ANNEX IV

NON-CONFORMING ACTIVITIES

EXPLANATORY NOTE

1. The Schedule of a Party to this Annex

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations) Article 22.6.4(b) (Non-Commercial Assistance)
Entity:	Canadian Commercial Corporation, or any new, reorganized, or transferee enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), the Entity or Entities may restrict the sale of services associated with facilitating the import or export of goods or services to enterprises located within Canada as set out in applicable laws, regulations, policies, and practices. With respect to Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations), the Entity or Entities may accord preferences in the sale of services associated with facilitating the import or export of goods or services to or from certain countries based on bilateral arrangements with the relevant country. With respect to Article 22.6.4(b) (Non-Commercial Assistance), Canada may provide the Entity or Entities with non-commercial assistance with respect to its supply of a service from Canada into the territory of another Party associated with facilitating the import or export of goods and services, as set out in applicable laws, regulations, and policies.
Measures:	Canadian Commercial Corporation Act, R.S.C. 1985, c. C-14 (and regulations thereof) And including any future amendments.

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Obligations Concerned:	Article 22.6.1(a) (Non-Commercial Assistance) Article 22.6.1(c) (Non-Commercial Assistance) Article 22.6.2 (Non-Commercial Assistance) Article 22.6.3 (Non-Commercial Assistance) Article 22.6.4(a) (Non-Commercial Assistance) Article 22.6.4(b) (Non-Commercial Assistance)
Entity:	Canadian Dairy Commission, or any new, reorganized, or transferee enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	With respect to Arti /TT1e)

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	assistance that may cause adverse effects to the interests of another Party regarding services related to the cross-border trade of dairy products (export and import) such as shipping, insuring, and wholesale trade and distribution, pursuant to the Canadian Dairy Commission Act
Measures:	Canadian Dairy Commission Act, R.S.C. 1985, c. C-15 (and regulations thereof) And including any future amendments.

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) Article 22.4.1(b)(i) (Non-Discriminatory Treatment and Commercial Considerations) Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations) Article 22.6.4(b) (Non-Commercial Assistance)
Entity:	Canada Mortgage and Housing Corporation and Canada Housing Trusts, or any new, reorganized, or transferee enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), the Entity or Entities may take into account factors other than commercial considerations in the provision of financial or housing-related services such as: (a) guarantees, mortgage insurance, loans, and mortgage-backed securities; and (b) management of nursing homes, retirement homes, on-reserve and rental housing, and ancillary infrastructure, in furtherance of the mandate to support housing needs and housing affordability in Canada as set out in laws, regulations, policies, or programs. With respect to Article 22.4.1(b)(i) and Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations), and as set out in applicable laws, regulations, policies, or programs, the Entity or Entities may: (a) provide financial or housing-related services such as mortgage insurance, loans, and advisory services only to enterprises in Canada or provide such services to enterprises in certain other countries; and (b) purchase financial or housing-related services from enterprises in certain other countries. With respect to Article 22.6.4(b) (Non-Commercial Assistance), Canada may provide the Entity or Entities with non-commercial assistance with respect to its supply of financial or housing-

	related services from Canada into the territory of another Party as set out in applicable laws, regulations, policies, or programs.
Measures:	Canada Mortgage and Housing Corporation Act, R.S.C. 1985, c. C-7 National Housing Act, R.S.C. 1985, c. N-11 (and regulations thereof) And including any future amendments.

Obligations Concerned:	Article 22.6.1(b) (Non-Commercial Assistance) Article 22.6.1(c) (Non-Commercial Assistance) Article 22.6.2 (Non-Commercial Assistance) Article 22.6.4(b) (Non-Commercial Assistance) Article 22.6.4(c) (Non-Commercial Assistance)
Entity:	Trans Mountain Corporation, or any new, reorganized, or transferee enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	With respect to Article 22.6.1(b) and Article 22.6.2 (Non-Commercial Assistance), Canada may provide the Entity or Entities with non-commercial assistance, in circumstances that jeopardize the continued viability of the recipient enterprise, and for the sole purpose of enabling the enterprise to return to viability and fulfil its mandate. Canada may provide this assistance until either the privatization of the Entity or Entities occurs or ten years has elapsed from the date of entry into force of this Agreement, whichever is earlier. With respect to Article 22.6.1(c) and Article 22.6.2 (Non-Commercial Assistance), Canada may provide the Entity or Entities with non-commercial assistance with respect to the conv(al)-1 (ass t)-1 (t.34 j4)5 ( )2 21ta

