

2. This Annex does not preclude Honduras from imposing the requirements set out in Article 12.4 on rural telephone companies.

Chapter Thirteen : Financial Services

Article 13.1: Definitions

For the purposes of this Chapter:

Appointing Authority means the Secretary-General, Deputy Secretary-General or next senior member of the staff of the International Centre for Settlement of Investment Disputes, who is not a national of either Party;

cross-border financial service provider of a Party means a person of a Party that is engaged in the business of providing a financial service within the territory of the Party and that seeks to provide or provides a financial service through the cross-border trade in that service;

cross-border provision of a financial service or cross-border trade in financial services means providing a financial service:

- (a) from the territory of a Party into the territory of the other Party;*
- (b) in the territory of a Party by a person of that Party to a person of the other Party; or*
- (c) by a national of a Party in the territory of the other Party,*

but does not include providing a service in the territory of a Party by an investment in that territory;

financial institution means a financial intermediary or other enterprise that is authorized to do business and regulated or supervised as a financial institution under the domestic law of the Party in whose territory it is located;

financial institution of the other Party means a financial institution, including a branch, located in the territory of a Party that is controlled by a person of the other Party;

financial service means a service of a financial nature. Financial services include insurance and insurance-related services, and banking and other financial services (excluding insurance), as well as services incidental or auxiliary to a service of a financial nature.

Financial services include the following activities:

Insurance and insurance-related services:

- (a) direct insurance (including co-insurance):
 - (i) life, or
 - (ii) non-life;
- (b) reinsurance and retrocession;
- (c) insurance intermediation, such as brokerage and agency;

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

Banking and other financial services (excluding insurance):

- (e) acceptance of deposits and other repayable funds from the public;
- (f) lending, including consumer credit, mortgage credit, factoring and financing of commercial transactions;
- (g) financial leasing;
- (h) payment and money transmission services, including credit, charge and debit cards, travelers cheque, and bankers drafts;
- (i) guarantees and commitments;
- (j) trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:
 - (i) money market instruments (including cheques, bills, or certificates of deposits),
 - (ii) foreign exchange,
 - (iii) derivative products including futures and options,
 - (iv) exchange rate and interest rate instruments, including products such as a swaps and forward rate agreements,

- (v) transferable securities,
- (vi) other negotiable instruments and financial assets, including bullion;
- (k) participation in issues of securities, including underwriting and placement as an agent (whether publicly or privately) and provision of services related to such issues;
- (l) money broking;
- (m) asset management such as cash or portfolio management, collective investment management, pension fund management, custodial depository and trust service;
- (n) settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments;
- (o) provision and transfer of financial information, and financial data processing and related software by providers of other financial services; and
- (p) advisory, intermediation, and other auxiliary financial services on the activities listed in subparagraphs (e) through (o), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring, and strategy;

financial service provider of a Party means a person of a Party that is engaged in the business of providing a financial service within the territory of that Party;

investment means “investment” as defined in Article 10.1

(Investment – Definitions), except that with respect to a “loan” or “debt instrument” referred to in that Article:

- (a) a loan to or debt instrument issued by a financial institution is an investment only if it is treated as regulatory capital by the Party in whose territory the financial institution is located; and
- (b) a loan granted by or debt instrument owned by a financial institution, other than a loan to or debt instrument of a financial institution referred to in subparagraph (a), is not an investment;

for greater certainty:

- (a) a loan to, or debt instrument issued by, a Party, or a state enterprise of that Party, is not an investment; and
- (b) a loan granted by or debt instrument owned by a cross-border financial service provider, other than a loan to or debt instrument issued by a financial institution, is an investment if that loan or debt instrument meets the criteria for investments set out in Article 10.1 (Investment – Definitions);

investor of a Party means “investor of a Party” as defined in Article 10.1 (Investment – Definitions);

new financial service means a financial service not provided in the Party’s territory that is provided within the territory of the other Party, and includes a new form of delivery of a financial service or the sale of a financial product that is not sold in the Party’s territory;

person of a Party means “person of a Party” as defined in Article 2.1 (General Definitions – Definitions of General Application) and, for greater certainty, does not include a branch of an enterprise of a non-Party;

public entity means a central bank or monetary authority of a Party, or a financial institution owned or controlled by a Party; and

self-regulatory organization means a non-governmental body, including a securities or futures exchange or market, clearing agency, or other organization or association, that exercises its own or delegated regulatory or supervisory authority over financial service providers or financial institutions.

