(i) "owned" by an investor if more than fifty (50) percent of the equity interest in it is owned by the investor; and

(ii) "controlled" by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions;

(d) the term "enterprise" means any legal person or any other entity duly constituted or organized under the applicable laws and regulations, whether or not for profit, and whether private or government owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company;

(e) the term "enterprise of a Contracting Party" means any legal person or any other entity:

(i) duly constituted or organized under the applicable laws and regulations of that Contracting Party, whether or not for profit, and whether private or government owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company; and

(ii) carrying out substantial business activities in the Area of the Contracting Party;

(f) the term "investment activities" means establishment, acquisition, expansion, operation, management, maintenance, use, enjoyment and sale or other disposal of investments;

(g) the term "Area" means:

(i) with respect to Japan, the territory of Japan, and the exclusive economic zone and the continental shelf with respect to which Japan exercises sovereign rights or jurisdiction in accordance with international law; and

(ii) with respect to the Oriental Republic of Uruguay, the territory of the Oriental Republic of Uruguay, including land territory, internal waters, territorial sea including their seabed and subsoil and air space over them under its sovereignty, and the exclusive economic zone and the continental shelf with respect to which the Oriental Republic of Uruguay exercises sovereign rights or jurisdiction, in accordance with international law and its domestic laws and regulations;

(h) the term "existing" means being in effect on the date of entry into force of this Agreement;

(i) the term "freely usable currency" means freely usable currency as defined under the Articles of Agreement of the International Monetary Fund;

(j) the term "the WTO Agreement" means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh, April 15, 1994;

(k) "government procurement" means the process by which a government obtains the use of or acquires goods or services, or any combination thereof, for governmental purposes and not with a view to commercial sale or resale, or use in the production or supply of goods or services for commercial sale or resale; and

(l) the term "the TRIPS Agreement" means the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement.

Article 2
Scope and Coverage

1. This Agreement shall apply to measures adopted or maintained by a Contracting Party relating to:

(a) investors of the other Contracting Party;

(b) investments of an investor of the other Contracting Party in the Area of the former Contracting Party existing on the date of entry into force of this Agreement, as well as investments established, acquired or expanded thereafter; and