Nacional de Inversiones Extranjeras may impose performance requirements which are not prohibited by Article 1106 of the Investment Chapter.

DURATION: Description shall govern upon entry into force of this Agreement.

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment).

Reglamento de la Ley Para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment).

DESCRIPTION: Investment

Mexico will review the acquisition, whether directly or indirectly, of more than 49% of the ownership interest of a Mexican enterprise in an unrestricted sector, that is owned or controlled by Mexican nationals, directly or indirectly, by an investor of another Party if the value of the gross assets of the Mexican enterprise is not less than the applicable thresholds, effective on the date of entry into force of this Agreement and adjusted on each anniversary thereof. The calculation of the applicable review thresholds is set out in the following section below.

DURATION: Description shall govern upon entry into force of this Agreement.

The basis for calculating the threshold will be:

(a) USD 25 million, for the three year period commencing on the date of entry into force of this Agreement;

(b) USD 50 million, for the three year period commencing on the fourth year after the date of entry into force of this Agreement;

(c) USD 75 million, for the three year period commencing on the seventh year after the entry into force of this Agreement;

(d) USD 150 million, for the tenth year after entry into force of this Agreement.

Beginning with the Agreement's second year these thresholds shall be adjusted for cumulative inflation based on the US GDP price deflator from the date of entry into force of this Agreement.

Beginning with year eleven after entry into force of this Agreement, the threshold will be adjusted for growth in nominal Mexican GDP--but in no case will the threshold to be applied exceed that of Canada.

ANNEX I

Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102) Senior Management (Article 1107)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constitución Política de los Estados Unidos Mexicanos (United Mexican States Political Constitution).

Ley General de Sociedades Cooperativas (General Law of Cooperative Companies). Título I Capítulo I y Título II Capítulo II

DESCRIPTION: Investment

No more than 10 percent of the persons participating in a Mexican Cooperative Production enterprise may be foreigners.

Foreigners cannot engage in general administrative functions.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: All sectors

SUB-SECTOR: All sub-sectors

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal para el Fomento de la Microindustria (Law to Promote the Microindustry).

DESCRIPTION: Investment

Only Mexican nationals and Mexican enterprises with foreigners' exclusion clause may qualify as microindustry enterprises.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Agriculture, Livestock, Forestry, and Lumber Activities

SUB-SECTOR: Agriculture, Livestock or Forestry

INDUSTRY CLASSIFICATION: CMAP 1111 Agriculture
CMAP 1112 Livestock
CMAP 120011 Forestry
CMAP 120012 Exploitation of Forest Nurseries
CMAP 120030 Collection of Forest Products
CMAP 120040 Falling Trees

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constitución Política de los Estados

DESCRIPTION: Investment

All enterprises constituted in Mexico which own land for agriculture, livestock or forestry purposes, must issue a special type of shares ("T" shares) which represent the value of the aforementioned land at the time of its acquisition. Investors of another Party and their investments may own up to 49 percent of such "T" shares.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting and Multipoint Distribution Systems, (MDS), and Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941104 Private Production and Transmission of Radio Programs (Limited to Production and Transmission of Radio Programs, MDS and uninterrupted music)

CMAP 941105 Private Services of Production, Transmission and Repetition of Television Programming (Limited to Production, Transmission and Repetition of Television Programs, MDS, Direct Broadcasting Systems, and High Definition Television and Cable Television)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisión (Radio and Television Federal Law), Título IV (Funcionamiento), Capítulo III (Programación)

Reglamento de la Ley Federal de Radio y Televisión y de la Ley de la Industria Cinematográfica relativo al contenido de las transmisiones de

Radio y Televisión (Regulations of the Radio and Television Federal Law and Motion Picture Industry Law relating to Radio o Television Content), Título III (Programación)

Reglamento del Servicio de Televisión por Cable, (Cable Television Regulations) Capítulo VI (Programación)

DESCRIPTION: Cross-Border Services

For the protection of copyrights a holder of a concession for a commercial broadcast station or for a cable television system in Mexico is required to obtain an authorization from the Secretaría de Gobernación to import in any form radio or television programming for broadcast or cable distribution of such programming within Mexico.

The authorization will be granted if the request includes documentation showing that the foreign government, sponsoring international organization, or the private entrepreneur or organizer has granted the license ("derechos") to retransmit or distribute by cable such program.