Article 13.2: Scope and Coverage

1. This Chapter applies to a measure adopted or maintained by a Party relating to:

- (a) a financial institution of the other Party;
- (b) an investor of the other Party, and an investment of that investor, in a financial institution in the Party's territory; and
- (c) cross-border trade in financial services.

2. Chapters Ten (Investment) and Eleven (Cross-Border Trade in Services) apply to measures described in paragraph 1 only to the extent that those Chapters are incorporated into this Chapter.

3. Articles 10.10 (Investment – Transfers), 10.11 (Investment – Expropriation), 10.13 (Investment – Special Formalities and Information Requirements), 10.14 (Investment – Denial of Benefits), 10.15 (Investment – Health, Safety and Environmental Measures) and 11.10 (Cross-Border Trade in Services – Denial of Benefits) are incorporated into and made a part of this Chapter.

4. Section C of Chapter Ten (Investment) is incorporated into and made a part of this Chapter solely for claims that a Party has breached Articles 10.10 (Investment – Transfers), 10.11 (Investment – Expropriation), 10.13 (Investment – Special Formalities and Information Requirements), or 10.14 (Investment – Denial of Benefits).

5. This Chapter does not prevent a Party, including its public entities, from exclusively conducting or providing in its territory:

- (a) an activity or service forming part of a public retirement plan or statutory system of social security; or
- (b) an activity or service for the account, with the guarantee or using the financial resources of the Party, including its public entities.

Article 13.3: National Treatment

1. Each Party shall accord to an investor of the other Party treatment no less favourable than that it accords to its own investors, in like circumstances, with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of a financial institution or an investment in a financial institution in its territory.

2. Each Party shall accord to a financial institution of the other Party and to an investment of an investor of the other Party in a financial institution treatment no less favourable than that it accords to its own financial institutions and to investments of its own investors in financial institutions, in like circumstances, with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of a financial institution or investment.

3. For the purposes of national treatment obligations in Article 13.6(1), a Party shall accord to a cross-border financial service provider of the other Party treatment no less favourable than that it accords to its own financial service providers, in like circumstances, with respect to the provision of the relevant service.

4. The treatment that a Party is required to accord under paragraphs 1, 2 and 3 means, with respect to a measure adopted or maintained by a sub-national government, treatment no less favourable than the most favourable treatment accorded, in like circumstances, by that sub-national government to an investor in a financial institution, a financial institution, an investment of an investor in a financial institution and a financial service provider of the Party of which it forms a part.

5. Differences in market share, profitability, or size do not in themselves establish a breach of the obligations under this Article.

Article 13.4: Most-Favoured-Nation Treatment

1. Each Party shall accord to an investor of the other Party, a financial institution of the other Party, an investment of an investor in a financial institution, and a cross-border financial service provider of the other Party, treatment no less favourable than that it accords to an investor, financial institution, investment of an investor in a

financial institution, and a cross-border financial service provider of a non-Party, in like circumstances.

2. A Party may recognize a prudential measure of a non-Party when the Party applies a measure covered by this Chapter. That recognition may be:

- (a) accorded unilaterally;
- (b) achieved through harmonization or other means; or
- (c) based on an agreement or arrangement with the non-Party.

3. A Party that recognizes a prudential measure under paragraph 2 shall provide adequate opportunity to the other Party to demonstrate that circumstances exist in which there are or would be equivalent regulation, oversight, implementation of regulation, and if appropriate, procedures concerning the sharing of information between the Parties.

4. If a Party recognizes a prudential measure under subparagraph 2(c) and the circumstances set out in paragraph 3 exist, the Party shall provide adequate opportunity for the other Party to negotiate accession to the agreement or arrangement, or to negotiate a comparable agreement or arrangement.

Article 13.5: Right of Establishment

1. A Party shall permit an investor of the other Party that does not own or control a financial institution in the Party's territory to establish, without imposing a numerical restriction or a requirement to take a specific juridical form, a financial institution that is permitted to provide a financial service that a like institution of the Party may provide under the domestic law of the Party at the time of establishment. The obligation not to impose a requirement to take a specific juridical form does not prevent a Party from imposing a condition or a requirement in connection with the establishment of a particular type of entity chosen by an investor of the other Party.

