

Safeguard Framework for Financial Services Liberalisation under ASEAN Framework Agreement on Services

Guiding Principles for Listing Measures Affecting the Supply of Financial Services

- The list of measures affecting the supply of financial services are classified as follows:
 - (i) **Market Access and National Treatment Measures**
 - (ii) **Laws and National Policies, including Prudential and Foreign Exchange Measures**
- The Safeguard Framework will only be applied to a Member State's commitments starting from the Fifth Package of Commitments onwards.
- These safeguarded measures are to be listed on a best endeavour and non-exhaustive basis, and aligned to the legal texts of ASEAN's agreements. The Safeguard Framework is a non-legally binding document that aims to promote greater understanding of a Member State's financial services regime in respect of sectors committed for liberalisation under the ASEAN Framework Agreement on Services (AFAS).
- Member States maintain the flexibility to amend their list of measures in relation to the commitments made, when necessary. Updates are to be reflected and notified through the ASEAN Secretariat within one year of amendment.
- Member States shall adopt the World Trade Organisation's Guidelines for the Scheduling of Specific Commitments under the General Agreement on Trade in Services (document S/L/92, dated 28 March 2001) in listing the measures affecting 'market access' and 'national treatment' in the sectors committed for liberalisation under AFAS.
- Member States shall, to the best extent possible, indicate all measures that are to be maintained in relation to the commitments made under the AFAS Packages of Financial Services Commitments. However, the listing of these measures does not affect the right of ASEAN Member States to adopt prudential and balance of payment measures as accorded by the relevant Articles affecting prudential and balance of payment safeguard measures as provided in the ASEAN legal texts.

Sector: Banking, including Investment Banking

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|---|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| 1) Acceptance of deposits and other repayable funds from the public | <p>Market Access</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Subject to approval from the AMBD and relevant existing domestic law</p> <p>4) Unbound except as indicated in the horizontal section</p> | <p>Market Access</p> <p>1) Market access is permitted in accordance with Brunei's law and regulations relating to deposit taking companies.</p> <p>2) None</p> <p>3) Equity participation, both domestic and foreign, in these institutions, is restricted to the specified limits in the law.</p> <ul style="list-style-type: none"> ➤ Foreign government ownership is also restricted in accordance with the law. ➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors, at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above. ➤ Any banks licensed under the International Banking Order, 2000 are not permitted to provide banking services to Brunei residents. ➤ No banking business shall be carried on in Brunei Darussalam except by a company which is in possession of a licence granted under the Banking Order, 2006, Islamic Banking Order, 2008 and the International Banking Order, 2000. ➤ Prudential regulations are applicable to the 'Fit and Proper' assessment of Bank and finance company owners and directors and are subject to the prior approval of the Autoriti Monetari Brunei Darussalam <p>4) Entry is permitted in accordance with Brunei Darussalam's laws and regulation. Entry is permitted up</p> |

| Sub-sectors | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>National Treatment</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Subject to approval from the AMBD and relevant existing domestic law</p> <p>4) Unbound except as indicated in the horizontal section</p> | <p>to two years and subject to renewal.</p> <p>No measures for National Treatment</p> <p>No measures for Foreign Exchange Administration</p> |
| <p>(2) Provision and transfer of financial information, financial data processing and related software by providers of other financial services. (8131)</p> | <p>Market Access</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) AMBD approval is required</p> <p>4) Unbound</p> <p>National Treatment</p> <p>1) Unbound</p> <p>2) Unbound</p> | <p>Market Access</p> <p>1) Subject to disclosure requirements under section 58, Banking Order, 2006; section 58, Islamic Banking Order, 2008; and sections 18 and 19, International Banking Order, 2000.</p> <p>2) Subject to disclosure requirements under section 58, Banking Order, 2006; section 58, Islamic Banking Order, 2008; and sections 18 and 19, International Banking Order, 2000.</p> <p>3) Providers of these services shall be subjected to approval and authorisation of the Autoriti Monetari Brunei Darussalam and relevant authorities.</p> <p>4) Entry is permitted in accordance with Brunei Darussalam's laws and regulation. Entry is permitted up to two years and subject to renewal.</p> <p>No measures on National Treatment</p> <p>No measures on Foreign Exchange Administration</p> |

| Sub-sectors | Measures to be Safeguarded | |
|--|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | 3) AMBD approval is required 4) Unbound | |
| (3) Advisory and other auxiliary financial services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy | <p>Market Access</p> 1) Unbound 2) None 3) AMBD approval is required and subject to existing domestic laws 4) Presence of natural person is allowed temporarily if there is a commercial presence and subject to AMBD approval | <p>Market Access</p> 1) For credit reference, banks must use the Credit Bureau recognised by the Autoriti Monetari Brunei Darussalam. 2) None 3) Provision of advisory and auxiliary financial services may require approval from Autoriti Monetari Brunei Darussalam <ul style="list-style-type: none"> • For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors, at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above. • Any banks licensed under the International Banking Order, 2000 are not permitted to provide banking services to Brunei residents. 4) Entry is permitted in accordance with Brunei Darussalam's laws and regulation. Entry is permitted up to two years and subject to renewal. |
| | <p>National Treatment</p> 1) Unbound 2) None 3) AMBD approval is required and subject to existing domestic laws 4) Presence of natural person is allowed temporarily if there is a commercial presence and subject to | <p>No measures on National Treatment No measures on Foreign Exchange Administration</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | AMBD approval | |

Sector: Insurance

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| (1) Direct insurance (life) including annuity, disability income, accident and health insurance services (8121) | <p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Commercial presence is permitted only through insurance companies that are registered in Brunei Darussalam</p> <p>4) Unbound except as indicated under horizontal measures</p> | <p>Market Access</p> <p>1) None</p> <p>2) None</p> <p>3) For commercial presence:</p> <ul style="list-style-type: none"> ➤ Insurers must be established as a locally incorporated company or branch of foreign company and must be registered under Insurance Order, 2006 or Takaful Order, 2008. ➤ Brunei Darussalam prohibits the establishment of composite businesses. An insurer is only allowed to hold either a life or general licence. ➤ Brunei Darussalam prohibits the use of Islamic windows. Only a licensed takaful operator may offer takaful business. ➤ The prudential requirements before registration include: <ul style="list-style-type: none"> (a) Minimum capital of BND 8 million; (b) Maintains surplus of assets over liabilities of not less than 20%; (c) Maintains a statutory deposit with the Authority; (d) Member of an association of insurers /takaful approved by the Authority; (e) Establish a Syariah Advisory Board for takaful operators. (f) An insurer requires the approval of the Authority in writing, in order to carry out annuity insurance business or |

| Sub-sectors | Measures to be Safeguarded | |
|---|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>National Treatment</p> <p>1) Unbound</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated under horizontal measures</p> | <p>investment-linked life insurance.</p> <p>4) None</p> <p>No measures on National Treatment</p> <p>No measures on Foreign Exchange Administration</p> <p>Other Measures</p> <p>➤ Applicability of legislation:</p> <p>a) Insurance Order, 2006 and Insurance Regulations, 2006 for conventional insurance business and intermediaries</p> <p>b) Takaful Order, 2008 and Takaful Regulations, 2008 for takaful business and intermediaries.</p> <p>a) International Insurance and Takaful Order, 2002 for international insurance and takaful business. Any companies licensed under International Insurance and Takaful Order, 2002 are not permitted to provide insurance services to Brunei residents.</p> <p>➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above</p> |
| (2) Direct insurance (non-life) including disability income, accident and health insurance and contracts of fidelity bonds, performance body or similar contracts of guarantee (8129) | <p>Market Access</p> <p>1) Unbound</p> <p>2) Compulsory insurance of Motor Third Party Liability and Workmen's Compensation can be purchased only from insurance companies established in Brunei</p> <p>3) Commercial presence is permitted only through insurance companies that are registered in Brunei Darussalam</p> <p>4) Unbound except as indicated under horizontal</p> | <p>Prudential Measures</p> <p>1) None</p> <p>2) Workmen Compensation Act, Chapter 74 and Motor Vehicles (Third Party Risks) Act, Chapter 90 provides that compulsory insurance must be bought from insurers and takaful operators licensed by Autoriti Monetari Brunei Darussalam (AMBD).</p> <p>3) For commercial presence:</p> <p>➤ Insurers must be established as a locally incorporated company or branch of foreign company and must be</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>measures</p> <p>National Treatment</p> <p>1) None 2) None 3) None 4) Unbound except as indicated under horizontal measures</p> | <p>registered under Insurance Order, 2006 or Takaful Order, 2008.</p> <ul style="list-style-type: none"> ➤ Brunei Darussalam prohibits the establishment of composite businesses. An insurer is only allowed to hold either a life or general licence. ➤ Brunei Darussalam prohibits the use of Islamic windows. Only a licensed takaful operator may offer takaful business. ➤ The prudential requirements before registration include: <ul style="list-style-type: none"> a) Minimum capital of BND 8 million; b) Maintains surplus of assets over liabilities of not less than 20%; c) Maintains a statutory deposit with the Authority; d) Member of an association of insurers /takaful approved by the Authority; e) Establish a Syariah Advisory Board for takaful operators. f) An insurer requires the approval of the Authority in writing, in order to carry out annuity insurance business or investment-linked life insurance. <p>4) None</p> <p>No measures on National Treatment No measures on Foreign Exchange Administration</p> <p>Other Measures</p> <ul style="list-style-type: none"> ➤ Applicability of legislation: <ul style="list-style-type: none"> a) Insurance Order, 2006 and Insurance Regulations, 2006 for conventional insurance business and intermediaries. b) Takaful Order, 2008 and Takaful Regulations, 2008 for takaful business and intermediaries. c) International Insurance and Takaful Order, 2002 for international insurance and takaful business. Any companies licensed under International Insurance and Takaful Order, 2002 are not permitted to provide |

| Sub-sectors | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>insurance services to Brunei residents.</p> <p>➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above.</p> |
| (3) Reinsurance and Retrocession (life and non-life) | <p>Market Access</p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) Unbound</p> <p>4) Unbound except as indicated under horizontal measures</p> <p>National Treatment</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated under horizontal measures</p> | <p>Prudential requirements</p> <p>1) Cross-border supply of these services is allowed provided that the reinsurers are of good reputation and possess credible external credit rating.</p> <p>2) None</p> <p>3) Reinsurance and retrocession does not require commercial presence. However, to be established in Brunei Darussalam, a reinsurer or retakaful operator would require a licence approval from AMBD .</p> <p>4) Entry is permitted in accordance with Brunei Darussalam's laws and regulation. Entry is permitted up to two years and subject to renewal.</p> <p>No measures on National Treatment</p> <p>No measures on Foreign Exchange Administration</p> <p>Other Measures</p> <p>➤ Applicability of legislation:</p> <p>a) Insurance Order, 2006 and Insurance Regulations, 2006 for conventional insurance business and intermediaries.</p> <p>b) Takaful Order, 2008 and Takaful Regulations, 2008 for takaful business and intermediaries.</p> <p>c) International Insurance and Takaful Order, 2002 for international insurance and takaful business. Any companies licensed under International Insurance and</p> |

| Sub-sectors | Measures to be Safeguarded | |
|--|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>Takaful Order, 2002 are not permitted to provide insurance services to Brunei residents.</p> <p>➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above.</p> |
| (d) Insurance and intermediation comprising broking and agency services (8140) | <p>Market Access</p> <p>1) Unbound</p> <p>2) Insurance intermediation is not allowed to act for unregistered insurers</p> <p>3) (i) Broking for direct insurance of Bruneian risks requires approval from the Autoriti Monetari Brunei Darussalam (AMBD) . (ii) Broker, underwriting and insurance managers require approval</p> <p>4) Unbound except as indicated under horizontal measures</p> | <p>Market Access</p> <p>1) Cross border supply of insurance intermediation is only applicable for specialised risks that cannot be insured by the licensed insurers and takaful operators in Brunei Darussalam.</p> <p>2) Licensed insurance intermediaries in Brunei Darussalam cannot act on behalf of insurers or takaful operators from outside Brunei Darussalam.</p> <p>3) <u>Commercial presence of brokers:</u> ➤ Brokers may be established as a locally incorporated company or branch of a foreign company.</p> <p><u>Commercial presence of agents:</u> ➤ Life insurance agents and general insurance agents must be licensed by AMBD under the Insurance Order, 2006 and/or Takaful Order, 2008. ➤ General insurance agents may represent up to three licensed general insurers and/or general takaful operators in Brunei Darussalam. ➤ Life insurance agents can only represent one licensed life insurer or family takaful operator.</p> <p>4) Entry is permitted in accordance with Brunei Darussalam's laws and regulation. Entry is permitted up to two years and subject to renewal.</p> |

