

CHAPTER 11

CAPITAL MOVEMENTS, PAYMENTS AND TRANSFERS

ARTICLE 11.1

Payments and transfers

Each Party shall allow, in freely convertible currency and in accordance with the relevant provisions of the Articles of Agreement of the International Monetary Fund, any payments or transfers with respect to transactions on the current account of the balance of payments that fall within the scope of this Agreement.

ARTICLE 11.2

Capital movements

Each Party shall allow, with regard to transactions on the capital and financial account of the balance of payments, the free movement of capital for the purposes of investment liberalisation and other transactions as provided for under Chapter 10 (Trade in services and investment).

ARTICLE 11.3

Application of laws and regulations relating to capital movements, payments and transfers

1. Nothing in Articles 11.1 (Payments and transfers) and 11.2 (Capital movements) shall be construed to prevent a Party from applying its laws and regulations relating to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities, derivatives such as futures or options, or in other financial instruments;
- (c) financial reporting or record-keeping of capital movements, payments or transfers, where it is necessary to assist law enforcement or financial regulatory authorities;
- (d) criminal or penal offences, deceptive or fraudulent practices;

(e) ensuring compliance with orders or judgments in administrative or judicial proceedings;
or

(f) social security, public retirement or compulsory savings schemes.

2. A Party shall not apply the laws and regulations referred to in paragraph 1 in an arbitrary or discriminatory manner, or in a manner that would constitute a disguised restriction on capital movements, payments or transfers.