ANNEX I

Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941105 Private Services of Production, Transmission and Retransmission of Television Programming (Limited to cable television)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)
Local Presence (Article 1205)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constitución Política de los Estados
Unidos Mexicanos(United Mexican States
Political Constitution), Article 32

Ley de Vías Generales de Comunicación
(General Means of Communication Law),
Libro I Capítulo III (Concesiones,
Permisos y Contratos)

Ley Federal de Radio y Televisión
(Radio and Television Federal Law),
Título III, (Concesiones, Permisos e
Instalaciones)

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento del Servicio de Televisión
por Cable (Cable Television
Regulations), Capítulo II
(Concesiones)

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)
DESCRIPTION: Cross-Border Services

1. A concession granted by the
Secretaría de Comunicaciones y
Transportes is required to construct
and operate, or to operate, cable
television systems. Such concession is
granted only to Mexican nationals or
Mexican enterprises.

Investment:

2. Investors of another Party and
their investments may own, directly or
indirectly, up to 49 percent of an
enterprise established or to be
established in Mexico which owns or
operates a cable television systems or
provides cable television services.

DURATION: Cross-Border Services
Indeterminate.

Investment

Paragraph 2 of the description shall

govern upon entry into force of this Agreement; subject to discussion by the Parties five years after the entry into force of this Agreement.

ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services

INDUSTRY CLASSIFICATION: CMAP 941103 Private Exhibition of Films (cinema)

TYPE OF RESERVATION: National Treatment (Article 1202)
Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de la Industria Cinematográfica
(Motion Picture Industry Law)

Reglamento de la Ley de la Industria
Cinematográfica (Regulations of the
Motion Picture Industry)

DESCRIPTION: Cross-Border Services and Investment

On an annual basis, 30 percent of the
screen time of every theater may be
reserved for films produced, either
within or outside Mexico, by Mexican
enterprises.

DURATION: The description shall govern upon
entry into force of this Agreement.

Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting,
Multipoint Distribution Systems (MDS),
and Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941104 Private Production and
Transmission of Radio Programs
(Limited to Production and

Transmission of Radio Programs, MDS
and uninterrupted music)

CMAP 941105 Private Services of
Production, Transmission and
Retransmission of Television
Programming (Limited to Production,
Transmission and Retransmission of
Television Programs, MDS, Direct
Broadcasting Systems, High-Definition
Television and Cable Television)

TYPE OF RESERVATION: National Treatment (Article 1202)
Performance Requirement (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisión,
(Radio and Television Federal Law),
Título IV (Funcionamiento), Capítulo
III (Programación)

Reglamento de la Ley Federal de Radio
y Televisión y de la Ley de la
Industria Cinematográfica relativo al
contenido de las transmisiones de
Radio y Televisión (Regulation of
Radio and Television Federal Law and
Regulations of the Motion Picture
Industry Law relating to Broadcasting
Content), Título III (Programación)

Reglamento del Servicio de Televisión
por Cable (Cable Television
Regulations), Capítulo VI
(Programación)

DESCRIPTION: Cross-Border Services and Investment

The use of the Spanish language is
required for the broadcast, cable or
multipoint-distribution-system
distribution of radio or television
programming, except when the
Secretaría de Gobernación authorizes
the use of another language.

A majority of personnel involved in
the production and performance of a
live broadcast programming activity
must be Mexican nationals.

To perform in Mexico, a radio and
television announcer or presenter who
is not a Mexican national must obtain

an authorization from the Secretaría
de Gobernación.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Entertainment Services (Broadcasting,
and Multipoint Distribution Systems and Cable Television)

INDUSTRY CLASSIFICATION: CMAP 941105 Private Services of
Production, Transmission and
Retransmission of Television
Programming (Limited to Broadcasting,
Cable Television and Multipoint
Distribution Systems)

TYPE OF RESERVATION: National Treatment (Article 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Radio y Televisión,
(Radio and Television Federal Law),
Título IV (Funcionamiento), Capítulo
III (Programación)

Reglamento de la Ley Federal de Radio
y Televisión y de la Ley de la
Industria Cinematográfica relativo al
contenido de las transmisiones de
Radio y Televisión (Regulations of the
Radio and Television Federal Law and
Regulation of the Motion Picture
Industry Law relating to Broadcasting
Content), Título III (Programación)

Reglamento del Servicio de Televisión
por Cable, (Cable Television
Regulations), Capítulo VI
(Programación)

DESCRIPTION: Cross-Border Services and Investment

The use of the Spanish language or
Spanish subtitles is required for
advertising broadcast or distributed
in Mexico.