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	other Party.
Measures:	Canada Business Corporations Act, R.S.C. 1985, c. C-44 (and regulations thereof) And including any future amendments.
Entity:	All existing and future state-owned enterprises
Scope of Non-Conforming Activities:	With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), the Entity or Entities may accord more favorable treatment to aboriginal persons and organizations in the purchase of a good or service. With respect to Article 22.4.1(b) (Non-Discriminatory Treatment and Commercial Considerations), the Entity or Entities may accord more favorable treatment to aboriginal persons and organizations in the purchase of a good or service.
Measures:	Constitution Act, 1982, being Schedule B of the Canada Act 1982 (U.K.), 1982, c. 11

SCHEDULE OF MEXICO

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), Article 22.4.1(b), and Article 22.4.1(c) Article 22.6.4(b) (Non-Commercial Assistance) Article 22.6.5(b) (Non-Commercial Assistance)
Entity:	Banco Nacional de Obras y Servicios Públicos, S.N.C., or any new, reorganized, or successor enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	The purpose of the Entity, as a development bank, is to finance or refinance projects that are directly or indirectly related to public or private investment in infrastructure and public services, and supporting the institutional strengthening of the Government (Federal, State, and Municipal levels). With respect to Article 22.4.1(a) (Non-Dss

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The services provided by the Entity are not intended to displace or impede financial services provided by privately owned enterprises from the relevant market.

Measures: Ley de Instituciones de Crédito

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), Article 22.4.1(b), and Article 22.4.1(c) Article 22.6.4(b) (Non-Commercial Assistance) Article 22.6.5(b) (Non-Commercial Assistance)
Entity:	Banco del Ahorro Nacional y Servicios Financieros, S.N.C., or any new, reorganized or successor enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	The purpose of the Entity, as a development bank, is to promote savings, financing, and investment among the members of the Banking sector, offer financial services and instruments among such members, and channel financial and technical aids that are necessary to promote savings habits and sound development of the Banking sector. With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) and Article 22.4.1(b) (Non-Discriminatory Treatment and Commercial Considerations), the Entity may, pursuant to considerations set out in laws and regulations, accord preferential treatment in its purchase of services required for its commercial activities to Mexican enterprises. With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) and Article 22.4.1(c) (Non-Discriminatory Treatment and Commercial Considerations), the Entity may, pursuant to considerations set out in laws and regulations, accord preferential treatment in its sale of financial services related to programs oriented to promote access to credit only to nationals or Mexican enterprises. With respect to Article 22.6.4(b) (Non-Commercial Assistance) and Article 22.6.5(b) (Non-Commercial Assistance), the Entity may receive government guarantees on banking services in order to comply with the Entity's purpose referred to in the first paragraph above and pursuant to considerations consistent with its laws and regulations. The services provided by the Entity are not intended to displace or impede financial services provided by privately

Obligations Concerned: Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), Article 22

Ley Orgánica del Banco Nacional del Ejército, Fuerza Aérea y Armada, Articles 2, 3, 4, 6, 7, 9, and 52.

Disposiciones de Carácter General Aplicables a las Instituciones de Crédito, Chapter XI.

ANNEX

Ley Orgánica de Nacional Financiera, Articles 2, 3, 5, 6, 10, 29, 30, 32, 33, and 36.

Disposiciones de Carácter General Aplicables a las Instituciones de Crédito, Chapter XI.