| Sub-sectors | Measures to be Safeguarded | |
|---------------------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>National Treatment</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Unbound</p> <p>4) Unbound except as indicated under horizontal measures</p> | <p>No measures on National Treatment</p> <p>No measures on Foreign Exchange Administration</p> <p>Other measures</p> <ul style="list-style-type: none"> ➤ Applicability of legislation: <ul style="list-style-type: none"> a) Insurance Order, 2006 and Insurance Regulations, 2006 for conventional insurance business and intermediaries. b) Takaful Order, 2008 and Takaful Regulations, 2008 for takaful business and intermediaries. c) International Insurance and Takaful Order, 2002 for international insurance and takaful business. Any companies licensed under International Insurance and Takaful Order, 2002 are not permitted to provide insurance services to Brunei residents. ➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above ➤ Licences for offshore insurance broking and agency require approval from AMBD. ➤ Licences for investment advisory business require approval from AMBD. ➤ Cross-shareholdings are not permitted unless approved in writing by AMBD i.e. licensed insurance companies are not permitted to hold shares in insurance broking and agency services and other insurance companies; and insurance broking/agent companies are not permitted to hold shares in any other insurance broking, agency services and insurance companies. |
| (5) Services auxiliary to | <p>Market Access</p> <p>1) None</p> | <p>Market Access</p> <p>1) None</p> |

| Sub-sectors | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| insurance, as follows: | 2) None | 2) None |
| (a) Consultancy (excludes insurance agency services to insurance industry) | 3) None 4) Unbound except as indicated under horizontal measures | 3) None 4) Entry is permitted in accordance with Brunei Darussalam's laws and regulations. Entry is permitted up to two years and subject to renewal. ➤ For actuarial risk assessment, actuaries appointed by insurers must be approved by AMBD based on the requirements under section 32 of Insurance Order, 2006; section 33 of Takaful Order, 2008 and section 20 of International Insurance and Takaful Order, 2002. |
| (b) Actuarial risk assessment (excluding statutory actuarial roles) | National Treatment 1) None | Measures on National Treatment Measures on Foreign Exchange Administration |
| (c) Risk management | 2) None | Other measures ➤ Any companies licensed under International Insurance and Takaful Order, 2002 are not permitted to provide insurance services to Brunei residents ➤ For companies registered in Brunei Darussalam, one of the two directors or where there are more than two directors at least two of them shall be ordinarily resident in Brunei Darussalam and the director of a company must be 18 years old or above |
| (d) Maritime loss Adjusting | 3) None 4) Unbound except as indicated under horizontal measures | |

CAMBODIA - Safeguard list in the 5th Round of AFAS

Sector: Banking, including Investment Banking

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|-------------------|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Financial Leasing | <p>Market Access</p> <p>1) None 2) None 3) No restrictions for the supply of financial lease services</p> <ul style="list-style-type: none"> - Financial lease operations may be implemented by banks and financial lease institutions receiving licenses to operate banking business from the National Bank of Cambodia. - These operations may also be implemented by the financial lease institutions established under the provisions of the present law. <p>4) Stay permit for service suppliers or foreign employees of service suppliers is given for two years.</p> <ul style="list-style-type: none"> - The stay permit may be applied for extension every two years. | <ul style="list-style-type: none"> - Law on Financial Lease, 23 June 2009 - The law on financial lease is available at : http://www.nbc.org.kh/law.asp?id=22 - Except the Law on Financial Lease, other details regulations governing this sub-sector are not in place yet. - Financial lease institutions shall not be allowed to undertake banking operations other than the financial lease business. - Royal Decree on Immigration, 22 September 1994 |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>National Treatment</p> <p>1) None</p> <p>2) None</p> <p>3)- No different treatment for foreign suppliers</p> <p>4) Stay permit for service suppliers or foreign employees of service suppliers is given for two years.</p> <ul style="list-style-type: none"> - The stay permit may be applied for extension every two years. | |

As of July 15, 2015

Indonesia Safeguard List
Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|--------------------------------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| All Financial Services Sector | | |
| | | <p>Tax Treatment</p> <ol style="list-style-type: none"> 1. Tax exemption and relief shall be in accordance with the prevailing tax laws and regulations. 2. The provisions of the schedule of specific commitments shall not apply to matters of taxation in the territory of either ASEAN Member States. Such matters shall be governed by the domestic laws of each ASEAN Member States and the terms of any agreement relating to taxation concluded between the Contracting Parties. 3. In assessing whether a measure related to taxation constitute expropriation, the following considerations shall be taken into account: <ol style="list-style-type: none"> (i) The imposition of taxes does not generally constitute expropriation. The mere introduction of new taxation measures or the imposition of taxes in more than one jurisdiction in respect of an investment, does not in and of itself constitute expropriation; (ii) Enforcement activities of the tax laws including seizure of property for the purpose of tax collection (in Indonesia: according to the Law on Tax Collection with Coercive Warrant or any other similar laws enacted thereafter) do not constitute expropriations; (iii) Taxation measures which are consistent with internationally recognized tax policies, principles and practices do not constitute expropriation. In particular, taxation measures aimed at preventing the avoidance or evasion of taxes should not be considered to be expropriator; and (iv) Taxation measures which are applied on a non-discriminatory basis, as opposed to being targeted at investors of a particular nationality or specific individual taxpayers, are not likely to constitute expropriation. A taxation measure should not constitute expropriation if, when the investment is made, it was already in force, and information about the measure was made public or otherwise made publicly available. |

Indonesia reserves the rights to further listing safeguard measures related to sectors/sub-sectors to be committed in the future negotiations.
 Sectors/sub-sectors not listed herein shall not be interpreted as liberalized.

As of July 15, 2015

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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p><i>Please refer to the following link:</i> http://www.pajak.go.id/enq/index.php?option=com_peraturan&Itemid=205</p> <p>Foreign exchange measures in Indonesia:</p> <ol style="list-style-type: none"> 1. FX Derivative transaction against Rupiah Resident banks are allowed to conduct derivative transaction with Foreign Party for amount exceeding USD 1 million on condition that it is based on underlying economic activities in Indonesia 2. Credit Provision Resident banks are prohibited from extending credit rupiah and/or foreign currency to Foreign party. The exception of such prohibition is applied for syndicated loan led by off-shore prime banks, credit cards, and personal loans utilized domestically. 3. Rupiah transfer to Foreign Party Rupiah transfer to Foreign Party must be executed through Rupiah account in banks in Indonesia. Such transfer for amount exceeding IDR 500 million per day must be based on the underlying economic activities in Indonesia and supported by related underlying document. <p><i>Please refer to the following link for those three measures:</i> http://www.bi.go.id/web/en/Peraturan/Moneter/bir+71405.htm</p> <ol style="list-style-type: none"> 4. FX Transaction against rupiah FX Transaction against rupiah must be settled in full movement of principal fund basis, with the exception for <i>force majeure</i> condition and for extended hedging transaction of economic activities in Indonesia (refer to BI Regulation No.10/37/PBI/2008 concerning FX Transaction against rupiah). 5. Purchase of Foreign Currency against rupiah Purchasing of Foreign Currency against rupiah through resident banks for amount |

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| Sub-sectors | Measures to be Safeguarded | |
|---|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>exceeding USD 100,000 or equivalent per month are subject to verification of supporting document of the underlying transaction.</p> <p><i>Please refer to the following link for this measure:</i> http://www.bi.go.id/web/en/Peraturan/Moneter/pbi_102808.htm</p> |
| Sector: All insurance and insurance-related services | | |
| Life Insurance Services | <p><u>Market Access</u></p> <ol style="list-style-type: none"> 1). Unbound 2). Unbound, except : <ol style="list-style-type: none"> a. There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question. b. There is no insurance company in Indonesia which wants to carry out an insurance coverage of the object in question. c. The owners of insurance objects in question are not Indonesian citizens or Indonesian legal entities. | <p>Prudential Measures Law and National Policies concerning Direct Insurance (Life, Non-Life):</p> <p><u>Mode 1) and 2)</u> As stated in Insurance Law no. 40 Year 2014, Article 25:</p> <p>Insurance objects in Indonesia may only be insured at the Insurance Company and Sharia Insurance Company which obtains its business license from the Indonesia Financial Services Authority (OJK), except in the case of:</p> <ol style="list-style-type: none"> a. no Insurance Company and Sharia Insurance Company in Indonesia, either individually or as a group, has the ability to assume or manage insurance risk or Sharia Insurance risk on the relevant object; or b. no Insurance Company and Sharia Insurance Company in Indonesia who are willing to cover the insurance risk or Sharia insurance risk on the relevant object. <p>Law and National Policies concerning Direct Insurance (Life, Non-Life); Reinsurance and Retrocession; Insurance Intermediation</p> <p><u>Mode 3)</u></p> <ul style="list-style-type: none"> • License must be granted by the OJK under the terms and conditions stipulated in the |

Indonesia reserves the rights to further listing safeguard measures related to sectors/sub-sectors to be committed in the future negotiations. Sectors/sub-sectors not listed herein shall not be interpreted as liberalized.

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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|------------------------------------|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | 3). As specified in the Horizontal Measures and General Conditions. 4). Unbound except for director and technical advisor/expert. <u>National Treatment</u> 1) Unbound 2) Unbound 3) As specified in the General Condition 4) As specified in the Horizontal Measures | Insurance Law and other related regulations. <ul style="list-style-type: none"> • Legal Form <ul style="list-style-type: none"> - Shall be a limited liability company (PT) and shall form a joint venture company. • Foreign Equity Participation (FEP) <ul style="list-style-type: none"> - Foreign shareholding through direct equity in Insurance Industries Companies shall comply with Government Regulation (currently max. 80%) • Foreign Investors <ul style="list-style-type: none"> - Shall have a minimum equity of 5 times as much as their participation in the joint venture company - Shall have rating "A" from international rating agency - Shall be the same type of insurance companies/ or holding companies whose one of their subsidiary run the same type of insurance business. - Majority shareholders shall pass fit and proper test |
| Non-life insurance services | <u>Market Access</u> 1). Unbound 2). Unbound. Except: a. There is no insurance company in Indonesia, either individual or group, which could handle the insurance risks of the object in question. b. There is no insurance company in Indonesia which wants to carry | <ul style="list-style-type: none"> • The minimum paid up capital for the establishment: <ol style="list-style-type: none"> a. Rp.100,000,000,000 (one hundred billion Rupiah) for Insurance Companies; b. Rp.200,000,000,000 (two hundred billion Rupiah) for Reinsurance Companies; c. Rp.50,000,000,000 (fifty billion Rupiah) for Sharia Insurance Companies; d. Rp.100,000,000,000 (one hundred billion Rupiah) for Sharia Reinsurance Companies e. Rp.1,000,000,000 (one billion Rupiah) for Insurance Broking Companies and Reinsurance Broking Companies. f. General Insurance Companies which sell insurance products in Credit Insurance or Suretyship business lines, which provides a guarantee for the payment obligation which arise from a credit transaction, shall have a minimum equity of IDR 250,000,000,000 (two hundred- and fifty billion rupiah). g. The minimum paid up capital and each addition thereto shall be in the form of cash. |

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Indonesia Safeguard List
Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|-----------------------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>out an insurance coverage of the object in question.</p> <p>c. The owners of insurance objects in question are not Indonesian citizens or Indonesian legal entities.</p> <p>3). As specified in the Horizontal Measures and General Conditions.</p> <p>4). Unbound except for director and technical advisor/expert.</p> <p><u>National Treatment</u></p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) As specified in the General Condition</p> <p>4) As specified in the Horizontal Measures</p> | <ul style="list-style-type: none"> • Merger, consolidation and acquisition: <ul style="list-style-type: none"> - Shall obtain written approval from OJK. - Shall meet minimum capital requirement that refers to requirement for existing companies. - Shall not violate minimum solvency requirement. - Shall have the same type of insurance business <p><u>Mode 4)</u></p> <p>Foreign Experts:</p> <ul style="list-style-type: none"> - shall pass fit and proper test from OJK - shall only permitted to work as technical expert, advisor or consultant. - shall possess the expertise necessary for the area of his/her responsibility - shall be deemed necessary in order to implement a certain project related to the operational underwriting activities of the company, and that the project shall not exceed 5 (five) year term - as an executive manager other than member of the Board of Directors: <ul style="list-style-type: none"> √ shall hold a position which is still not be able to be managed by any Indonesian citizen; √ shall have prepared the transfer of knowledge through education and training program. |
| Reinsurance Services | <p>Market Access</p> <p>1) Reinsurance service suppliers from other member must be rated minimum as BBB by Standard and Poor or equivalent.</p> | <ul style="list-style-type: none"> • Board of Director (BoD) <ul style="list-style-type: none"> - in the case of Foreign Direct Investment, BoD shall comprise the combination of Indonesian Citizen and Foreign Citizen; or fully Indonesian Citizen. - shall be domiciled in Indonesia • Board of Commissioner (BoC) |