Advertising included in programs
transmitted directly from outside

Mexico may not be broadcast in such programs when they are retransmitted or distributed in Mexico

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Communications

SUB-SECTOR: Telecommunications (Enhanced or Value-Added Services)

INDUSTRY CLASSIFICATION: CMAP 720006 Other Telecommunications Services (Limited to Enhanced or Value-Added Services)

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)
Local Presence (Article 1205)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Vías Generales de Comunicación
(General Means of Communication Law),
Libro Primero, Capítulo III
(Concesiones, Permisos y Contratos)

Reglamento de Telecomunicaciones
(Telecommunications Regulations),
Capítulo 4, (Permisos)

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Cross-border Services

1. A provider of enhanced or value-added services must obtain a permit issued by the Secretaría de Comunicaciones y Transportes.

2. Persons of Canada or the United States may provide all enhanced or value-added services, except videotext

or enhanced packet switching services, without the need to establish local presence.

3. Videotext and enhanced packet switching services may not be provided on a cross-border basis.

Investment

1. Investors of another Party and their investments may own 100 percent of an enterprise established or to be established in Mexico that provides any telecommunication enhanced or value-added service, other than videotext or enhanced packet switching services.

2. Investors of another Party and their investments may own, directly or indirectly, up to 49 percent of an enterprise established or to be established in Mexico that provides videotext or enhanced packet switching services.

DURATION: Cross-border Services

Paragraphs 2 and 3 of the description shall govern upon entry into force of this Agreement.

Commencing July 1, 1995, a person of Canada or the United States may provide videotext or enhanced packet switching services without the need to establish a local presence in Mexico.

Investment

Paragraph 1 of the description shall govern upon entry into force of this Agreement.

Commencing July 1, 1995, investors of another Party and their investments may own 100 percent of an enterprise established or to be established in Mexico that provides videotext or enhanced packet switching services.

SECTOR: Communications

SUB-SECTOR: Transport Telecommunications General Means of Communication

INDUSTRY CLASSIFICATION: CMAP 7200 Communications
CMAP 7100 Transport
CMAP 9411 Radio and Television

TYPE OF RESERVATION: National Treatment (Articles 1102, 1202)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Vías Generales de Comunicación
(General Means of Communication Law)

Ley Federal de Radio y Televisión,
(Radio and Television Federal Law)

Reglamento del Servicio de Televisión
por Cable (Cable Television
Regulations)

Reglamento de Telecomunicaciones
(Telecommunications Regulations)

DESCRIPTION: Investment

Foreign Governments and Foreign state
enterprises or their investments may
not invest, directly or indirectly, in
a Mexican enterprise providing
services related to the general means
of communication set out herein.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Construction

SUB-SECTOR:

INDUSTRY CLASSIFICATION: CMAP 501101 Residential or Housing Construction
CMAP 501102 Non-residential Construction
CMAP 501200 Construction of Urbanization Projects
CMAP 501311 Construction of Industrial Plants

CMAP 501312 Construction of Electricity Generation Plants

CMAP 501321 Construction and Maintenance of Electricity Conduction Lines and Networks

CMAP 501411 Mounting or Installing Concrete Structures

CMAP 501412 Mounting or Installing Metallic Structures

CMAP 501421 Marine and River Works

CMAP 501422 Construction of Routes for Land Transportation

CMAP 502001 Hydraulic and Sanitation Installations in Buildings

CMAP 502002 Electrical Installations in Buildings

CMAP 502003 Telecommunications Installations

CMAP 502004 Other Special Installations

CMAP 503001 Earth Movement

CMAP 503002 Cement Works

CMAP 503003 Underground Excavations

CMAP 503004 Underwater Works

CMAP 503005 Installation of Signs and Warnings

CMAP 503006 Demolition

CMAP 503007 Construction of Water Purification or Treatment Plants

CMAP 503009 Drilling Water Wells

CMAP 503010 Construction Activities not Elsewhere Classified

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment), Capítulos II y III

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

Prior approval of the Comisión
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico that carry out
construction activities as set out in
the classification mentioned above.

