3. (a) Nothing in paragraph 2 shall be construed to prevent a Contracting Party from conditioning the receipt or continued receipt of an advantage, in connection with investment activities of an investor of a Contracting Party or of a non-Contracting Party in its Area, on compliance with a requirement to locate production, supply a service, train or employ workers, construct or expand particular facilities, or carry out research and development, in its Area.

(b) Subparagraph 1(f) shall not apply when:

(i) the requirement is imposed or the commitment or undertaking is enforced by a court, administrative tribunal or competition authority to remedy an alleged violation of competition laws; or

(ii) the requirement concerns the transfer or use of intellectual property rights or disclosure of proprietary information which is undertaken in a manner not inconsistent with the TRIPS Agreement.

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

(d) 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 export promotion and foreign aid programs.

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

Article 9
Senior Management and Boards of Directors

1. Neither Contracting Party may require that an enterprise of that Contracting Party that is an investment of an investor of the other Contracting Party, appoint to senior management positions natural persons of any particular nationality.

2. A Contracting Party may require that a majority of the board of directors, or any committee thereof, of an enterprise of that Contracting Party that is an investment, be of a particular nationality, or resident in the Area of the former Contracting Party, provided that the requirement does not materially impair the ability of the investor to exercise control over its investment.

Article 10
Non-Conforming Measures

1. Articles 3, 4, 8 and 9 shall not apply to:

(a) any existing non-conforming measure that is maintained by the following, as set out in the Schedule of each Contracting Party in Annex I:

(i) the central government of a Contracting Party; or

(ii) a prefecture of Japan or a department of the Oriental Republic of Uruguay;

(b) any existing non-conforming measure that is maintained by a local government other than a prefecture and a department referred to in subparagraph (a)(ii);

(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), provided that the amendment or modification does not decrease the conformity of the measure as it existed immediately before the amendment or modification, with Articles 3, 4, 8 and 9.

2. Articles 3, 4, 8 and 9 shall not apply to any measure that a Contracting Party adopts or maintains with respect to sectors, sub-sectors or activities set out in its Schedule in Annex II.

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