(i) activities conducted by the central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;

(ii) activities or services forming part of a statutory system of social security or public retirement plans; and

(iii) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the Government.

(b) For the purposes of paragraph 5 of Article 101, if a Party allows any of the activities or services referred to in subparagraphs (a)(ii) or (a)(iii) to be conducted by its financial service suppliers in competition with a public entity or another financial service supplier, "services supplied in the exercise of governmental authority" shall not include such activities or services.

(c) The term "services supplied in the exercise of governmental authority" as defined in paragraph 5 of Article 101 shall not apply to services covered by this Annex.

Article 3
New Financial Services

A Party shall permit financial service suppliers of the other Party established in the Area of the former Party to offer in the Area of the former Party any new financial service. However, nothing in this Annex shall prohibit a Party from requiring the issuance of a decree or any kind of regulation by the executive branch, regulatory agencies or central bank, in order to authorize the supply of new financial services not specifically authorized in its law.

Note: Notwithstanding the provision of paragraph (e) of Article 106, for prudential reasons within the context of paragraph 1 of Article 8 of this Annex, a Party may determine the institutional and juridical form through which the new financial service may be supplied and may require authorization for the supply of the service.

Article 4
Payment and Clearing Systems

Under terms and conditions that accord national treatment, a Party shall grant to financial service suppliers of the other Party established in the Area of the former Party access to payment and clearing systems operated by public entities, and to official funding and refinancing facilities available in the normal course of ordinary business. This Article is not intended to confer access to the former Party's lender of last resort facilities.

Article 5
Self-Regulatory Bodies

Where:

(a) membership or participation in, or access to, a self-regulatory body is required by a Party in order for financial service suppliers of the other Party to supply financial services on an equal basis with financial service suppliers of the Party; or

(b) the Party provides directly or indirectly such bodies, privileges or advantages in supplying financial services,

the Party shall ensure that such bodies accord national treatment to financial service suppliers of the other Party resident in the Area of the former Party.