

Draft
Subject to Legal Review for Accuracy, Clarity, and Consistency
June 18, 2004

ANNEX III

**NON-CONFORMING MEASURES OF THE UNITED STATES WITH RESPECT TO
FINANCIAL SERVICES**

INTRODUCTORY NOTE FOR THE SCHEDULE OF THE UNITED STATES

1. The Schedule of the United States to Annex III sets out:
 - (a) headnotes that limit or clarify the commitments of the United States with respect to the obligations described in clauses (i)-(v) of subparagraph (b), and
 - (b) pursuant to Article 11.9 (Non-Conforming Measures), the existing measures of the United States that are not subject to some or all of the obligations imposed by:
 - (i) Article 11.2 (National Treatment);
 - (ii) Article 11.3 (Most-Favored-Nation Treatment);
 - (iii) Article 11.4 (Market Access for Financial Institutions);
 - (iv) Article 11.5 (Cross-Border Trade); or
 - (v) Article 11.8 (Senior Management and Boards of Directors), and
2. Each entry as described in subparagraph 1(b) sets out the following elements:
 - (a) **Sector** refers to the general sector for which the entry is made;
 - (b) **Sub-Sector** refers to the specific sector for which the entry is made;
 - (c) **Obligations Concerned** specifies the obligation(s) referred to in subparagraph 1(b) that, pursuant to Article 11.9, do not apply to the non-conforming aspects of the law, regulation, or other measure listed in the **Measures** element of an entry;
 - (d) **Level of Government** indicates the level of government maintaining the scheduled measure(s);
 - (e) **Measures** identifies the laws, regulations or other measures for which the entry is made. A measure cited in the Measures element:
 - (i) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement, and

Draft
Subject to Legal Review for Accuracy, Clarity, and Consistency
June 18, 2004

- (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and

(f) **Description**

- (i) for entries related to banking and other non-insurance financial services, sets out the non-conforming aspects of the entry and the subsector, financial institution, or activities covered by the entry; and
- (ii) for entries related to insurance, provides a general, nonbinding description of the measure for which the entry is made.

3. In accordance with Article 11.9.1(a), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the non-conforming aspects of the law, regulation or other measure identified in the **Measures** element or in the **Description** element of that entry, except to the extent the measure identified in the **Measures** or the **Description** element has been modified by a Specific Commitment in an Annex to Chapter Eleven (Financial Services).