2. A Party shall permit an investor of the other Party that owns or controls a financial institution in the Party's territory to establish in that territory such additional financial institutions as may be necessary to provide the full range of financial services allowed under the domestic law of the Party when the additional financial institutions are established. Subject to Article 13.3, a Party may impose a term or condition on the establishment of additional financial institutions and determine the institutional and juridical form to be used to provide a specified financial service or to carry out a specified activity.

3. The right of establishment under paragraphs 1 and 2 includes the right to acquire an existing entity.

4. Subject to Article 13.3, a Party may prohibit a particular financial service or activity but may not prohibit all financial services or a complete financial service sub-sector, such as banking.

5. For the purposes of this Article, without prejudice to other measures taken for prudential reasons, a Party may require that an investor of the other Party be engaged in the business of providing a financial service in the territory of that other Party.

6. For the purposes of this Article, “a numerical restriction” means a limitation that is imposed on the number of financial institutions either on the basis of a regional subdivision, or on the basis of the entire territory of a Party, whether that limitation is in the form of a numerical quota, a monopoly, an exclusive service provider or the requirements of an economic needs test.

Article 13.6: Cross-Border Trade

1. Each Party shall permit, under terms and conditions that accord national treatment, a cross-border financial service provider of the other Party to provide a financial service specified in Annex 13.6.

2. Each Party shall permit a person located in its territory, and its nationals, wherever they are located, to purchase a financial service from a cross-border financial service provider of the other Party located in the territory of that other Party. This obligation does not

require a Party to permit such a provider to do business or solicit in its territory. Subject to paragraph 1, each Party may define “doing business” and “solicitation” for the purposes of this obligation.

3. Without prejudice to other measures taken for prudential reasons of cross-border trade in financial services, a Party may require the registration of a cross-border financial service provider of the other Party and of financial instruments.

Article 13.7: New Financial Services

1. A Party shall permit a financial institution of the other Party to provide a new financial service that the first Party would permit its own financial institutions, in like circumstances, to provide under its domestic law. A Party may:

- (a) require the financial institution to request permission or notify the relevant regulator in order to obtain that permission; and
- (b) refuse to grant permission if the introduction of the financial service would require the Party to adopt or amend a statute.

2. A Party may determine the institutional and juridical form through which the new financial service may be provided and may require authorization for the provision of the service. If a Party would

permit the new financial service, and authorization is required, the decision shall be made within a reasonable time and authorization may only be refused for prudential reasons.

3. This Article does not prevent a financial institution of a Party from applying to the other Party to consider authorizing the provision of a financial service that is not provided within either Party's territory. That application is subject to the domestic law of the Party to which the application is made and, for greater certainty, is not subject to the obligations of this Article.

Article 13.8: Senior Management and Boards of Directors

1. A Party may not require a financial institution of the other Party to engage natural persons of a particular nationality as senior managerial or other essential personnel.

2. A Party may not require that more than a simple majority of the board of directors of a financial institution of the other Party be composed of nationals of the Party or natural persons residing in the territory of the Party.

Article 13.9: Non-Conforming Measures

1. Articles 13.3, 13.4, 13.5, and 13.8 do not apply to:

- (a) an existing non-conforming measure that is maintained by:
 - (i) the national government of a Party, as set out in Section I of its Schedule to Annex III, or
 - (ii) a sub-national government of a Party;
- (b) the continuation or prompt renewal of a non-conforming measure referred to in subparagraph (a); or
- (c) an amendment to a non-conforming measure referred to in subparagraph (a) to the extent that the amendment does not decrease the conformity of the measure, as it existed immediately before the amendment, with Articles 13.3, 13.4, 13.5 and 13.8.

2. Article 13.6 does not apply to:

- (a) an existing non-conforming measure that is maintained by:
 - (i) the national government of a Party, as set out in Section I of its Schedule to Annex III, or
 - (ii) a sub-national government of a Party;
- (b) the continuation or prompt renewal of a non-conforming measure referred to in subparagraph (a); or
- (c) an amendment to a non-conforming measure referred to in subparagraph (a) to the extent that the amendment does not

decrease the conformity of the measure, as it existed on the entry into force of this Agreement, with Article 13.6.

