SUB-SECTION 5

Financial services

ARTICLE 8.58

Scope

1. This Sub-Section applies to measures by a Party affecting trade in financial services.

2. For the purposes of the application of subparagraph (r) of Article 8.2 to this Sub-Section, "services supplied in the exercise of governmental authority" means the following:

(a) activities conducted by a central bank or a monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;

(b) activities forming part of a statutory system of social security or public retirement plans; and

(c) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of a Party or its public entities.

3. For the purposes of the application of subparagraph (r) of Article 8.2 to this Sub-Section, if a Party allows any of the activities referred to in subparagraph 2(b) or (c) to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier, "services" shall include those activities.

4. Subparagraph (s) of Article 8.2 does not apply to services covered by this Sub-Section.

ARTICLE 8.59

Definitions

For the purposes of this Chapter:

(a) "financial service" means any service of a financial nature offered by a financial service supplier of a Party; financial services include all insurance and insurance-related services, and all banking and other financial services (excluding insurance); financial services include the following activities:

(i) insurance and insurance-related services:

(A) direct insurance (including co-insurance):

(1) life; and

(2) non-life;

(B) reinsurance and retrocession;

(C) insurance intermediation, such as brokerage and agency; and

(D) services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services; and

(ii) banking and other financial services (excluding insurance):

(A) acceptance of deposits and other repayable funds from the public;

(B) lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;