DURATION: Five years after the entry into force
of this Agreement, investors of
another Party and their investments
may own 100 percent of the ownership
interests of such enterprises without
Comisión Nacional de Inversiones
Extranjeras' prior approval.

ANNEX I

Schedule of Mexico

SECTOR: Construction

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: CMAP 503008 Exploration and drilling
works and services done by specialized
contractors excluding the case when
these same works and services are done
by personnel of PEMEX in the
activities classified under industrial
classification 220000.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Constitución Política de los Estados
Unidos Mexicanos (United Mexican
States Political Constitution), Título
I Capítulo I.

Ley Reglamentaria del Artículo 27
Constitucional en el Ramo del Petróleo

(Regulatory Law of Article 27 of the United Mexican States Political Constitution in matters related with Petroleum)

Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign Investment) Capítulo I

Reglamento de la Ley para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Regulations of the Law to Promote Mexican Investment and to Regulate Foreign Investment)

DESCRIPTION: Investment

Risk-sharing services contracts are prohibited.

Prior approval of the Comisión Nacional de Inversiones Extranjeras is required for investors of another Party and their investments to own, directly or indirectly, more than 49 percent of the ownership interests of an enterprise established or to be established in Mexico involved in "non-risk sharing" service contracts for the drilling of petroleum and gas wells.

DURATION: Indeterminate

ANNEX I

Schedule of Mexico

SECTOR: Educational Services

SUB-SECTOR: Private Schools

INDUSTRY CLASSIFICATION: CMAP 921101 Preschool Private
Educational Services

CMAP 921102 Primary School Private
Educational Services

CMAP 921103 Secondary School Private
Educational Services

CMAP 921104 Middle High School Private

Educational Services

CMAP 921105 Higher Private Educational
Services

CMAP 921106 Private Educational
Services that Combine Preschool,
Primary, Secondary, Middle High and
Higher Instruction

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

Ley Para la Coordinación de la
Educación Superior (Law for the
Coordination of the Higher Education),
Capítulo II

Ley Federal de Educación (Education
Law), Capítulo III

DESCRIPTION: Investment

Prior approval of the Comisión
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico that operates
educational services as set out in the
classification mentioned above.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Energy

SUB-SECTOR: Commercialization of Petroleum Products

INDUSTRY CLASSIFICATION: CMAP 623050 Retail Sales of Gas of
liquified petroleum gas (LPG),
including the installation of fixed
deposits when the facilities are built
by the same establishment.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Artículo 27
Constitucional en el Ramo del Petróleo
(Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil).

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment). Capítulo I

Reglamento de la Ley Reglamentaria del
Artículo 27 Constitucional en el Ramo
de Petróleo (Reglamentation of the
Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil)

Reglamento de la Distribución de
Gas.(Regulations of the Distribution
of LPG). Capítulos I y II
(Autorizaciones y permisos)

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

Only Mexican nationals and Mexican
enterprises with foreigners' exclusion
clause may engage in the distribution
of liquified Petroleum gas.

DURATION: Indeterminate

SECTOR: Energy

SUB-SECTOR: Commercialization of Petroleum Products

INDUSTRY CLASSIFICATION: CMAP 6260000 Retail Outlets of
Gasoline and Diesel. Includes
Lubricants, Oils and Additives for
Resale in these Retail Outlets.

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Artículo 27
Constitucional en el Ramo del Petróleo
(Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil)

Reglamento de la Ley Reglamentaria del
Artículo 27 Constitucional en el Ramo
del Petróleo (Reglamentation of the
Regulatory Law of Article 27 of the
United Mexican States Political
Constitution related to Oil).

DESCRIPTION: Only Mexican nationals and Mexican
enterprises with foreigners' exclusion
clause may acquire, establish and
operate retail outlets engaged in the
resale of gasoline, diesel,
lubricants, oils and additives.

DURATION: The description shall govern upon
entry into force of this Agreement

ANNEX I
Schedule of Mexico

SECTOR: Fishing

SUB—SECTOR: Fishing

INDUSTRY CLASSIFICATION: CMAP 130011 Fishing on the High Seas

CMAP 130012 Coastal Fishing

CMAP 130013 Fresh Water Fishing

CMAP 130014 Fishing in the Economic Exclusive Zone

TYPE OF RESERVATION: National Treatment (Article 1102)
Most-Favored-Nation Treatment (Article 1103)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley de Pesca (Fishing Law) Capítulo I.