3. Articles 13.3, 13.4, 13.5, 13.6, and 13.8 do not apply to a non-conforming measure that a Party adopts or maintains in accordance with Section II of its Schedule to Annex III.

4. If a Party sets out a reservation to Articles 10.4 (Investment – National Treatment), 10.5 (Investment – Most-Favoured-Nation Treatment), 11.3 (Cross-Border Trade in Services – National Treatment) or 11.4 (Cross-Border Trade in Services – Most-Favoured-Nation Treatment) in its Schedule to Annex I or II, the reservation is deemed to constitute a reservation to Articles 13.3 or 13.4, to the extent that the measure, sector, subsector or activity set out in the reservation is covered by this Chapter.

Article 13.10: Exceptions

1. This Chapter, or Chapter Ten (Investment), Chapter Eleven (Cross-Border Trade in Services), Chapter Twelve (Telecommunications), Chapter Fourteen (Temporary Entry for Business Persons), Chapter Fifteen (Competition Policy, Monopolies and State Enterprises), or Chapter Sixteen (Electronic Commerce) do not prevent a Party from adopting or maintaining a measure for prudential reasons including:

- (a) the protection of investors, depositors, financial market participants, policy-holders, policy-claimants, or persons to whom a fiduciary duty is owed by an individual financial institution or cross-border financial service provider;
- (b) the maintenance of the safety, soundness, integrity or financial responsibility of an individual financial institution or cross-border financial service provider; and
- (c) ensuring the integrity and stability of the financial system of a Party.

If these measures do not conform with the provisions of this Agreement referred to in this paragraph, they may not be used as a means of avoiding the Party's commitments or obligations under those provisions.

2. This Chapter, Chapter Ten (Investment), Chapter Eleven (Cross-Border Trade in Services), Chapter Twelve (Telecommunications), Chapter Fourteen (Temporary Entry for Business Persons), Chapter Fifteen (Competition Policy, Monopolies and State Enterprises), or Chapter Sixteen (Electronic Commerce) do not apply to a non-discriminatory measure of general application taken by a public entity in pursuit of a monetary and related credit policy or an exchange rate policy. This paragraph does not affect a

Party's obligations under Article 10.7 (Investment – Performance Requirements) with respect to measures covered by Chapter Ten (Investment) or Article 10.10 (Investment – Transfers).

3. Notwithstanding Article 10.10 (Investment – Transfers), as incorporated into this Chapter, a Party may prevent or limit transfers by a financial institution or a cross-border financial services provider to, or for the benefit of, an affiliate of or person related to that institution or provider, through the equitable, non-discriminatory and good faith application of measures relating to maintenance of the safety, soundness, integrity or financial responsibility of financial institutions or cross-border financial service providers. This paragraph does not prejudice any other provision of this Agreement that permits a Party to restrict transfers.

4. Article 13.3 does not apply if a Party grants to a financial institution an exclusive right to provide a financial service referred to in Article 13.2(5)(a).

5. A Party may adopt or enforce a measure necessary to secure compliance with its laws or regulations that is consistent with this Chapter, including a measure relating to the prevention of deceptive and fraudulent practices or to deal with the effects of a default on financial services contracts. A Party may not apply that measure in a

manner that would constitute a means of arbitrary or unjustifiable discrimination between countries where like conditions prevail, or a disguised restriction on investment in a financial institution or on a cross-border trade in financial services.

Article 13.11: Transparency

1. Article 20.3(2) (Transparency – Publication) does not apply to a regulation of general application that a Party proposes to adopt where that proposed regulation relates to the subject matter of this Chapter. For that regulation each Party shall, to the extent practicable:

- (a) publish that proposed regulation in advance;*
- (b) provide interested persons and the other Party reasonable opportunity to comment on that proposed regulation; and*
- (c) allow a reasonable period of time to elapse between final publication of the regulation and its effective date.*

2. Each Party shall ensure that its regulatory authorities shall make available to interested persons their requirements for completing applications relating to the provision of financial services.

3. At the request of an applicant, the Party, through its regulatory authority, shall inform the applicant of the status of its application. If

that authority requires additional information from the applicant, it shall notify the applicant without undue delay.

