2. Section 3 of the Schedule of Australia sets out, pursuant to Articles 9.7 (Trade in Services - Non-Conforming Measures) and 14.10 (Investment - Non-Conforming Measures and Exceptions), additional financial services sectors or activities for which Australia may maintain existing, or adopt new or more restrictive, measures that do not conform with obligations imposed by:

(a) Article 9.3 (Trade in Services - Market Access);

(b) Article 9.4 (Trade in Services - National Treatment) or 14.3 (Investment - National Treatment);

(c) Article 9.5 (Trade in Services - Most-Favoured-Nation Treatment) or 14.4 (Investment - Most-Favoured-Nation Treatment);

(d) Article 9.6 (Trade in Services - Local Presence);

(e) Article 14.8 (Investment - Senior Management and Boards of Directors); or

(f) Article 14.9 (Investment – Prohibition of Performance Requirements).

Note 1: Commitments on financial services are undertaken subject to the limitations and conditions set forth in Chapter 9 (Trade in Services), Chapter 11 (Financial Services), Chapter 14 (Investment), this Section and the Schedule below.

Note 2: To clarify Australia's commitment with respect to Article 9.3 (Trade in Services - Market Access), enterprises supplying financial services and constituted under the laws of Australia are subject to non-discriminatory limitations on juridical form.[1]

[1] For example, partnerships and sole proprietorships are generally not acceptable juridical forms for authorised depository institutions in Australia. This note is not itself intended to affect, or otherwise limit, a choice by a financial service supplier of the other Party between branches or subsidiaries.

Note 3: Without prejudice to other means of prudential regulation of cross-border trade in financial services, Australia reserves the right to require the non-discriminatory licensing or registration of cross-border financial service suppliers of Japan and of financial instruments in accordance with Article 11.4 (Financial Services – Domestic Regulation).

Note 4: Australia reserves the right to adopt or maintain non-discriminatory limitations concerning admission to the market of new financial services where such measures are required to achieve prudential objectives. Australia may determine the institutional and juridical form through which a new financial service may be supplied and may require authorisation for the supply of the service. Where authorisation to supply a new financial service is required, the authorisation may only be refused for prudential reasons.

3. 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 paragraph 2 of Articles 9.7 (Trade in Services – Non-Conforming Measures) and 14.10 (Investment – Non-Conforming Measures and Exceptions), do not apply to the sectors, sub-sectors or activities listed in the entry;

(c) "Description" sets out the scope of the sector, sub-sector or activities covered by the entry; and

(d) "Existing Measures" identifies for transparency purposes, where relevant and practical, existing measures that apply to the sector, sub-sector or activities covered by the entry.