Ley de Navegación y Comercio Marítimo
(Navigation and Maritime Commerce
Law), Libro II Título Unico Capítulo V

Ley Federal del Mar (Federal Sea Law)

Ley Federal de Aguas (Federal Law of
Water)

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment).

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

DESCRIPTION: Investment

With respect to enterprises
established or to be established in
Mexico performing coastal fishing,
fresh water fishing and fishing in the
exclusive economic zone, investors of
another Party and their investments
may own, directly or indirectly, up to
49 percent of the ownership interest
of such enterprises.

With respect to enterprises
established or to be established in
Mexico performing fishing on the high
seas, prior approval of the Comision
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
enterprises established or to be
established in Mexico performing
fishing on the high seas.

DURATION: Indeterminate

ANNEX I
Schedule of Mexico

SECTOR: Manufacturing and Assembly of Goods

SUB-SECTOR: Auto Parts Industry

INDUSTRY CLASSIFICATION: CMAP 383103 Manufacturing of Parts and
Accessories for Electrical Automotive
Systems

CMAP 384121 Manufacture and Assembly
of Car and Truck Bodies and Tows

CMAP 384122 Manufacture of Car and
Trucks Motors and Their Parts
CMAP 384123 Manufacture of Car and
Truck Transmission System Parts

CMAP 384124 Manufacture of Car and
Truck Suspension System Parts

CMAP 384125 Manufacture of Car and
Truck Brake System Parts and
Accessories

CMAP 384126 Manufacture of Other Car
and Truck Parts and Accessories

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Annex 300-A (Trade and Investment in
the Automotive Industry Sector) of
this Agreement.

Ley Para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment).

Reglamento de la Ley Para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment).

Decreto para el fomento y
modernización de la Industria
Automotriz (Decree for the Development
and Modernization of the Automotive

Industry) ("Auto Decree").

Decreto que Determina Reglas para la
Aplicación del Decreto para el Fomento
y Modernización de la Industria
Automotriz (Resolution that
Establishes Rules for the
Implementation of the Auto Decree)
("Auto Decree Implementing
Regulations").

DESCRIPTION: Investors of another Party and their
investments may own, directly or
indirectly, up to 49 percent of the
ownership interests of an enterprise
established or to be established in
Mexico and engaged in the auto parts
industry.

Investors of another Party and their
investments that qualify as "national
suppliers" may own 100% of an
enterprise established or to be
established in Mexico engaged in the
manufactured of specified auto parts.

To qualify as "national supplier", the
enterprise must:

(a) obtain a national value added
calculated as set out in the
"Auto Decree Implementing
Regulations" of at least 20%;
and

(b) not be controlled or related,
directly or indirectly, to a
manufacturer of motor vehicles.

DURATION: Annex 300-A (Trade and Investment in
the Automotive Sectors) of Chapter
Three (National Treatment and Market
Access) shall govern.

Commencing on the sixth year after the
entry into force of this Agreement,
investors of another Party and their
investments may own 100 percent of the
ownership interests of an enterprise
established or to be established in
Mexico engaged in auto parts industry.

(See also page I-M-39 of this Schedule
- performance requirements)

ANNEX I
Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Automotive Industry

INDUSTRY CLASSIFICATION: CMAP 383103 Manufacturing of Parts and
Accessories for Electrical Automotive
Systems

CMAP 3841 Automotive Industry.

CMAP 384121 Manufacture and Assembly
of Car and Truck Bodies and Tows

CMAP 384122 Manufacture of Car and
Trucks Motors and Their Parts

CMAP 384123 Manufacture of Car and
Truck Transmission System Parts

CMAP 384124 Manufacture of Car and
Truck Suspension System Parts

CMAP 384125 Manufacture of Car and
Truck Brake System Parts and
Accessories

CMAP 384126 Manufacture of Other Car
and Truck Parts and Accessories

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Annex 300-A (Trade and Investment in the Automotive Sector)
of Chapter Three (Market Access) of this Agreement

Decreto para el fomento y
modernización de la Industria
Automotriz (Decree for the Development
and Modernization of the Automotive
Industry) ("Auto Decree")

Decreto que Determina Reglas para la
Aplicación del Decreto para el Fomento
y Modernización de la Industria
Automotriz (Resolution that
Establishes Rules for the
Implementation of the Auto Decree)
("Auto Decree Implementing
Regulations")

DESCRIPTION: Investment

Annex 300-A (Trade and Investment in the Automotive Sector) of Chapter Three (Market Access) shall govern. A summary of performance requirements in the automotive industry follows:

(a) National value added shall constitute at least 20% of the total value of sales of an enterprise of the autoparts industry or of a "National Supplier". In calculating the national value added, custom duties shall be included in the value of imports.