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Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|-------------------------------------|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>2) Reinsurance service suppliers from other member must be rated minimum as BBB by Standard and Poor or equivalent.</p> <p>3) As specified in the Horizontal Measures and General Conditions.</p> <p>4) Unbound except for director and technical advisor/expert.</p> <p>National Treatment</p> <p>1) None.</p> <p>2) Unbound.</p> <p>3) As specified in the General Condition</p> <p>4) As specified in the Horizontal Measures</p> | <ul style="list-style-type: none"> - in the case of Foreign Direct Investment, BoC shall comprise the combination of Indonesian Citizen and Foreign Citizen; or fully Indonesian Citizen. - At least half of BoC members shall be domiciled in Indonesia - shall have relevant knowledge with their duties - all of independent commissioners shall be domiciled in Indonesia • The Insurance or Reinsurance Company employing such expatriate person shall submit a report to OJK on: <ul style="list-style-type: none"> - work program related to the area of his/her responsibility; and - education and training program related to his/her expertise <p>Related Regulations</p> <ol style="list-style-type: none"> 1. Law Of The Republic Of Indonesia Number 40 Year 2014 Concerning Insurance Business 2. Government Regulation Of The Republic Of Indonesia Number 73 Year 1992 Concerning Insurance Business Conduct (And Its Amendments: Government Regulation Number 63 Year 1999, Government Regulation Number 39 Year 2008 and Government Regulation Number 81 Year 2008). 3. Minister Of Finance Decree Number 422/KMK 06/2003 Concerning Business Conduct Of Insurance and Reinsurance Companies. 4. Minister Of Finance Decree Number 425/KMK.06/2003 Concerning Licensing And Business Conduct Of Insurance Supporting Companies 5. Minister Of Finance Decree Number 426/KMK.06/2003 Concerning Licensing And Institution Of insurance And Reinsurance Companies 6. Minister Of Finance Regulation No.53/PMK.010/2012 Concerning Financial Soundness Of insurance And Reinsurance Companies 7. Indonesia Financial Services Authority Regulation No. 4/POJK.05/2013 Concerning The Fit and Proper Test for Key Persons at Insurance Companies, Pension Fund, Finance Companies and Guarantee Companies |
| Insurance Brokerage Services | <p>Market Access</p> <p>1) Unbound</p> | |

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Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|---------------------------------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | 2) None 3) As specified in the Horizontal Measures and General Conditions. 4) Unbound except for director and technical advisor/expert. National Treatment 1) None 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. | 8. OJK Regulation No. 2/POJK.05/2014 Concerning Good Corporate Governance for Insurance Companies |
| Reinsurance Brokerage Services | Market Access 1) Unbound 2) None 3) As specified in the Horizontal Measures and General Conditions. 4) Unbound except for director and technical advisor/expert. National Treatment 1) None | |

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Indonesia Safeguard List
Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|-------------|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. | |

| Indonesia Safeguard List | | |
|--|---|--|
| Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services | | |
| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | |
| Sub-sectors | Measures to be Safeguarded | |
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Securities Business - Trading for own account or for account of customers, on an exchange or over-the-counter market | Market Access 1) Unbound 2) None 3) Through establishment of a securities broker / dealer. 4) Unbound except as indicated in the Horizontal Measures. National Treatment | Laws and National Policies/Prudential Measures Mode 3) 1. Securities Companies shall have business license to operate from Indonesia Financial Services Authority (Indonesia FSA). Securities Company that obtained a license may act as an Underwriter, Broker-Dealer and or Investment Manager and other activities in accordance with the provisions stipulated by Indonesia FSA. 2. Foreign direct investment in the Securities Industry by foreign legal entity shall be conducted by establishing a joint venture company in the form Limited |

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Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

| Sub-sectors | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
|--|--|--|
| - Listed shares - Bond | 1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. | <p>Company, with the following requirements :</p> <p>a. The shares of joint Venture Securities Company may be owned by foreign legal entity which operates in financial area. Except securities industry, not more than 85% (eighty five per cent) of paid in capital.</p> <p>b. The shares of joint Venture Securities Company may be owned by foreign legal entity which operates in securities industry. that has been granted business license or under supervision of Capital Market regulators in its country origin, not more than 99% (ninety nine per cent) of paid in capital.</p> <p>4. In the event of local or joint venture securities companies carries out public offering, the shares of the respective securities company may be wholly owned by local investors or foreign investors; including foreign investors who do not operate in financial area.</p> <p>5. With regards to business license application process, a Joint Venture Securities Company should submits documents including :</p> <p>a. a certificate or other evidence from the competent capital market authority in the foreign country that indicates that the foreign securities firm as shareholder of Joint Venture Securities Company is in its surveillance;</p> <p>b. a certificate or other evidence from the competent financial authority in the foreign country that indicates that the foreign financial firm as shareholder of Joint Venture Securities Company is in its surveillance</p> <p>6. Paid up capital:</p> <p>a. Securities company as a Broker Dealer at least Rp.30,000,000,000 (thirty billion Rupiahs).</p> <p>b. Securities company as a Broker Dealer that is not administers Securities Account for clients: at least Rp. 500.000.000, (five hundred million Rupiah).</p> <p>c. Securities Company as Investment Manager : at least Rp.25.000 000.000.- (twenty five billion Rupiah)</p> <p>d. Broker Dealer combined with Investment manager: at least Rp.55.000.000.000,- (fifty five billion Rupiah).</p> <p>e. Securities company as an Underwriter : at least Rp 50,000,000.000,- (fifty billion</p> |
| <p>Participation in issues of securities, including underwriting and placement as agent (whether publicly or privately), and provision of services related to such issues</p> | <p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Through establishment of a securities underwriter company.</p> <p>4) Unbound except as indicated in the Horizontal Measures.</p> <p>National Treatment</p> <p>1) Unbound</p> <p>2) None</p> <p>3) As specified in the General Conditions.</p> <p>4) As specified in the Horizontal Measures.</p> | <p>4. In the event of local or joint venture securities companies carries out public offering, the shares of the respective securities company may be wholly owned by local investors or foreign investors; including foreign investors who do not operate in financial area.</p> <p>5. With regards to business license application process, a Joint Venture Securities Company should submits documents including :</p> <p>a. a certificate or other evidence from the competent capital market authority in the foreign country that indicates that the foreign securities firm as shareholder of Joint Venture Securities Company is in its surveillance;</p> <p>b. a certificate or other evidence from the competent financial authority in the foreign country that indicates that the foreign financial firm as shareholder of Joint Venture Securities Company is in its surveillance</p> <p>6. Paid up capital:</p> <p>a. Securities company as a Broker Dealer at least Rp.30,000,000,000 (thirty billion Rupiahs).</p> <p>b. Securities company as a Broker Dealer that is not administers Securities Account for clients: at least Rp. 500.000.000, (five hundred million Rupiah).</p> <p>c. Securities Company as Investment Manager : at least Rp.25.000 000.000.- (twenty five billion Rupiah)</p> <p>d. Broker Dealer combined with Investment manager: at least Rp.55.000.000.000,- (fifty five billion Rupiah).</p> <p>e. Securities company as an Underwriter : at least Rp 50,000,000.000,- (fifty billion</p> |
| | | |

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Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

Sub-sectors

Market Access and National Treatment Measures

Laws and National Policies, including Prudential and Foreign Exchange Measures

Rupiah):

f. Underwriter combined with investment Manager: at least Rp.75,000,000,000,- (seventy five billion Rupiah).

7. Securities Company is prohibited to be controlled; directly or indirectly, by the Person(s) who:

- a. has ever committed indecent conduct and or being punished for committed financial crime that has been proven; and
- b. has no good integrity and moral, as stipulated in Article 35 paragraph (1) of Government Regulation Number 45 of 1995 concerning Capital Market Organization

8. Controller and shareholder of Securities Company shall satisfy the following requirements:

- a. integrity requirements; and
- b. financial soundness requirements

Related regulations:

- Law Number 8 of 1995 concerning Capital Market
- Law Number 40 of 2007 concerning Limited Company
- Government regulation Number 45/1995 concerning the implementation of operations in Capital Market:
- Government regulation Number 12/2004 concerning the Amendment of implementation of operations in Capital Market:
- Ministry of Finance Regulation Number 153/PMK.010/2010 dated 31 August 2010
- Capital Market and Non Bank Financial Institutions Supervisory Agency (Bapepam-LK) Rule Number V.A.1 concerning Licensing of Securities Company.

Mode 4)

1. Director and commissioner of Securities Company shall satisfy the following requirements:

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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

Sub-sectors

Market Access and National Treatment Measures

Laws and National Policies, including Prudential and Foreign Exchange Measures

- a. integrity requirements; and
 - b. competency and expertise in capital market requirements
2. All members of the Board of Directors of Securities Company shall have individual license as Securities Company Representative in accordance with each field of duties.
 3. Member of Board of Directors is prohibited from holding double positions in other companies, except as commissioner of Securities Exchange, Clearing and Guarantee Institution or Custodian and Settlement Institution.
 4. Commissioner of Securities Company is prohibited from holding position as commissioner of other Securities Companies at the same time.
 5. Director of Securities Company shall be domiciled in Indonesia.
 6. In applying business license, Securities Company which employs foreign workers shall also submit copy of Foreign Employment Permit / *Izin Mempekerjakan Tenaga Kerja Asing* (IMTA) and Foreign Employer Permit (*Izin Kerja Tenaga Asing*) (IKTA) as a permit from relevant authority in accordance with the laws in force.
 7. For further liabilities, Securities Company should report any changes related to Foreign Employment Permit / *Izin Mempekerjakan Tenaga Kerja Asing* (IMTA) and Foreign Employer Permit (*Izin Kerja Tenaga Asing*) (IKTA).
 8. Any individuals conducting business as Securities Company must have Securities Company Representative license from Bapepam-LK.
 9. Prior to applying, foreign individuals applying license as Securities Company Representative shall have employment in Indonesian Financial Services

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Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

| Sub-sectors | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
|-------------|---|---|
| | | <p>institutions.</p> <p>10. To carry out the business of selling Investment Fund, individuals shall obtained the license as Securities Company Representatives, or Investment Fund Selling Agent Representatives from Indonesia FSA.</p> <p>11. An Investment Fund Selling Agent may only engage in the business of selling Investment Fund through an employee licensed as Securities Company Representative or Investment Fund Selling Agent Representative and the employee must obtain special assignment from investment Fund-Selling Agent to act for and on behalf of the Investment Fund Selling Agent to act for and on behalf of the Investment Fund Selling Agent.</p> <p>12. To engage in the business of Individual Investment Advisor, individuals shall obtain license from Indonesia FSA as Investment Advisor. This license only available for Indonesian citizen. As for Institutional Investment Advisor, applicant shall provide the Articles of Association proving the business activity of the company is dedicated to be an Investment Advisor, and domiciled in Indonesia.</p> <p>Related regulations:</p> <ul style="list-style-type: none"> - Law Number 8 of 1995 concerning Capital Market. - Government regulation Number 45/1995 concerning the implementation of operations in Capital Market; - Government regulation Number 12/2004 concerning the Amendment implementation of operations in Capital Market; - OJK Regulation No. 27/POJK.04/2014 on Licensing of Underwriters Representatives and Broker-Dealer Representatives; - Bapepam-LK Rule Number V.A.1 concerning Licensing of Securities Company; - Bapepam-LK Rule Number V.B.2 concerning Licensing of Investment Fund Marketing Agent Representatives - Bapepam-LK Rule Number V.8.3 concerning Registration of Investment Fund Selling |

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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

| Sub-sectors | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | Agent - Bapepam-LK Rule Number V.B.4 concerning Code of Conduct for Investment Fund Selling Agent - Bapepam-LK Rule Number V.C.1 concerning Licensing of Investment Advisors - Bapepam-LK Rule Number V.D.5 concerning Maintenance and Reporting of Net Adjusted Working Capital |
| Portfolio management, all forms of collective investment management | Market Access 1) Unbound 2) None 3) Through establishment of an investment management company. 4) Unbound except for directors. National Treatment 1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. | Mode 1) Through the establishment of an investment management company licensed by OJK. Based on OJK Law and Capital Market Law, license of Investment Management. ASEAN has already established a framework for cross-border offering of Collective Investment Scheme. The cross border supply must be in accordance with the framework and the host country's regulations. Indonesia has yet to join/sign the MoU of the ASEAN Framework for Cross-Border Offering of Collective Investment Scheme therefore Indonesia could not commit on cross-border supply. Mode 3) Through the establishment of an investment management company licensed by OJK. Based on OJK Law and Capital Market Law, license of Investment Management Company must be granted by Indonesia Financial Services Agency (OJK). The terms and conditions of the licensing stipulated in those prevailing laws, prevailing implementing regulations of those laws and other prevailing related regulations. Based on the prevailing regulations Ministry of Finance Decree Number 153/PMK.010/2010 dated 31 August 2010 |

