Article 10.14
Temporary Safeguard Measures

1. A Party may adopt or maintain restrictive measures with respect to cross-border capital transactions as well as payment and transfers related to investments:

(a) in the event of serious balance-of-payments and external financial difficulties or threat thereof; or

(b) in exceptional cases where movements of capital cause or threaten to cause serious difficulties for macroeconomic management, in particular monetary and exchange rate policies.

2. Restrictive measures referred to in paragraph 1:

(a) shall be applied on the basis of national treatment and most-favored-nation treatment;

(b) shall be consistent with the Articles of Agreement of the International Monetary Fund;

(c) shall avoid unnecessary damage to the commercial, economic and financial interests of the other Party;

(d) shall not exceed those necessary to deal with the circumstances described in paragraph 1; and

(e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves.

3. Any restrictions adopted or maintained in accordance with paragraph 1, or any changes therein, shall be promptly notified to the other Party.

4. Nothing in this Article shall be construed to alter the rights enjoyed and obligations undertaken by a Party as a party to the Articles of Agreement of the International Monetary Fund.

Article 10.15
Prudential Measures

1. Notwithstanding any other provisions of this Chapter, a Party shall not be prevented from adopting or maintaining measures related to financial services for prudential reasons, including measures for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by an enterprise supplying financial services, or to ensure the integrity and stability of its financial system.

2. Where the measures adopted or maintained by a Party in accordance with paragraph 1 do not conform with this Chapter, they shall not be used as a means of avoiding the obligations of the Party under this Chapter.

Article 10.16
Denial of Benefits

1. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the other Party and to its investment if the enterprise is owned or controlled by an investor of a non-Party and the denying Party:

(a) does not maintain diplomatic relations with the non-Party; or

(b) adopts or maintains measures with respect to the non-Party that prohibit transactions with the enterprise or that would be violated or circumvented if the benefits of this Chapter were accorded to the enterprise or to its investment.

2. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the other Party and to its investment if the enterprise is owned or controlled by an investor of a non-Party and the enterprise has no substantial business activities in the Area of the other Party.