

ANNEX VI

ESTABLISHMENT: FINANCIAL SERVICES

(Referred to in Title V, Chapter II)

FINANCIAL SERVICES: DEFINITIONS

A financial service is any service of a financial nature offered by a financial service provider of a Party.

Financial services include the following activities:

A. All insurance and insurance-related services:

1. direct insurance (including co-insurance):

(i) life;

(ii) non-life;

2. reinsurance and retrocession;

3. insurance intermediation, such as brokerage and agency;
4. services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services.

B. Banking and other financial services (excluding insurance):

1. acceptance of deposits and other repayable funds from the public;
2. lending of all types, including, *inter alia*, consumer-credit, mortgage credit, factoring and financing of commercial transaction;
3. financial leasing;
4. all payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers draft;
5. guarantees and commitments;
6. trading for own account or for account of customers, whether on an exchange, in an over the counter market or otherwise, the following:
 - (a) money market instruments (cheques, bills, certificates of deposits, etc.),

- (b) foreign exchange,
 - (c) derivative products including, but not limited to, futures and options,
 - (d) exchange rates and interest rate instruments, including products such as swaps, forward rate agreements, etc.,
 - (e) transferable securities,
 - (f) other negotiable instruments and financial assets, including bullion;
- 7. participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;
 - 8. money broking;
 - 9. asset management, such as cash or portfolio management, all forms of collective investment management, pension-fund management, custodial, depository and trust services;
 - 10. settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;

11. provision and transfer of financial information, and financial data processing and related software by providers of other financial services;
12. advisory, intermediation and other auxiliary financial services on all the activities listed in points 1 to 11 above, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

The following activities are excluded from the definition of financial services:

- (a) activities carried out by central banks or by any other public institution in pursuit of monetary and exchange rate policies;
- (b) activities conducted by central banks, government agencies or departments, or public institutions, for the account or with the guarantee of the government, except when those activities may be carried out by financial service providers in competition with such public entities;
- (c) activities forming part of a statutory system of social security or public retirement plans, except when those activities may be carried by financial service providers in competition with public entities or private institutions.