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Measures to be Safeguarded

| Sub-sectors | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
|---|--|---|
| Asset Management limited only to investment fund management | <p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Through establishment of an investment management company.</p> <p>4) Unbound except for directors.</p> <p>National Treatment</p> <p>1) Unbound</p> <p>2) None</p> <p>3) As specified in the General Conditions.</p> <p>4) As specified in the Horizontal Measures.</p> | <p>Commercial presence of the ASEAN financial service provider (s) may be owned by foreign legal entity :</p> <p>a. The shares of Joint Venture Securities Company may be owned by foreign legal entity which operates in financial area, except securities industry, not more than 85% (eighty five per cent) of paid in capital.</p> <p>b. The shares of Joint Venture Securities Company may be owned by foreign legal entity which operates in securities industry, that has been granted business license or under supervision of Capital Market regulators in its country origin, not more than 99% (ninety nine per cent) of paid in capital.</p> <p>c. In the event of local or joint venture securities companies carries out public offering, then the shares of the respective securities company maybe wholly owned by local investors or foreign investors, including foreign investors who do not operate in financial area.</p> <p>Mode 4) as specified in the horizontal measures</p> |
| Investment Advisory Services limited only to investment advisory in capital market | <p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Through establishment of an investment management company.</p> <p>4) Unbound except for directors.</p> <p>National Treatment</p> <p>1) Unbound</p> | <p>Mode 1) the product</p> <p>Mode 3) through establishment of an investment advisory company Based on OJK Law and Capital Market Law, license of Investment Management Company must be granted by Indonesia Financial Services Agency (OJK). The terms and conditions of the licensing stipulated in those prevailing laws, prevailing implementing regulations of those laws and other prevailing related regulations.</p> <p>Mode 4) as specified in the horizontal measures</p> |

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| Indonesia Safeguard List | | |
|---|---|---|
| Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services | | |
| Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons | | |
| Sub-sectors | Measures to be Safeguarded | |
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. | |
| Financial Lease Services (CPC 81120) | Market Access <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures National Treatment <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the General Condition <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures. | Prudential Measures Mode 1) None Mode 2) None Mode 3) <ol style="list-style-type: none"> 1. Joint venture should meet the following requirements: <ol style="list-style-type: none"> a) Should be in the form of Limited Liabilities Enterprise (Perseroan Terbatas). 2. Finance Companies in the form of Limited Liability Enterprise (Perseroan Terbatas) shall have: <ol style="list-style-type: none"> a) capital share that is owned by Indonesian Citizen, Indonesia Corporation, Indonesian Legal Entity, Foreign Corporation, Republic of Indonesia, and/or local government. b) minimum paid up capital at least Rp 100.000.000.000 (one hundred billion Rupiah) 3. Finance Companies are prohibited from: <ol style="list-style-type: none"> a) Giving cash money to the debtors. b) Purchasing of goods from debtors except by Sale and Leaseback Scheme. 4. Finance companies shall: <ol style="list-style-type: none"> a) submit monthly and audited annual reports. b) have financing to asset ratio at least 40%. c) have all directors that domiciled in Indonesia. d) have at least one Board of Commissioner that domiciled in Indonesia e) have Board of Directors which hold compliance unit. 5. Finance companies which have more than 5 (five) branch offices shall have an integrated information system and technology. 6. Finance Companies which have assets: |
| Factoring Services (CPC 8113) | Market Access <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures | |

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| Sub-sectors | Measures to be Safeguarded | |
|---------------------------------------|--|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>National Treatment</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As spesified in the General Condition</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures.</p> | <p>a) more than 200.000.000.000 (two hundred million Rupiah) shall have at least one Independent Commisioner and audit committee.</p> <p>b) up to 200.000.000.000 (two hundred billion Rupiah) shall have internal audit unit.</p> <p>7. Board of Directors is prohibited having double positions in other companies, except as a commisioner at most in 3 other Finance Companies.</p> <p>8. Board of Directos shall have:</p> <p>a) relevant knowledge with their duties; and</p> <p>b) expertise certificate in the field of finance.</p> <p>9. Board of Commisioners can only occupy the same position as a commisioner at most in 3 (three) other Finance Companies.</p> <p>10. Board of Commisioners shall have a basic level sertificate in the field of finance.</p> <p>11. Employees who occupy managerial positions ranging from head of branch office to one level below directors, shall have a basic level sertificate in the field of finance.</p> <p>12. Directors and officers that one level below the directors who occupy in risk management unit shall have expertise sertificate in the field of risk management..</p> <p>13. Employees who occupy in billing unit shall have professional certificate in the field of billing.</p> <p>14. Hold business license from Indonesia Financial Service Authority (OJK) berfore start business activity</p> <p>15. Finance companies shall undertake the following business activities:</p> <p>a) Investment financing;</p> <p>b) Working Capital Finance;</p> <p>c) Multipurpose Finance (consumer finance);</p> <p>The scheme of above financing activities could be as leaseing, factoring, and instalment payment, project finance, infrastructure finance, and working cpital finance.</p> |
| Consumers Finance Services (CPC 8113) | <p>Market Access</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures</p> <p>National Treatment</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As spesified in the General Condition</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures.</p> | <p>Mode 4)</p> <p>1. Foreign labours shall meet the following requirements:</p> <p>a) Have relevant expertise with their duties.</p> |

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Measures to be Safeguarded

Sub-sectors

Market Access and National Treatment Measures

Laws and National Policies, including Prudential and Foreign Exchange Measures

- b) Comply with Indonesia manpower laws and regulations.
- 2. Finance companies that employ foreign labours shall meet the following requirements:
 - a) Hold knowledge sharing activities of foreign labours to the employees.
 - b) Report to the Indonesia Financial Services Authority no later than 30 (thirty) calendar days before the foreign labours are employed, which enclose curriculum vitae, annual training and education plan, placement and duty plans
- 3. Foreign Board of Directors, board of Commissioners, expert, adviser, and/or consultant must pass fit and proper test which conduct by Indonesia Financial Service Authority.

Related Regulation

- 1. Regulation No. 28/POJK.05/2014 concerning the Business Licences and Institutions of Financing Companies.
- 2. Regulation No. 29/POJK.05/2014 concerning the Business Activities of Financing Companies.
- 3. Regulation No.30/POJK.05/2014 concerning the Good Corporate Governance of Financing Companies.
- Regulation No.31/POJK.05/2014 concerning the Business Activities of Sharia Financing Companies.

Indonesia reserves the rights to further listing safeguard measures related to sectors/sub-sectors to be committed in the future negotiations. Sectors/sub-sectors not listed herein shall not be interpreted as liberalized.

II. Safeguard Framework

A. Insurance Sector

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|--|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| a. Direct insurance (including co-insurance) <ul style="list-style-type: none"> (a) Life insurance (Excluding Health Insurance) (b) Non-life insurance | <p>Market Access</p> <p>3. Foreign equity participation limited to 49%, subject to meeting economic need tests.</p> <ul style="list-style-type: none"> - The authorized insurance companies in Lao PDR shall have a legal entity operating in insurance business under a company forms: state enterprise, joint-venture companies or private company (public company or limited company). The insurance companies are required to acquire business and investment licenses from relevant authorities of Lao PDR in accordance with relevant applicable law and regulations of Lao PDR. | <p>Prudential Measures</p> <p>3) Insurance company shall be compliance with the capital requirement stipulated in applicable insurance law and regulation.</p> <ul style="list-style-type: none"> - Insurance companies are restricted from offering both Life and Non-life insurance services. Excluded from the scope of these commitments are compulsory insurance, including but not limited to social security fund. <p>4) According to Labor Law, the foreign labors are allowed to come in not excess 10% for the physical force labor and 20% for professional.</p> <p>Foreign Exchange Administration Measures</p> <p>2). The transaction of capital outflow from Lao PDR made by insurance companies shall report to or are approved by competent authorities of Lao PDR.</p> <p>3) Security deposits of insurance company must be in LAK and shall be deposited in any commercial bank in Lao PDR</p> <p>Other Measures</p> <p>3) Article 21 of the Insurance law of Lao PDR states that An insurance business license which has been issued to an insurance enterprise may be withdrawn from for certain types of insurance activities or all types of insurance activities at any time if such enterprise fails to comply with the prescribed conditions; or Fails to apply measures stipulated in the re-organization plan in due time; or seriously violates regulations which prescribe existing obligations that are in force.</p> <ul style="list-style-type: none"> - Insurance contracts relating to individuals located in or residing in, risks incurring in and assets located or registered in, the Lao People's Democratic Republic may only be made with |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>companies that are licensed to conduct insurance business in the Lao People's Democratic Republic. All insurance contracts made in violation of the provisions of this Article shall be void and unenforceable.</p> <p>- Minister of Finance's ordinance on new compulsory Motor Insurance Premium and coverage to third party liability in accordance with insurance law which can be found in Lao MOF website at www.mof.gov.la</p> |

B. Banking Sector

| Sub-sector | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Investment in Banking sector | | <p>Prudential Measures</p> <p>3) According to the New regulation on renewal of registered capital issued on 24 September 2009, the initial capital must be 300 Billion kip for a new establishment bank and 100 Billion kip for a branch.</p> <p>4) According to Labor Law, the foreign labor are allowed to come in not excess 10% for the physical force labor and 20% for professional</p> |
| Acceptance of deposits and other repayable funds from the public CPC 81115 – 81119) | | <p>Foreign Exchange Measures</p> <p>2) A legal person who wishes to open the offshore account are allowed to deposit in current account only</p> |
| Payment/ Money Transmission | | <p>Foreign Exchange Measures</p> <p>2). The transaction of capital outflow from Lao PDR made by commercial banks and financial institutions shall report to or are subject to be approved by the Bank of the Lao PDR</p> <p>Other Prudential Requirement:</p> <p>2). Bringing out cash of the Lao PDR exceeds 100 Million Kip or its equivalent shall be declared to the customs officers in border check point or subject to be approved by the Bank of the Lao PDR</p> |
| Lending of all types | <p>Market Access</p> <p>1),2) Ratio of lending was determined by the types of borrower/ customer</p> | <p>Prudential Measures</p> <p>1),2) All the external lending of a legal entity are subject to be approved by the Bank of the Lao PDR.</p> |

| Sub-sector | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Financial Leasing | Market Access | <p>Laws and National Policies</p> <p>3). Those who operate the leasing business must be the legal and autonomous entities and shall have registered capital not less than 500.000.000 kip with the Bank of the Lao PDR approval</p> |
| Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following: - money market instruments (incl. cheques, bills, certificate of deposits, etc.) (CPC 81339**)) - foreign exchange (CPC 1333) (new) | | <p>Foreign Exchange Measures</p> <p>2). The transaction of outflow from Lao PDR of commercial banks and financial institutions shall report to or are subject to be approved by the Bank of the Lao PDR</p> <p>Prudential Measures</p> <p>3) An establishment of a foreign exchange bureau shall have registered capital 200 Million kip in Capital city and 100 Million kip or its equivalent in province</p> |

Safeguard Framework for AFAS Fifth Round Negotiations on Financial Services Liberalization

Sector: Banking

Modes of Supply (1) Cross border supply (2) Consumption abroad (3) Commercial Presence (4) Presence of natural persons

| Sub-sector | Measures to be Safeguarded | |
|-------------------------|---|--|
| Guarantees & Commitment | Market Access and National Treatment Measures | Laws and National Policies, including Prudential And Foreign Exchange Measures |
| | <p>Market Access</p> <p>(1) Unbound (2) None (3) Approval from the Central Bank of Myanmar is required and subject to existing domestic Laws. According to the Union of Myanmar Foreign Investment Law (1988) and Myanmar Companies Act (1914), commercial presence of Foreign service suppliers and / or providers is permitted with the recommendation of concerned Ministry. According to the Myanmar Companies Act Section 5 and Section 17(A), Representative office/ branch of foreign bank can be established obtaining prior sanction of the Central Bank. (4) Presence of natural persons is allowed temporarily if there is a commercial presence, and subject to the approval from the Central Bank of Myanmar according to existing domestic Laws.</p> <p>National Treatment</p> <p>(1) Unbound (2) None (3) Approval from the Central Bank of Myanmar is required and subject to existing domestic Laws. According to the Union of Myanmar Foreign Investment Law (1988) and Myanmar Companies Act (1914), commercial presence of Foreign service suppliers and / or providers is permitted with the recommendation of concerned Ministry. According to the Myanmar Companies Act Section 5 and Section 17(A), Representative office/ branch of foreign</p> | <p>Market access and National Treatment are subject to the Myanmar Companies Act 1913/1914, The Foreign Exchange Regulation Act 1947, Central Bank of Myanmar Law 1990, Financial Institutions of Myanmar Law 1990, Myanmar Insurance Law 1993, Insurance Business Law 1996, Partnership Act 1932, Myanmar Company Rules 1940, Special Company Act 1950, Special Company Act (Amendment) 1955/1959, the Union of Myanmar Foreign Investment Law 1988/1989, Procedures relating to the Union of Myanmar Foreign Investment Law 1988, Annual Report on Exchange Rate Arrangements and Restriction (AREAER) and also subject to the approval from the Central Bank of Myanmar.</p> <p>Information on Foreign Investment is available at the website: www.dica.gov.mm</p> |

| | | |
|--|---|--|
| | <p>bank can be established obtaining prior sanction of the Central Bank.</p> <p>(4) Presence of natural persons is allowed temporarily if there is a commercial presence, and subject to the approval from the Central Bank of Myanmar according to existing domestic Laws.</p> | |
|--|---|--|

