

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

ANNEX II
FORMATTING NOTE

1. The Schedule of a Party to this Annex sets out, pursuant to Article 10.6 (Non-Conforming Measures), the specific sectors, subsectors, or activities for which that Party may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:
 - (a) Article 10.2 (National Treatment);
 - (b) Article 10.3 (Most-Favored-Nation Treatment);
 - (c) Article 10.4 (Market Access); or
 - (f) Article 10.5 (Local Presence).
2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the sector for which the entry is made;
 - (b) **Obligations Concerned** specifies the obligation(s) referred to in paragraph 1 that, pursuant to Article 10.6.2 (Non-Conforming Measures), do not apply to the sectors, subsectors, or activities listed in the entry;
 - (c) **Description** sets out the scope of the sectors, subsectors, or activities covered by the entry; and
 - (d) **Existing Measures** identifies, for transparency purposes, existing measures that apply to the sectors, subsectors, or activities covered by the entry.
3. In accordance with Article 10.6.2 (Non-Conforming Measures), the articles of this Agreement specified in the **Obligations Concerned** element of an entry do not apply to the sectors, subsectors, and activities identified in the **Description** element of that entry.