(b) A manufacturer of motor vehicles must attain specified levels of national value added from suppliers of Mexican parts (enterprises of the autoparts industry and national suppliers) and must comply with specified trade balance requirements in order to receive permits for the importation of new motor vehicles.

(c) Manufacturers of autotransportation vehicles may only import the types of autotransportation vehicles it produces in Mexico and in a quantity not exceed 50% of the number of such vehicles it produces in Mexico in a year.

DURATION: Annex 300-A (Trade and Investment in the Automotive Sector) of Chapter Three (Market Access) shall govern upon entry into force of this Agreement

Commencing on the sixth year after entry into force of this Agreement Mexico will eliminate restrictions on the number of an autotransportation vehicles that a manufacture autotransportation vehicles may import.

Commencing on the eleventh year after the entry into force of this

Agreement, Mexico will eliminate all performance requirements in the Auto Decree and the "Auto Decree Implementing Regulations".

ANNEX I
Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Maquiladora Industry

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Aduanera (Customs Law)

Decreto para el Fomento y Operación de la Industria Maquiladora de Exportación (Decree for the Promotion and Operation of Maquiladora Industry for Export)

DESCRIPTION: Investment

Persons authorized by the Secretaría de Comercio y Fomento Industrial to operate under the "Maquiladora Decree" may not sell to the domestic market more than 50% of the total value of its exports.

DURATION: Domestic market may not exceed:

(a) during the first year of entry into force of this Agreement, 55% of the total value of its exports;

(b) during the second year after the date of entry into force of this Agreement, 60% of the total value of its exports;

(c) during the third year after the date of entry into force of this Agreement, 65% of the total value of its exports;

(d) during the fourth year after the date of entry into force of this Agreement, 70% of the total value of its exports;

(e) during the fifth year after the date of entry into force of this Agreement, 75% of the total value of its exports;

(f) during the sixth year after the date of entry into force of this Agreement, 80% of the total value of its exports;

(g) during the seventh year after the date of entry into force of this Agreement, 85% of the total value of its exports;

(h) from the eighth year after the date of entry into force of this Agreement and thereafter, persons may not be subject to this requirement.

ANNEX I Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Artículo 131 de la Constitución Política de los Estados Unidos Mexicanos en Materia de Comercio Exterior (Mexican Foreign Trade Act)

Decreto para el Fomento y Operación de las Empresas Altamente Exportadoras" (Decree for the Promotion and Operation of High-Export Firms)

DESCRIPTION: Investment

1. "Direct exporters" authorized by the Secretaría de Comercio y Fomento Industrial to operate under the "ALTEX Decree" must export at least 40% of their total sales or \$2,000,000. U.S. dollars.

2. "Indirect exporters" authorized by the Secretaría de Comercio y Fomento Industrial to operate under the "ALTEX Decree" must export at least 50% of their total sales.

DURATION: Seven years after the entry into force of this Agreement, direct and indirect exporters will not be subject to the above mentioned percentage.

ANNEX I

Schedule of Mexico

SECTOR: Manufacture of Goods

SUB-SECTOR: Not applicable

INDUSTRY CLASSIFICATION: Not applicable

TYPE OF RESERVATION: Performance Requirements (Article 1106)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Reglamentaria del Artículo 131 de la Constitución Política de los Estados Unidos Mexicanos en Materia de Comercio Exterior (Mexican Foreign Trade Act).

Ley Aduanera (Customs Law).

Programa de Importación Temporal para Producir Artículos de Exportación (Temporal Import Program to Produce Export Goods).

DESCRIPTION: Investment

Persons authorized by Secretaría de Comercio y Fomento Industrial to operate under the "PITEX Decree" are required to:

(a) export at least 30% of their total production for the

temporary entry of machinery, equipment, instruments, molds and durable tools used in the manufacturing process; equipment used to handle materials directly related to exported such goods; and research, industrial security, quality control, communication, training personnel, computer and environmental devices, equipment and accessories or others related with the process of the goods exported.