Internal Document

Safeguard Framework for AFAS Fifth Round Negotiations on Financial Services Liberalization

Sector: Banking:

Modes of Supply (1) Cross border supply (2) Consumption abroad (3) Commercial Presence (4) Presence of natural persons

| Sub-sector | Measures to be Safeguarded | |
|-------------------------|--|--|
| Guarantees & Commitment | Market Access and National Treatment Measures | Laws and National Policies, including Prudential And Foreign Exchange Measures |
| | <p>Market Access</p> <p>(1) Unbound</p> <p>(2) None</p> <p>(3) Approval from the Central Bank of Myanmar is required and subject to existing domestic Laws. According to the Union of Myanmar Foreign Investment Law (1988) and Myanmar Companies Act (1914), commercial presence of Foreign service suppliers and / or providers is permitted with the recommendation of concerned Ministry.</p> <p>According to the Myanmar Companies Act Section 5 and Section 17(A), Representative office/ branch of foreign bank can be established obtaining prior sanction of the Central Bank.</p> <p>(4) Presence of natural persons is allowed temporarily if there is a commercial presence, and subject to the approval from the Central Bank of Myanmar according</p> | <p>Market access and National Treatment are subject to the Myanmar Companies Act 1913/1914, The Foreign Exchange Regulation Act 1947, Central Bank of Myanmar Law 1990, Financial Institutions of Myanmar Law 1990, Myanmar Insurance Law 1993, Insurance Business Law 1996, Partnership Act 1932, Myanmar Company Rules 1940, Special Company Act 1950, Special Company Act (Amendment) 1955/1959, the Union of Myanmar Foreign Investment Law 1988/1989, Procedures relating to the Union of Myanmar Foreign Investment Law 1988, Annual Report on Exchange Rate Arrangements and Restriction (AREAER) and also subject to the approval from the Central Bank of Myanmar.</p> <p>Information on Foreign Investment is available at the website: www.dica.gov.mm</p> |

| | | |
|--|---|--|
| | <p>to existing domestic Laws.</p> <p>National Treatment</p> <p>(1) Unbound</p> <p>(2) None</p> <p>(3) Approval from the Central Bank of Myanmar is required and subject to existing domestic Laws. According to the Union of Myanmar Foreign Investment Law (1988) and Myanmar Companies Act (1914), commercial presence of Foreign service suppliers and / or providers is permitted with the recommendation of concerned Ministry. According to the Myanmar Companies Act Section 5 and Section 17(A), Representative office/ branch of foreign bank can be established obtaining prior sanction of the Central Bank.</p> <p>(4) Presence of natural persons is allowed temporarily if there is a commercial presence, and subject to the approval from the Central Bank of Myanmar according to existing domestic Laws.</p> | |
|--|---|--|

**Safeguard List under the AFAS 5th Package of Financial Services Commitments
MALAYSIA**

Sector: Insurance

| Sub-sector | Areas to be Safeguarded | |
|---|---|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Insurance Intermediation ¹ – insurance broking, insurance underwriting, insurance management and financial advisory. | <p><u>Market Access</u></p> <p>1),2) Insurance broking services are not permitted for insurance risks relating to:</p> <ul style="list-style-type: none"> • Life insurance business; and • General insurance business, which includes motor; fire; domestic maritime, domestic aviation and goods in domestic transit; medical and health; liability; and miscellaneous categories. <p>Insurance underwriting, insurance management and financial advisory services are not permitted for both life and general insurance businesses.</p> <p>3) Onshore insurance underwriting and insurance management services are only permitted as part of core businesses of insurance companies, as such no separate licences are issued.</p> <p>Licences for offshore insurance underwriting and insurance management business require approval from the Labuan Financial Services Authority.</p> | <p><u>Prudential Measures</u></p> <p>1) ASEAN insurance broking companies providing cross-border broking services of international maritime, international aviation and goods in international transit risks are required to be registered with Bank Negara Malaysia.</p> <p>3) Insurance intermediaries that wish to establish commercial presence in Malaysia are required to be locally incorporated and must be licensed in accordance with the Insurance Act 1996.</p> <p>Insurance intermediaries, including agents, are not allowed to act on behalf of a person not licensed under the Insurance Act 1996 in relation to the carrying on of insurance business in Malaysia unless approved in writing by Bank Negara Malaysia.</p> <p>Licensed insurance broking companies are not allowed to negotiate a contract of insurance with an insurer not licensed under</p> |

¹ Whereas insurance broking and insurance underwriting, management and financial advisory are listed separately in the Schedule of Commitments, for the purposes of the Safeguard Framework all four types of businesses are listed together under the sub-sector of insurance intermediation.

| Sub-sector | Areas to be Safeguarded | |
|------------|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>No new licences will be issued for insurance broking services. Licences for financial advisory business require approval from Bank Negara Malaysia.</p> <p>Foreign shareholding for insurance broking companies and financial advisory companies beyond 49% and 70%, respectively, are not permitted.</p> <p>Cross-shareholdings of more than 5% are not permitted unless approved in writing by Bank Negara Malaysia.</p> <ul style="list-style-type: none"> • Licensed insurance companies are not permitted to hold shares in insurance broking, financial advisory and other insurance companies. • Insurance broking companies are not permitted to hold shares in other insurance broking, financial advisory or insurance companies. • Financial advisory companies are not permitted to hold shares in other financial advisory, insurance broking or insurance companies. • Common shareholders in insurance broking, financial advisory and insurance companies are not permitted, unless such shareholdings are in insurance companies carrying on different classes of insurance business. <p>4) Entry is permitted up to a maximum of ten years.</p> | <p>the Insurance Act 1996 except for:</p> <ul style="list-style-type: none"> • A contract of reinsurance; and • Insurance of property and liability approved by the Bank under subsection 140 (2) of the Insurance Act 1996. <p>Licensed financial advisory companies may only negotiate a contract of insurance with an insurer licensed under the Insurance Act 1996.</p> <p>Other prudential requirements: As listed in Bank Negara Malaysia's website, including:</p> <ul style="list-style-type: none"> • capital adequacy requirements, available at http://www.bnm.gov.my/guidelines/02_insurance_takaful/01_capital_adequacy/04_rbcf_amend_v1_rsa2.pdf; • corporate governance requirements, available at http://www.bnm.gov.my/guidelines/02_insurance_takaful/03_prudential_stds/1_corp_governance.pdf; • disclosure requirements; and • other prudential requirements, including those available at http://www.bnm.gov.my/index.php?ch=18&pg=55&ac=584. |

| Sub-sector | Areas to be Safeguarded | |
|--|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>Other Financial Policies Rules, regulations, bylaws and terms of membership of associations, including the following:</p> <ul style="list-style-type: none"> • Life Insurance Association of Malaysia; • General Insurance Association of Malaysia; and • Malaysian Insurance and Takaful Brokers Association. <p>For agency business, registration with Life Insurance Association of Malaysia and/or General Insurance Association of Malaysia is required prior to operating in Malaysia.</p> |
| <p>Services auxiliary to insurance, as follows:</p> <p>(a) Consultancy (excludes insurance agency services to insurance industry)</p> <p>(b) Actuarial risk assessment (excluding statutory actuarial roles)</p> | <p><u>Market Access</u></p> <p>1), 2), 3) No restrictions applied to companies that wish to supply services auxiliary to insurance, provided that companies are:</p> <ul style="list-style-type: none"> • operating in ASEAN; and • licensed or registered to operate in accordance with Malaysia’s laws, regulations and national policies. <p>4) Entry is permitted in accordance with Malaysia’s laws and regulations.</p> <p>Entry is permitted up to a maximum of ten years.</p> | <p><u>Prudential Measures</u></p> <p>For actuarial risk assessment: Appointed actuaries and signing actuaries, which are required to be appointed by insurers, have to be approved by Bank Negara Malaysia based on the requirements available at http://www.bnm.gov.my/guidelines/02_insurance_takaful/01_capital_adequacy/04_rbcf_amend_v1_rsa2.pdf.</p> <p>Other prudential requirements: As listed in Bank Negara Malaysia’s website available at http://www.bnm.gov.my/index.php?ch=18&pg=55&ac=584</p> |

| Sub-sector | Areas to be Safeguarded | |
|-----------------------------|---|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| (c) Risk management | | |
| (d) Maritime loss Adjusting | | |

Sector: Capital Market

| Sub-sector | Measures to be Safeguarded | |
|--|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Trading for own account or account of customers in the following: - transferable securities | <p><u>Market Access</u></p> <p>1) Dealing in securities is limited to securities traded on recognised stock exchanges.</p> <p>3) For a non-bank, foreign equity participation is limited to 70%. No commitments for new licences.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>3) A company wishing to carry on the regulated activity of dealing in securities as a principal must be incorporated in Malaysia and hold the relevant Capital Markets Services Licence (CMSL) in accordance with the Capital Markets & Services Act 2007 (CMSA).</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of dealing in securities on behalf of his principal must hold the relevant Capital Market Services Representative Licence (CMSRL) in accordance with the CMSA.</p> |

| Sub-sector | Measures to be Safeguarded | |
|---|--|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission. Relevant rules of Bursa Malaysia. |
| <p>Trading for own account or account of customers in the following:</p> <ul style="list-style-type: none"> derivative products, including futures and options | <p><u>Market Access</u></p> <p>1) Trading in futures contracts is limited to the approved classes of futures contracts listed on specified exchanges.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>3) A company wishing to carry on the regulated activity of trading in futures contracts as a principal must be incorporated in Malaysia and hold the relevant CMSL in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of trading in futures contracts on behalf of his principal must hold the relevant CMSRL.</p> |

| Sub-sector | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p><u>Other prudential requirements:</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission. Relevant rules of Bursa Malaysia. |
| Services related to the issues of all kinds of securities and placement as agents (whether publicly or privately) (excluding issuing and rating houses). | <p><u>Market Access</u></p> <p>1) 2) Authorization is required in accordance with the CMSA.</p> <p>3) The categories of persons who are eligible to act as principal advisers and the types of corporate proposals they are permitted to submit to the Securities Commission are set out in the Guidelines on Principal Advisers for Corporate Proposals.</p> <p>For a non-bank, foreign equity participation is limited to 70%.</p> | <p><u>Prudential Measures</u></p> <p>3) A company wishing to participate in issues of securities as an agent must be incorporated in Malaysia and hold the relevant CMSL in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual participating in issues of securities on behalf of his principal must hold the relevant CMSRL.</p> |

| Sub-sector | Measures to be Safeguarded | |
|--------------|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>Only licensed banking institutions are permitted to act as principal dealers based on meeting specific criteria and subject to Bank Negara Malaysia's approval.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission. |
| Underwriting | <p><u>Market Access</u></p> <p>1) Local incorporation is required.</p> <p>3) For a non-bank, foreign equity participation is limited to 70%.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>3) A company wishing to underwrite must hold the relevant CMSL (dealing in securities) in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of dealing in securities is permitted to underwrite on behalf of his principal but must hold the relevant CMSRL in accordance with the CMSA.</p> |

| Sub-sector | Measures to be Safeguarded | |
|--|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission. |
| <p>Asset management as follows:</p> <ul style="list-style-type: none"> - cash or portfolio management - all forms of collective investment management - custodial and depository services | <p><u>Market Access</u></p> <ol style="list-style-type: none"> Local incorporation is required. For a non-bank, foreign equity participation for dealing in securities restricted to unit trust is limited to 70%. Entry is permitted up to a maximum of five years. | <p><u>Prudential Measures</u></p> <ol style="list-style-type: none"> A company wishing to carry on as principal in the regulated activity of fund management or dealing in securities restricted to unit trust must hold the relevant CMSL in accordance with the CMSA. <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>Principals dealing in unit trust products are required to be registered with the Federation of Investment Managers Malaysia (FIMM).</p> |

| Sub-sector | Measures to be Safeguarded | |
|------------|---|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>Companies wishing to be established as Venture Capital Corporations (VCC) and Venture Capital Management Corporations (VCMC) are required to be registered with the Securities Commission in accordance with the relevant guidelines.</p> <p>4) An individual wishing to carry on the regulated activity of fund management on behalf of his principal must hold the relevant CMSRL.</p> <p>Individuals who deal in unit trust products on behalf of a holder of a CMSL are not required to hold a CMSRL.</p> <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission |

| Sub-sector | Measures to be Safeguarded | |
|--|---|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Advisory, intermediation and other auxiliary financial services, including credit reference and analysis, investment advice on acquisitions, corporate restructuring and strategy. | <p><u>Market Access</u></p> <p>1) Local incorporation is required.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>3) A company wishing to carry on the regulated activity of advising on corporate finance, investment advice or financial planning must hold the relevant CMSL in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of advising on corporate finance, investment advice or financial planning on behalf of his principal must hold the relevant CMSRL.</p> <p><u>Other prudential requirements:</u></p> <ul style="list-style-type: none"> Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> The CMSA and other relevant regulations and guidelines issued by Securities Commission. |