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), Article 22.4.1(b), and Article 22.4.1(c) Article 22.6.4(b) (Non-Commercial Assistance) Article 22.6.5(b) (Non-Commercial Assistance)
Entity:	Sociedad Hipotecaria Federal, S.N.C, or any new, reorganized or successor enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	The purpose of the Entity, as a development bank, is to foster the development of primary and secondary mortgage markets, by granting credit and guarantees for the construction, acquisition, and improvement of housing, preferably social interest housing, as well as increase production capacity and technological development related to housing. It could also guarantee funding related to the equipment of housing complexes. With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) and Article 22.4.1(b) (Non-Discriminatory Treatment and Commercial Considerations), the Entity may, pursuant to considerations set out in laws and regulations, accord preferential treatment in its purchase of services required for its commercial activities to Mexican enterprises. With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) and Article 22.4.1(c) (Non-Discriminatory Treatment and Commercial Considerations), the Entity may, pursuant to considerations set out in laws and regulations, accord preferential treatment in its sale of financial services related to programs oriented to promote access to credit only to nationals or Mexican enterprises. With respect to Article 22.6.4(b) (Non-Commercial Assistance) and Article 22.6.5(b) (Non-Commercial Assistance) the Entity may receive government guarantees, in order to provide banking services in order to comply with the Entity's purpose referred to in the first paragraph above and pursuant to considerations consistent with its laws and regulations. The services provided by the Entity are not intended to

displace or impede financial services provided by privately owned enterprises from the relevant market.

Measures: Ley de Instituciones de Crédito, Articles 30 to 44 Bis 2, 46, 46 Bis 1, 47, and 75.

Ley Orgánica de Sociedad Hipotecaria Federal, Articles 2, 4, 5, 8, 8 Bis, 24 Bis, 24 Ter, and 28.

Disposiciones de Carácter General Aplicables a las

SCHEDULE OF THE UNITED STATES OF AMERICA

Obligations Concerned:	Article 22.4.1(a) Non-Discriminatory Treatment and Commercial Considerations), with respect to the supply of financial services Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations), with respect to the supply of financial services Article 22.6.4(b) (Non-Commercial Assistance)
Entity:	Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, or any new, reorganizFeded

circumstances, pursuant to considerations consistent with laws and regulations such as 12 U.S.C. 1451-1459 and 12 U.S.C. 1763-1723i:

(a) purchase, sell, trade single-family, multi-family, and commercial mortgage loans, and assets underlying such loans as a consequence of foreclosure or a similar action in connection with defaulted debt, and administer payments associated with such loans or assets, only with enterprises in the territory of the United States; and

(b) guarantee or insure the timely payment of principal and interest only on mortgage-backed securities that are issued by enterprises in the territory of the United States.

The scope of non-conforming activities listed with respect to Article 22.4.1(a) and Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations) includes the purchase of associated financial services.

Measures: 12 U.S.C. 1451-1459
12 U.S.C. 1716-1723i

Obligations Concerned:	Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations), with respect to the supply of financial services Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations), with respect to the supply of financial services Article 22.6.4(b) (Non-Commercial Assistance)
Entity:	Federal Financing Bank, or any new, reorganized, or transferee enterprise, with similar functions and objectives.
Scope of Non-Conforming Activities:	With respect to Article 22.4.1(a) (Non-Discriminatory Treatment and Commercial Considerations) and Article 22.6.4(b) (Non-Commercial Assistance), the Entity may, pursuant to considerations set out in laws and regulations: (a) provide loans (including through the purchase of obligations, such as bonds or notes) that are guaranteed by U.S. federal agencies or by U.S. federal government-authorized entities to (i) enterprises, or to (ii) a government of another Party; and (b) issue or sell obligations to privately owned enterprises. With respect to Article 22.4.1(c)(i) (Non-Discriminatory Treatment and Commercial Considerations), the Entity may, in certain circumstances and pursuant to considerations set out in laws and regulations: (a) provide loans (including through the purchase of obligations, such as bonds or notes) that are guaranteed by U.S. federal agencies or by U.S. federal government-authorized e-2 (t)-2 (h (o)2 (ET riz)1Tc 0 Tw 2.80o