(b) export at least 10% of their total production or \$500,000 U.S.dollars for the temporary import of raw materials, parts and components totally used as inputs on the export merchandise, packages, bottles, containers and trailer's containers which are fully used to contain export merchandise; fuel, lubricants, auxiliary materials, reparation of tools and equipment consumed in the export process.

DURATION: As from the eighth year after the date of entry into force of this Agreement such persons will not be subject to the above mentioned percentages.

ANNEX I

Schedule of Mexico

SECTOR: Manufacturing Industry

SUB-SECTOR: Artificial explosives, fireworks, firearms and cartridges

INDUSTRY CLASSIFICATION: CMAP 352236 Manufacturing of
Artificial Explosives and Fireworks

CMAP 382208 Manufacturing of Firearms
and Cartridges

TYPE OF RESERVATION: National Treatment (Article 1102) Senior Management
(Article 1107)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Federal de Armas de Fuego y

Explosivos (Federal Law of Firearms
and Explosives) Título III Capítulo I

Ley para Promover la Inversión
Mexicana y Regular la Inversión
Extranjera (Law to Promote Mexican
Investment and to Regulate Foreign
Investment)

Reglamento de la Ley Federal de Armas
de Fuego y Explosivos (Regulations of
the Federal Law of Firearms and
Explosives) Capítulo IV

Reglamento de la Ley para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Investment

Investors of another Party and their
investments may own, directly or
indirectly, up to 49 percent of the
ownership interest of an enterprise
established or to be established in
Mexico that manufacture artificial
explosives and fireworks, and
ammunition as set out in the
classification mentioned above.

Foreigners cannot appoint directors
nor become members of the board of
directors of such enterprises.

DURATION: Indeterminate

ANNEX I

Schedule of Mexico

SECTOR: Mining

SUB-SECTOR: Extraction and Exploitation of Minerals

INDUSTRY CLASSIFICATION: CMAP 210000 Exploitation of Mineral Carbon

CMAP 231000 Extraction of Minerals
Containing Iron

CMAP 232001 Extraction of Minerals
Containing Gold, Silver and Other
Precious Minerals and Metals

CMAF 232002 Extraction of Mercury and Antimony

CMAF 232003 Extraction of Industrial Minerals Containing Lead and Zinc

CMAF 232004 Extraction of Minerals Containing Copper

CMAF 232006 Extraction of Other Metallic Minerals Not Containing Iron

CMAF 291001 Extraction of Sand and Gravel

CMAF 291002 Extraction of Marble and other Gravels for construction

CMAF 291003 Exploitation of Feldspar

CMAF 291004 Extraction of Kaolin, Clay and Refractory Minerals

CMAF 291005 Extraction of Limestones

CMAF 291006 Exploitation of Gypsum

CMAF 292001 Extraction of Barium Oxide

CMAF 292002 Extraction of Phosphoric Rock

CMAF 292003 Extraction of Fluorite

CMAF 292004 Extraction of Sulphur

CMAF 292005 Extraction of Other Minerals in Order to Obtain Chemicals

CMAF 292006 Extraction of Salt

CMAF 292007 Extraction of Graphite

CMAF 292008 Extraction of other Non Metallic Minerals

TYPE OF RESERVATION: National Treatment (Article 1102)

LEVEL OF GOVERNMENT: Federal

LEGAL CITATION: Ley Minera (Mining Law)

Ley Para Promover la Inversión Mexicana y Regular la Inversión Extranjera (Law to Promote Mexican Investment and to Regulate Foreign

Investment)

Reglamento de la Ley Minera (Mining
Law Regulations)

Reglamento de la Ley Para Promover la
Inversión Mexicana y Regular la
Inversión Extranjera (Regulations of
the Law to Promote Mexican Investment
and to Regulate Foreign Investment)

DESCRIPTION: Investment

Prior approval of the Comisión
Nacional de Inversiones Extranjeras is
required for investors of another
Party or their investments to own,
directly or indirectly, more than 49
percent of the ownership interests of
an enterprise established or to be
established in Mexico engaged in the
extraction or exploitation of all kind
of minerals.