| Sub-sector | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>Securities broking services comprising:</p> <ul style="list-style-type: none"> - broking services; - credit reference and analysis; - investment portfolio management and advice; and - market research | <p><u>Market Access</u></p> <p>1) Promotion in Malaysia of Malaysian stocks requires approval.</p> <p>Provision of investment advisory services and credit reference services to residents requires commercial presence</p> <p>3) For a non-bank, foreign equity participation is limited to 70%. No commitments for new licences.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>1) 2) Trades on Malaysian stock exchange must be transacted through companies incorporated in Malaysia which are participating organisations of the stock exchange.</p> <p>3) A company wishing to carry on the regulated activity of dealing in securities as a principal must be incorporated in Malaysia and hold the relevant CMSL in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of dealing in securities on behalf of his principal must hold the relevant CMSRL in accordance with the CMSA.</p> <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> • Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, organisational requirements and shareholding composition. |

| Sub-sector | Measures to be Safeguarded | |
|------------------------------------|---|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> • The CMSA and other relevant regulations and guidelines issued by Securities Commission. • Relevant rules of Bursa Malaysia. |
| Commodity futures broking services | <p><u>Market Access</u></p> <p>3) Local incorporation is required.</p> <p>4) Entry is permitted up to a maximum of five years.</p> | <p><u>Prudential Measures</u></p> <p>1) Trades on any Malaysian commodity futures exchange must be conducted through companies incorporated in Malaysia which are trading participants of the futures exchange.</p> <p>3) A company wishing to carry on the regulated activity of trading in futures contracts must hold the relevant CMSL in accordance with the CMSA.</p> <p>All persons must be licensed to carry out any regulated activity, unless he is a specified person as provided for under Section 58 of the CMSA or a registered person as provided for under Section 76 of the CMSA.</p> <p>4) An individual wishing to carry on the regulated activity of trading in futures contracts on behalf of his principal must hold the relevant CMSRL.</p> <p><u>Other prudential requirements</u></p> <ul style="list-style-type: none"> • Approval for the CMSL and CMSRL will be subject to the relevant licensing criteria found in the Licensing Handbook, available at http://www.sc.com.my/. Among others the licensing criteria would include fit and proper standards, minimum financial requirements, |

| Sub-sector | Measures to be Safeguarded | |
|------------|---|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>organisational requirements and shareholding composition.</p> <p><u>Others laws, regulations, guidelines and rules</u></p> <ul style="list-style-type: none"> • The CMSA and other relevant regulations and guidelines issued by Securities Commission. • Relevant rules of Bursa Malaysia. |

Bank Negara Malaysia and Securities Commission Malaysia
 30 July 2012

Safeguard List: Philippines

Safeguard Framework for Financial Services Liberalisation under ASEAN Framework Agreement on Services

Sector: Insurance

Areas to Safeguard by 2015

| Sub-sector | Negotiable elements | Non-negotiable elements |
|--|--|-------------------------|
| <p>1. Life insurance as follows:</p> <ul style="list-style-type: none"> - Ordinary - Group - Industrial - Health and Accident - Annuities | <p>(1) Risks located in the Philippines shall be insured with the companies authorized to transact business in the Philippines.</p> <p>(2) Same as above</p> <p>(3) Commercial presence required subject to:</p> <p>a. Acquisition of up to seventy percent (70%) of voting stock of an existing domestic insurance company.</p> <p>b. Investments of up to seventy percent (70%) of the voting stock of new locally incorporated insurance company.</p> <p>c. Participation of non-Filipino citizens in the Board of Directors of locally incorporated insurance company is proportional to the percentage of foreign equity.</p> | |

| | | |
|---|---|--|
| | <p>(4) Qualified non-Filipino citizens may be employed for technical positions only within the first five (5) years of operation of the enterprise, their stay not to exceed five (5) years upon entry.</p> | |
| <p>2. Non-Life :</p> <ul style="list-style-type: none"> - fire - marine - casualty - surety | <p>(1) Except for marine hull and marine cargo insurance, risks located in the Philippines shall be insured with the companies authorized to transact business in the Philippines.</p> <p>(2) Same as (1) above</p> <p>(3) Commercial presence required subject to:</p> <ul style="list-style-type: none"> a. Acquisition of up to seventy percent (70%) of voting stock of an existing domestic insurance company. b. Investments of up to seventy percent (70%) of the voting stock of new locally incorporated insurance company. c. Participation of non-Filipino citizen in the Board of Directors of locally incorporated insurance company is proportional to the percentage of foreign equity. <p>(4) Qualified non-Filipino citizens may be employed for technical positions only</p> | |

| | | |
|-------------------------------------|--|--|
| | <p>within the first five (5) years of operation of the enterprise, their stay not to exceed five (5) years upon entry.</p> | |
| <p>3. Reinsurance, Retrocession</p> | <p>(1) Priority cessions to authorized insurance/reinsurance companies.</p> <p>(2) a. Foreign unauthorized reinsurers should be represented by resident agents duly registered with the Insurance Commission.</p> <p>(3) Commercial presence required subject to:</p> <ul style="list-style-type: none"> a. Acquisition of up to seventy percent (70%) of voting stock of an existing domestic insurance company. b. Investments of up to seventy percent (70%) of the voting stock of new locally incorporated insurance company c. Participation of non-Filipino citizen in the Board of Directors of locally incorporated insurance company is proportional to the percentage of foreign equity. <p>(4) Qualified non-Filipino citizens may be employed for technical positions only</p> | <p>Ten percent (10%) of the total cessions to foreign unauthorized reinsurers should be offered first to the Philippine National Reinsurance Corporation formerly National Reinsurance Company of the Philippines.</p> |

| | | |
|--|---|--|
| | <p>within the first five (5) years of operation of the enterprise, their stay not to exceed five (5) years upon entry.</p> | |
| <p>4. Services Auxiliary to insurance: Actuaries, Average Adjusters</p> | <p>(1) None</p> <p>(2) None</p> <p>(3) Commercial presence required subject to foreign equity limitation of 50% or joint venture</p> <p>Participation of non-Filipino citizen in the Board of Directors of locally incorporated insurance company is proportional to the percentage of foreign equity</p> <p>(4) Qualified non-Filipino citizens may be employed for technical positions only within the first five (5) years of operation of the enterprise, their stay not to exceed five (5) years upon entry.</p> | |

Sector: Banking

Safeguard List: Philippines

Safeguard Framework for Financial Services Liberalisation under ASEAN Framework Agreement on Services

Guiding Principles for Listing Measures Affecting the Supply of Financial Services:

- These safeguarded measures are to be listed on a best endeavour and non-exhaustive basis, and aligned to the legal texts of ASEAN's agreements. The Safeguard Framework is a non-legally binding document that aims to promote greater understanding of a Member State's financial services regime in respect of sectors committed for liberalisation under the ASEAN Framework Agreement on Services (AFAS).
- In this regard, Member States maintain the flexibility to amend their list of measures in relation to the commitments made, when necessary. Updates are to be reflected and notified through the ASEAN Secretariat within one year of amendment.

For the listing of Market Access and National Treatment Measures

- Member States shall adopt the World Trade Organisation's Guidelines for the Scheduling of Specific Commitments under the General Agreement on Trade in Services (document S/L/92, dated 28 March 2001) in listing the measures affecting 'market access' and 'national treatment' in the sectors committed for liberalisation under AFAS.
- Member States shall, to the best extent possible, indicate all 'market access' and 'national treatment' measures that are to be maintained in relation to the commitments made under the AFAS Packages of Financial Services Commitments. However, as 'market access' and 'national treatment' measures are **negotiable** elements, this does not preclude other Member States requesting for the removal of these measures from the safeguard list for future rounds of negotiations under AFAS.

For the listing of Laws and National Policies, including Prudential and Foreign Exchange Measures

- The listing of laws and national policies, including prudential regulations and foreign exchange measures, are **non-negotiable** and are listed for the purposes of promoting greater transparency. This list will not be subject to further liberalisation.
- The listing of these measures does not affect the right of ASEAN Member States to adopt prudential and balance of payment measures as accorded by the relevant Articles affecting prudential and balance of payment safeguard measures as provided in the ASEAN legal texts.

Sector: Banking and Other Financial Services (excluding Insurance)

| Sub-sector | Measures to be Safeguarded | |
|---------------------------|---|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| Commercial Banking | <p>1),2),3),4) Foreign service suppliers are not allowed in the following sectors:</p> <ul style="list-style-type: none"> ▪ Universal banks; ▪ Thrift banks, composed of: <ul style="list-style-type: none"> - Savings and mortgage banks, - Stock savings and loan associations, and - Private development banks ▪ Rural banks ▪ Cooperative banks ▪ Islamic banks <p>1),2),3),4) Provision of electronic banking services and third party custodians not allowed.</p> <p>1) Banks are required to establish commercial presence through establishment of foreign bank branches, acquisition of voting stock of an existing domestic bank or investing in a new locally incorporated banking subsidiary in order to provide cross-border services. This also applies to money broking and foreign exchange broking services, credit card services and promotion and provision of information about the services/products offered by a foreign bank.</p> <p>2) No restrictions on consumption abroad of commercial banking services.</p> | <p>National Policies</p> <p><u>R.A. No. 7721, or “An Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines and for Other Purposes”</u></p> <ul style="list-style-type: none"> • The appropriate regulatory authority in the Philippines shall determine whether public interest and economic conditions justify authorization for the establishment of commercial presence or expansion of existing operations in banking and other financial services in the Philippines. For foreign financial institutions with internationally recognized standing, such determination shall include a demonstrated capacity to contribute to the attainment of Philippine development objectives particularly in the promotion of trade, investments and appropriate technology transfer; and the country of incorporation has strategic trade and investment relations with the Philippines. • In banking, the Monetary Board shall ensure that at all times seventy per cent (70%) of the resources or assets of the Philippine banking system is held by domestic banks which are at least majority-owned by Filipinos. |

| Sub-sector | Measures to be Safeguarded | |
|------------|--|---|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>3)</p> <ul style="list-style-type: none"> No new licenses will be given for the establishment of foreign bank branches. Acquisition of the voting stock of an existing domestic bank is allowed up to sixty percent (60%). Investing in the voting stock of a new locally incorporated banking subsidiary is allowed up to sixty percent (60%). An institution providing money broking and foreign exchange broking services, and credit card services is required to be organized as a commercial bank or a non-bank financial intermediary. Non Filipino citizens may become members of the Board of Directors of a bank to the extent of the foreign participation in the equity of said bank. For foreign service suppliers other than banks, aggregate share in the voting stock of a locally incorporated bank shall be limited to forty per cent (40%). Shareholding in a locally incorporated bank must not exceed twenty per cent (20%) for an individual and thirty per cent (30%) for a corporation. | <ul style="list-style-type: none"> With respect to granting of authorization for the establishment of commercial presence or expansion of existing operation in Financial Services in the Philippines, favourable treatment would be accorded, on a discretionary basis, to financial service suppliers of another ASEAN Member that accords favourable treatment to financial service suppliers of the Philippines. <p><u>Philippine Constitution</u></p> <ul style="list-style-type: none"> All lands of the public domain are owned by the State. Only citizens of the Philippines or corporations or associations at least 60 percent of whose capital is owned by such citizens may own land other than public lands and acquire public lands through lease. Foreign investors may lease only private-owned lands. <p>Prudential Measures</p> <ul style="list-style-type: none"> The prescribed capital ratio shall consist of the permanently assigned capital and "net due to" account in the ratio prescribed by law or as prescribed by the Monetary Board. The permanently assigned capital and fifteen per cent (15%) of the required "net due to" account shall be inwardly remitted and converted into Philippine currency. |

| Sub-sector | Measures to be Safeguarded | |
|------------|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <ul style="list-style-type: none"> • Commercial banks should secure authorization prior to: <ul style="list-style-type: none"> - Acceptance of deposit substitutes and other repayable funds from the public; - Guarantees and commitments; - Performance of trust, investment management and other fiduciary functions; - Foreign currency deposit unit operations; - Derivatives activities; and - Provision of new financial services such as bancassurance. • Only commercial banks with expanded commercial banking authority are allowed to perform underwriting. • Private banks authorized to do business in the Philippines, regardless of the place of incorporation, are eligible to apply to the Bangko Sentral ng Pilipinas for authority to accept for deposit, only minimum working balances of the government and its instrumentalities, including government owned and controlled corporations. • Foreign banks authorized to do | |

| Sub-sector | Measures to be Safeguarded | |
|------------|--|--|
| | Market Access and National Treatment Restrictions | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>business in the Philippines shall be allowed to bid or take part in any sale of the mortgaged property in case of judicial or extrajudicial foreclosure, avail of receivership, enforcement and other proceedings and take possession of the mortgaged property, after default of the borrower, and for a period not exceeding five (5) years from actual possession, provided that in no event shall title to the real property be transferred to such foreign bank, which shall be required to transfer its rights to a qualified Filipino national during the said five (5) year period, without prejudice to the mortgagor's rights of redemption under applicable laws.</p> <p>4) Non-resident natural persons may be admitted to the Philippines for the supply of a service after a determination of the non-availability of a person in the Philippines who is competent, able and willing, at the time of application, to perform the services for which the alien is desired. Once admitted, a non-Filipino citizen employed as officer or assigned to do technical functions shall have two Filipino understudies.</p> | |

