(b) Subparagraph 1(k) shall not apply when the requirement is imposed or the commitment or undertaking is enforced by a court or competition authority to remedy an alleged violation of laws controlling the anti-competitive activities.

(c) Subparagraphs 1(a), 1(b), 1(c), 2(a) and 2(b) shall not apply to qualification requirements for goods or services with respect to foreign aid programs.

(d) Subparagraphs 2(a) and 2(b) shall not apply to requirements imposed by an importing Party related to the content of goods necessary to qualify for preferential tariffs or preferential quotas.

4. Paragraphs 1 and 2 shall not apply to any requirement other than the requirements set out in those paragraphs.

Article 10.8
Non-Conforming Measures

1. Articles 10.3, 10.4 and 10.7 shall not apply to:

(a) any existing non-conforming measure that is maintained by the central government of a Party, as set out in its Schedule in Annex 8;

(b) any existing non-conforming measure that is maintained by a local government of a Party;

(c) the continuation or prompt renewal of any non-conforming measure referred to in subparagraphs (a) and (b); or

(d) an amendment or modification to any non-conforming measure referred to in subparagraphs (a) and (b), to the extent that the amendment or modification does not decrease the conformity of the measure, as it existed immediately before the amendment or modification, with Articles 10.3, 10.4 and 10.7.

2. If a Party considers that the non-conforming measure referred to in subparagraph 1(b) and adopted or maintained by a prefecture or the city of Ulaanbaatar or a province of the other Party creates an impediment to investment activities of an investor of the former Party, that former Party may request consultations with respect to the application of that measure with a view to achieving mutually satisfactory solution.

3. Articles 10.3, 10.4 and 10.7 shall not apply to any measure that a Party adopts or maintains with respect to sectors, sub-sectors or activities, as set out in its Schedule in Annex 9.

4. Neither Party shall, under any measure adopted after the date of entry into force of this Agreement and covered by its Schedule in Annex 9, require an investor of the other Party, by reason of its nationality, to sell or otherwise dispose of an investment that exists at the time when the measure becomes effective.

5. In cases where a Party makes an amendment or a modification to any existing non-conforming measure set out in its Schedule in Annex 8 or where a Party adopts any new or more restrictive measure with respect to sectors, sub-sectors or activities set out in its Schedule in Annex 9 after the date of entry into force of this Agreement, the Party shall, prior to the implementation of the amendment or modification or the new or more restrictive measure, or in exceptional circumstances, as soon as possible thereafter:

(a) notify the other Party of detailed information on such amendment, modification or measure; and

(b) hold, upon request of the other Party, consultations in good-faith with the other Party with a view to achieving mutual satisfaction.

6. Each Party shall endeavor, where appropriate, to reduce or eliminate the non-conforming measures specified in its Schedules in Annexes 8 and 9 respectively.