THAILAND

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Sector: Securities

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors * | Measures to be Safeguarded | |
|--|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| For Securities Companies: - securities brokerage and dealing - derivatives brokerage and dealing - securities borrowing and lending Trading for own account, or for account of customers in the following: (c) derivative products incl., but not limited to, | Market Access <u>Mode 1)</u> No commitment on cross-border supply. <u>Mode 3)</u> No commitment for new license. | Prudential Measures <u>Mode 3)</u> <ul style="list-style-type: none"> License must be granted by the SEC under the terms and conditions stipulated in the Ministerial Regulation Concerning Granting of Approval for Undertaking Securities Business B.E.2551 and other related regulations. Shareholders above 10 percent of a securities company must be approved by the SEC. <ul style="list-style-type: none"> <i>The Notification of the Ministry of Finance Re: Prescription of Conditions for Securities Company to Apply for Approval of Person to be Major Shareholder</i> http://www.sec.or.th/laws_notification/Content_000000561.jsp?categoryID=CAT0000109&lang=en A securities company must maintain the minimum paid-up registered capital of 500 million baht and maintain the minimum net capital of 15 million baht, or 25 million baht if it also holds a derivatives agent license, together with the minimum net liquid capital of 7% of general liabilities in line with the net capital rules (NCR). |

* Thailand reserves the rights to further listing safeguard measures related to sectors/sub-sectors to be committed in the future negotiations. Sectors/sub-sectors not listed herein shall not be interpreted as liberalized.

| Sub-sectors * | Measures to be Safeguarded | |
|--|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| futures and options (e) transferable securities | | <p>- Notification of the Securities and Exchange Commission No. KorKhor.6/2551 and KorKhor.7/2551 http://capital.sec.or.th/webapp/nrs/data/4389se.pdf http://capital.sec.or.th/webapp/nrs/data/4390se.pdf</p> <ul style="list-style-type: none"> A securities company must meet the conduct, operational, and personnel requirements stated in the SEC 's rules as well as act in compliance with other relevant rules and regulations http://www.sec.or.th/brokers_dealer/BROKERAGE/Content_000000035.jsp?categoryID=CAT0000223&lang=en <p>Other Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> Except for securities and derivatives brokerage, foreign equity participation equal to or more than 50 percent of paid-up capital in a securities company has to comply with Foreign Business Act and other relevant regulations. |
| <p>For Securities Companies: Securities Underwriting</p> <p>Participation in issues of all kinds of securities, including underwriting and placement as agents</p> | <p>Market Access <u>Mode 1)</u> No commitment on cross-border supply. <u>Mode 3)</u> No commitment for new license.</p> | <p>Prudential Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> License must be granted by the SEC under the terms and conditions stipulated in the Ministerial Regulation Concerning Granting of Approval for Undertaking Securities Business B.E.2551 and other related regulations. Shareholders above 10 percent of a securities company must be approved by the SEC. <ul style="list-style-type: none"> - The Notification of the Ministry of Finance Re: Prescription of Conditions for Securities Company to Apply for Approval of Person to be Major Shareholder http://www.sec.or.th/laws_notification/Content_0000000561.jsp?categoryID=CAT0000109&lang=en |

| Sub-sectors * | Measures to be Safeguarded | |
|---|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| (whether publicly or privately) and provision of services related to such issues | | <ul style="list-style-type: none"> A securities company must maintain the minimum paid-up registered capital of 500 million baht and maintain the minimum net capital of 15 million baht, or 25 million baht if it also holds a derivatives agent license, together with the minimum net liquid capital of 7% of general liabilities in line with the net capital rules (NCR). <ul style="list-style-type: none"> <i>Notification of the Securities and Exchange Commission No. KorKhor.6/2551, KorKhor.7/2551.</i> http://capital.sec.or.th/webapp/nrs/data/4389se.pdf http://capital.sec.or.th/webapp/nrs/data/4390se.pdf A securities company must meet the conduct, operational, and personnel requirements stated in the SEC's rules as well as act in compliance with other relevant rules and regulations. <ul style="list-style-type: none"> http://www.sec.or.th/brokers_dealer/BROKERAGE/Content_000000035.jsp?categoryID=CAT0000223&lang=en <p>Other Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> Foreign equity participation equal to or more than 50 percent of paid-up capital in a securities company has to comply with Foreign Business Act and other relevant regulations. |
| For Asset Management Companies: - mutual fund management - private fund management - derivatives fund | Market Access <u>Mode 1)</u> No commitment on cross-border supply. | Prudential Measures <u>Mode 3)</u> <ul style="list-style-type: none"> License must be granted by the SEC under the terms and conditions stipulated in the Ministerial Regulation Concerning Granting of Approval for Undertaking Securities Business B.E.2551 and other related regulations. Shareholders above 10 percent of a securities company must be approved by the SEC. |

| Sub-sectors * | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| management - venture capital management Asset management | | <ul style="list-style-type: none"> - <i>The Notification of the Ministry of Finance Re: Prescription of Conditions for Securities Company to Apply for Approval of Person to be Major Shareholder</i> http://www.sec.or.th/laws_notification/Content_0000000561.jsp?categoryID=CAT0000109&lang=en • An asset management company must have minimum paid-up registered capital of 100 million Baht. <ul style="list-style-type: none"> - <i>Notification of the Securities and Exchange Commission No. KorKhor.6/2551, KorKhor.7/2551, and KorNor. 26/2545</i> http://capital.sec.or.th/webapp/nrs/data/4389se.pdf http://capital.sec.or.th/webapp/nrs/data/4390se.pdf http://capital.sec.or.th/webapp/nrs/data/748se.pdf • To undertake mutual fund management business, <ol style="list-style-type: none"> (1) The asset management company must maintain capital adequacy; <ul style="list-style-type: none"> - In cases where the asset management company has equity of less than 30 million baht but not less than 20 million baht, the company must inform and submit a plan to raise the equity to the SEC office within the stipulated period. <ul style="list-style-type: none"> - <i>Notification of the Capital Market Supervisory Board No. TorNor. 42/2552</i> - The company shall maintain minimum equity level of 20 million baht. <ul style="list-style-type: none"> - <i>Notification of the Securities and Exchange Commission No. Kornor 20/2552</i> (2) The company is also required to have an appropriate amount of professional indemnity insurance and insurance against acts of fraud by their officers and directors as stipulated in the SEC rule. |

| Sub-sectors * | Measures to be Safeguarded | |
|---------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <ul style="list-style-type: none"> • To undertake private fund management business, <ol style="list-style-type: none"> (1) The asset management company must maintain capital adequacy; <ul style="list-style-type: none"> - <u>If the company only engages in private fund management business;</u> <ul style="list-style-type: none"> - In cases where it has equity of less than 15 million baht but not less than 10 million baht, it has to inform and submit a plan to raise the equity to the SEC office within the stipulated period. <ul style="list-style-type: none"> - <i>Notification of the Capital Market Supervisory Board No. TorNor. 42/2552</i> - The company shall maintain minimum equity level of 10 million baht. <ul style="list-style-type: none"> - <i>Notification of the Securities and Exchange Commission No. Kornor 20/2552</i> - <u>If the company also engages in provident fund management business;</u> <ul style="list-style-type: none"> - In cases where it has equity of less than 30 million baht but not less than 20 million baht, it has to inform and submit a plan to raise the equity to the SEC office within the stipulated period. <ul style="list-style-type: none"> - <i>Notification of the Capital Market Supervisory Board No. TorNor. 42/2552</i> - The company shall maintain minimum equity level of 20 million baht. <ul style="list-style-type: none"> - <i>Notification of the Securities and Exchange Commission No. Kornor 20/2552</i> (2) The company which also engages in provident fund management business is required to have an appropriate amount of professional indemnity insurance and insurance against acts of fraud by their officers and directors as stipulated in the SEC rule. |

| Sub-sectors * | Measures to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>- Notification of the Capital Market Supervisory Board No. TorNor. 42/2552</p> <ul style="list-style-type: none"> An asset management company must meet the conduct, operational, and personnel requirements stated in the SEC's rules as well as act in compliance with other relevant rules and regulations. http://www.sec.or.th/asset/Category_Template_1_Base_000006_Copy.jsp?categoryID=CAT0000009&lang=en <p>Other Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> Foreign equity participation equal to or more than 50 percent of paid-up capital in a securities company has to comply with Foreign Business Act and other relevant regulations. |
| <p>For Securities Companies</p> <p>Advisory, Intermediation and Other Auxiliary Financial Services: Investment Advisory</p> | <p>Market Access <u>Mode 1)</u> No commitment on cross-border supply.</p> | <p>Prudential Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> License must be granted by the SEC under the terms and conditions stipulated in the Ministerial Regulation Concerning Granting of Approval for Undertaking Securities Business B.E.2551 and other related regulations. The securities company licensed to undertake securities business in the category of investment advisory service shall have minimum paid-up registered capital as specified in the SEC Act and Foreign Business Act. <ul style="list-style-type: none"> - Notification of the Securities and Exchange Commission No. KorKhor.6/2551, KorKhor.7/2551. http://capital.sec.or.th/webapp/nrs/data/4389se.pdf http://capital.sec.or.th/webapp/nrs/data/4390se.pdf |

| Sub-sectors * | Measures to be Safeguarded | |
|---------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <ul style="list-style-type: none"> An investment advisory company must maintain the minimum liquid asset at all time equal to 100,000 baht. - <i>Notification of the Office of the Securities and Exchange Commission No. SorNor. 20/2545</i> An investment advisory company must meet the conduct, operational, and personnel requirements stated in the SEC's rules as well as act in compliance with other relevant rules and regulations. http://www.sec.or.th/invest_advisor/Category_Template_1_Base_000012.jsp?categoryID=CAT0000010&lang=en <p>Other Measures <u>Mode 3)</u></p> <ul style="list-style-type: none"> Foreign equity participation equal to or more than 50 percent of paid-up capital in an investment advisory company has to comply with Foreign Business Act and other relevant regulations. |

VIETNAM
SAFEGUARD FRAMEWORK FOR FINANCIAL SERVICES LIBERALIZATION UNDER ASEAN FRAMEWORK
AGREEMENT ON SERVICES

Sector: BANKING

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Measures to be Safeguarded | |
|--|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>(a) Acceptance of deposits and other repayable funds from the public</p> <p>(b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction</p> <p>(c) Financial leasing</p> <p>(d) All payment and money</p> | <p><u>Market Access</u></p> <p>2) None</p> <p>3)</p> <p>(a) Forms of commercial presence of foreign credit institutions allowed to establish in Vietnam are:</p> <ul style="list-style-type: none"> - Representative office, - Joint venture bank, - 100% foreign-owned bank, - Foreign bank branch, - Joint venture finance company, | <p><u>Prudential Measures</u></p> <p>1, 2)</p> <p>(a) Ordinance on Foreign Exchange No. 28/2005/PL-UBTVQH, Decree No. 160/2006/ND-CP providing detailed guidelines for the implementation of the foreign exchange ordinance, and Decision No. 1452/2004/QD-NHNN dated 10 November 2004 of the Governor of the State Bank of Vietnam on foreign exchange transactions of credit institutions that are allowed to operate foreign exchange</p> |

| Sub-sectors | Measures to be Safeguarded | |
|---|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>transmission services, including credit, charge and debit cards, travelers' cheques and bankers drafts</p> <p>(e) Guarantees and commitments</p> <p>(f) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:</p> <ul style="list-style-type: none"> - Money market instrument (including cheques, bills, certificates of deposits); - Foreign exchange; - Exchange rate and interest rate instrument incl products | <ul style="list-style-type: none"> - 100% foreign-owned finance company, - Joint venture financial leasing company, - 100% foreign-owned financial leasing company. <p>(b) Deposits in Vietnamese Dong that a foreign bank branch accepts from Vietnamese natural persons with which the bank does not have a credit relationship may be limited to a ratio of the branch's paid-in capital according to the schedule below:</p> <ul style="list-style-type: none"> - 1 January 2010: 1,000% of legal-paid-in capital; - 1 January 2011: Full national treatment. <p>(c) Participation of foreign capital</p> <p>(i) Equity ceiling is 30% of a Vietnamese bank's charter capital for foreign investors</p> | <p>activities stipulate that "non-residents are not allowed to participate in derivative foreign exchange transactions in Vietnam".</p> <p>(b) According to Ordinance on Foreign Exchange No. 28/2005/PL-UBTVQH, and Decree No. 160/2006/ND-CP providing detailed guidelines for the implementation of the foreign exchange ordinance, non-residents are not allowed to make foreign deposit in credit institutions.</p> <p>(c) According to Article 41, Ordinance on Foreign Exchange No. 28/2005/PL-UBTVQH, the Government will apply appropriate measures to ensure national financial and monetary security when necessary.</p> <p>3)</p> |

| Sub-sectors | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>such as swaps, forward rate agreements;</p> <p>- Bullion.</p> <p>(h) Money broking</p> <p>(i) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services</p> <p>(j) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments</p> | <p>(including existing foreign shareholders) and their affiliated persons.</p> <p>(ii) Equity ceiling other than a foreign credit institution or his/her/its affiliated persons is 5% of a Vietnamese bank's charter capital for a foreign investor.</p> <p>(iii) Equity ceiling is 10% of a Vietnamese bank's charter capital for a foreign credit institution and its affiliated persons.</p> <p>(iv) Equity ceiling is 15% of a Vietnamese bank's charter capital for a foreign strategic investor and his/her/its affiliated persons.</p> <p>(v) Total equity held by foreign credit institutions in an equitized state-owned commercial bank is the same as that held by Vietnamese banks at that state-owned commercial bank. The Governor of the State Bank of Vietnam shall guide the implementation of this provision.</p> | <p>(a) According to Item 2, Article 123, Law on Credit Institutions 2010 (effective on 1 January 2011), foreign banks' branches are only allowed to provide some foreign exchange services on international market for Vietnamese customers according to Vietnam's legal documents on foreign exchange.</p> <p>(b) According to the Ordinance on Foreign Exchange No. 28/2005/PL-UBTVQH, Decree No. 160/2006/ND-CP providing detailed guidelines for the implementation of the foreign exchange ordinance, Circular No. 03/2008/TT-NHNN dated 11 April 2008 of the State Bank of Vietnam on the provisions of foreign exchange services (on domestic and international markets), the credit institutions are only allowed to provide foreign exchange services after</p> |

| Sub-sectors | Measures to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>(k) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services</p> <p>(l) Advisory, intermediation and other auxiliary financial services on all activities listed in subparagraphs from (a) to (k), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy</p> | <p>(d) A foreign bank branch is not permitted to open a transaction point outside its location which is stated in the License in any form.</p> <p>4) Entry is permitted in accordance with Vietnam's laws and regulations.</p> <p><u>National Treatment</u></p> <p>2) None</p> <p>3) Minimum total assets requirements for the establishment of a commercial presence in Vietnam are:</p> <p>(i) US\$20 billion of total assets of parent bank than at the end of the year prior to application;</p> <p>(ii) US\$10 billion of total assets of parent bank at the end of the year prior to application for a</p> | <p>fully meeting the requirements of the State Bank of Vietnam.</p> <p>(c) The establishment, organization and operation of foreign bank branches and representative offices of foreign credit institutions and other foreign organizations conducting a banking operation shall comply with the provisions of the Law on Credit Institutions No. 47/2010/QH12 and other relevant laws.</p> <p>(d) Joint venture credit institutions and 100% foreign-owned credit institutions shall be established and organized in the form of a limited liability company</p> <p>(e) Conditions for issuance of license</p> <p>(i) A credit institution shall be issued with a license when it satisfies all the following</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p>joint venture bank or a 100% foreign-owned bank;</p> <p>(iii) US\$10 billion of total assets of foreign credit institution at the end of the year prior to application for a 100% foreign-invested finance company or a joint venture finance company, a 100% foreign-invested financial leasing company or a joint-venture financial leasing company.</p> <p>4) Entry is permitted in accordance with Vietnam's laws and regulations.</p> | <p>conditions:</p> <p>(i.a) Having charter capital or funded capital at least equal to the level of its legal capital;</p> <p>(i.b) The owner of the credit institution being a single member limited liability company, and the founding shareholders [or] founding members must be legal entities currently conducting a lawful operation and must have sufficient financial capacity to participate in capital contribution; and the founding shareholders [or] founding members of the credit institution must be individuals with full capacity for civil acts and with sufficient financial capacity to make capital contributions.</p> <p>The State Bank of Vietnam shall regulate the conditions applicable to owners of credit institutions which are single member limited liability companies and founding</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>shareholders [or] founding members.</p> <p>(i.c) Managers, executives and members of the board of controllers must satisfy all the criteria and conditions prescribed in article 50 of the Law on Credit Institutions;</p> <p>(i.d) Having a charter consistent with the provisions of the Law on Credit Institutions and other relevant laws;</p> <p>(i.e) Having a proposal for establishment and a feasible business plan which do not adversely affect the safety and stability of the credit institution system, and which do not create a monopoly, restrict competition or create unfair competition within the credit institution system.</p> <p>(ii) A joint venture credit institution or a credit institution with one hundred (100) per cent foreign-owned capital shall be issued with a license when it satisfies all the following conditions:</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>(ii.a) The conditions prescribed in paragraph (i);</p> <p>(ii.b) The foreign credit institution is permitted to conduct a banking operation in accordance with the law of the country where it has its head office;</p> <p>(ii.c) The proposed operation for which a license is sought to conduct in Vietnam must be the operation which the foreign credit institution is currently permitted to conduct in the country where it has its head office;</p> <p>(ii.d) The foreign credit institution must have a healthy operation and satisfy all conditions on total assets, financial status and prudential ratios prescribed in State Bank regulations;</p> <p>(ii.e) The foreign credit institution gives a written commitment to provide support in terms of finance, technology, management,</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>executive operation and operation to the joint venture credit institution [or] credit institution with one hundred (100) foreign-owned capital; and ensures that the actual value of the charter capital [of either of the latter credit institutions] will be maintained at no less than the level of their legal capital and that [either of the latter credit institutions] will implement the provisions of the Law on Credit Institutions on ensuring safety;</p> <p>(ii.f) The competent authority of the foreign country has signed an agreement with the State Bank on inspection and supervision of the banking operation and on exchange of information about supervision of banking safety, and has given a written commitment on unified supervision of the operation of the foreign credit institution in accordance with international practice.</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>(iii) A foreign bank branch shall be issued with a license when it satisfies all the following conditions:</p> <p>(iii.a) The conditions prescribed in sub-paragraphs (a), (b), (c) and (e) of paragraph (i) and in sub-paragraphs (b), (c) (d) and (e) of paragraph (ii) of this article;</p> <p>(iii.b) The foreign bank must give a written commitment that it accepts liability for all obligations and commitments of the foreign bank branch in Vietnam; and ensures that the actual value of the funded capital [of the foreign bank branch] will be maintained at no less than the legal capital and that [the foreign bank branch] will implement the provisions of the Laws on Credit Institutions on ensuring safety;</p> <p>(iv) A representative office of a foreign credit institution or of another foreign organization conducting a banking</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>operation shall be issued with a license when it satisfies all the following conditions:</p> <p>(iv.a) The foreign credit institution or other foreign organization conducting a banking operation is a legal entity licensed to conduct a banking operation in the foreign country;</p> <p>(f) The law of the country, where the foreign credit institution or other foreign organization conducting a banking operation has its head office, permits such foreign credit institution or other foreign organization to establish a representative office in Vietnam.</p> <p>(g) The safeguard ratios stipulated in Circular No. 13/2010/TT-NHNN dated 20 May 2010 (affected from 01/10/2010) and Circular No. 15/2010/TT-NHNN dated 10</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>August 2009.</p> <p>(h) Credit institutions operating in Vietnam must conduct debt classification, establish risk reserves and use of risk reserves to deal with credit risks in banking activities pursuant to Decision No. 493/2005/QD-NHNN dated 22 April 2005 and Decision No. 18/2007/QD-NHNN dated 25 April 2007 of the Governor of the State Bank of Vietnam. In cases when a foreign bank branch operating in Vietnam wants to implement debt classification, establish risk reserves and use of risk reserves to deal with credit risks in accordance with regulations of its foreign banks, that branch must submit to the State Bank of Vietnam risk reserves policy of the foreign bank for consideration and decision. The foreign bank branch is only allowed to classify</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>debts, establish risk reserves and use risk reserves to deal with credit risks in compliance with regulations of the foreign bank's Head office after receipt of State Bank of Vietnam's approval in written notice (Paragraph 1, Article 1, Decision No. 493/2005/QD-NHNN dated 22 April 2005).</p> <p>(i) Restrictions to ensure security during operation of credit institution are stipulated at Chapter 4, Laws on Credit Institutions (coming into effects on 1 January 2010).</p> <p><u>Other Measures</u></p> <p>The Government may apply the following measures when it considers it necessary in order to guarantee financial security and the national currency</p> <p>(a) Restrict purchase, carrying, remittance</p> |

| Sub-sectors | Measures to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | | <p>or payment with respect to transactions in current transactions accounts and capital accounts.</p> <p>(b) Apply regulations on the obligation to sell foreign currency of non-residents being organizations.</p> <p>(c) Apply economic, financial and monetary measures.</p> <p>(d) Apply other measures.</p> |

Sector: INSURANCE

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Areas to be Safeguarded | |
|--|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| a) Direct insurance (a) Life insurance, excl. | <u>Market Access</u> | |

| Sub-sectors | Areas to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| <p>health insurance services. (b) Non – life insurance services</p> <p>b) Reinsurance and retrocession</p> <p>c) Insurance intermediation (such as brokerage and agency)</p> <p>d) Services auxiliary to insurance (such as consultancy, actuarial, risk assessment and claim settlement)</p> | <p>1) Unbound, except for:</p> <ul style="list-style-type: none"> - Insurance services provided to enterprises with foreign-invested capital, foreigners working in Viet Nam; - Reinsurance services; - Insurance services in international transportation, including insurance of risks relating to: <ul style="list-style-type: none"> + international maritime transport and international commercial aviation, with such insurance to cover any or all of the following: the goods being transported, the vehicle transporting the goods and any liability arising there-from; and + goods in international transit; - Insurance broking and reinsurance broking services; - Consultancy, actuarial, risk assessment and claim settlement services. <p>2) None.</p> <p>3) Branching is not allowed for foreign insurance services providers in life, reinsurance and brokerage services. From 2012, non-life branches of foreign insurance services providers shall be permitted, subject to prudential regulations.</p> <p>4) Unbound, except as indicated in the horizontal section under AFAS.</p> | <ul style="list-style-type: none"> - Insurance agency is regulated by Law on Insurance Business (Chapter IV, Heading 1) - Foreign insurance, brokerage enterprises are permitted to conduct insurance, brokerage business in Vietnam under Law on Insurance Business and guiding regulatory. |

| Sub-sectors | Areas to be Safeguarded | |
|-------------|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| | <p><u>National Treatment:</u></p> <p>1) None.</p> <p>2) None.</p> <p>3) None.</p> <p>4) Unbound, except as indicated in the horizontal section under AFAS.</p> | |

Sector: SECURITIES

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

| Sub-sectors | Areas to be Safeguarded | |
|--------------------|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |

| Sub-sectors | Areas to be Safeguarded | |
|---|--|---|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| (f) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following: <ul style="list-style-type: none"> - Derivative products incl. futures and options; - Transferable securities; - Other negotiable instruments and financial assets, excluding bullion. | <p><u>Market Access</u></p> <p>1) Unbound for services from (f) to (j).</p> <p>2) None.</p> <p>3) Unbound, except for:</p> <ul style="list-style-type: none"> - Foreign securities service suppliers shall not be permitted to establish joint ventures with Vietnamese partners in which foreign capital contribution exceed 49%. | <ul style="list-style-type: none"> - Reserve the rights to apply regulations on investment procedure. - Reserve the rights to apply regulations on securities professional licencing. |
| (g) Participation in issues of all kinds of securities incl. under-writing and placement as an agent (publicly or privately), provision of services related to such issues | <ul style="list-style-type: none"> - Securities service suppliers with 100% foreign-invested capital shall not be permitted until 2012. - For services from C(i) to C(l), branches of foreign securities services suppliers shall not be permitted until 2012. | |
| (i) Asset management, such as portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services | <ul style="list-style-type: none"> - Reserve the right to constrain branches of foreign securities service suppliers establishing for services (f) and (g). <p>4) Unbound, except as indicated in the horizontal section under AFAS.</p> | |
| (j) Settlement and clearing services for securities, derivative products, and other securities-related | <p><u>National Treatment</u></p> <p>1) Unbound.</p> <p>2) None.</p> | |

| Sub-sectors | Areas to be Safeguarded | |
|---|---|--|
| | Market Access and National Treatment Measures | Laws and National Policies, including Prudential and Foreign Exchange Measures |
| instruments | 3) None. | |
| (k) Provision and transfer of financial information, and related software by suppliers of securities services | 4) Unbound, except as indicated in the horizontal section under AFAS. | |
| (l) Advisory, intermediation and other auxiliary securities-related excluding (f), including investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy (for other services under (l), refer to (l) under banking sector) | | |

Note: Vietnam reserve all rights to the aboved sub-sectors in specific laws, regulations system which will be issued in the future.