4. A Party, through its regulatory authority, shall make an administrative decision on a completed application of an investor in a financial institution, a cross-border financial service provider, or a financial institution of the other Party relating to the provision of a financial service within 120 days and shall promptly notify the applicant of the decision. An application is not considered complete until all relevant hearings are held and all necessary information is received. If it is not practicable for a decision to be made within 120 days, the Party, through its regulatory authority, shall notify the applicant without undue delay and shall endeavour to make the decision within a reasonable period of time.

5. Each Party shall maintain, or establish appropriate mechanisms to respond, as soon as practicable, to inquiries from interested persons regarding a measure of general application covered by this Chapter.

Article 13.12: Treatment of Certain Information

This Chapter does not require a Party to furnish or allow access to:

- (a) information related to the financial affairs or accounts of individual customers of financial institutions or cross-border financial service providers; or
- (b) confidential information which, if disclosed, would impede law enforcement or otherwise be contrary to the public interest or prejudice legitimate commercial interests of a particular enterprise.

Article 13.13: Self-Regulatory Organizations

If a Party requires a financial institution or a cross-border financial service provider of the other Party to be a member of, participate in, or have access to, a self-regulatory organization in order to provide a financial service in or into the territory of that Party, then the requiring Party shall ensure that the self-regulatory organization observes the obligations of this Chapter.

Article 13.14: Payment and Clearing Systems

Under terms and conditions that accord national treatment, each Party shall grant to a financial institution of the other Party established in its territory access to payment and clearing systems operated by a public entity, as well as access to official funding and refinancing facilities available in the normal course of ordinary

business. This Article does not confer access to the Party's lender of last resort facilities.

Article 13.15: Financial Services Committee

1. The Parties establish a Financial Services Committee (the "Committee"). The principal representative of each Party shall be an official of the Party's authority responsible for financial services set out in Annex 13.15.

2. The Committee shall:

- (a) supervise the implementation of this Chapter and its further elaboration;*
- (b) consider issues regarding financial services that are referred to it by a Party; and*
- (c) participate in the dispute settlement procedures in accordance with Article 13.18.*

3. The Committee shall meet annually, or as it otherwise decides, to assess the functioning of this Agreement as it applies to financial services. The Committee shall inform the Commission of the results of each meeting.

Article 13.16: Consultations

1. A Party may request consultations with the other Party regarding a matter arising under this Agreement that affects a financial service. The other Party shall give sympathetic consideration to the request. The Parties shall report the results of their consultations to the Committee.

2. Officials of the authorities specified in Annex 13.15 shall participate in the consultations under this Article.

3. A Party may request that regulatory authorities of the other Party participate in consultations under this Article regarding that other Party's measures of general application which may affect the operations of financial institutions or cross-border financial service providers in the requesting Party's territory.

4. This Article does not require regulatory authorities participating in consultations under paragraph 3 to disclose information or take action that would interfere with individual regulatory, supervisory, administrative or enforcement matters.

5. If a Party requires information for a supervisory purpose concerning a financial institution in the other Party's territory or a cross-border financial service provider in the other Party's territory, the Party may approach the competent regulatory authority in the other Party's territory to seek the information.

6. This Article does not require a Party to derogate from its relevant domestic law regarding sharing of information among financial regulators or the requirements of an agreement or arrangement between financial authorities of the Parties.

Article 13.17: Dispute Settlement

1. The provisions of Chapter Twenty-One (Institutional Arrangements and Dispute Settlement Procedures), as modified by this Article, apply to the settlement of disputes arising under this Chapter.
2. Consultations held pursuant to Article 13.16 regarding a measure or matter constitute consultations under Article 21.8 (Institutional Arrangements and Dispute Settlement Procedures – Consultations), unless the Parties decide otherwise. If the matter has not been resolved within 45 days after the beginning of consultations under Article 13.16 or 90 days after the delivery of the request for consultations pursuant to Article 13.16 whichever is earlier, the complaining Party may request in writing the establishment of a panel.
3. The following procedures shall replace Article 21.11 (Institutional Arrangements and Dispute Settlement Procedures – Panel Composition):

- (a) the panel shall consist of 3 members;
- (b) each Party shall, within 30 days of the receipt of the request for the establishment of the panel, appoint a panel member who may be a national of that Party and notify the other Party in writing of the appointment. If a Party fails to appoint a panel member within 30 days, the other Party may request the Appointing Authority to appoint, at its discretion, the panel member not yet appointed, subject to paragraph 4;
- (c) the Parties shall endeavour to jointly appoint the third panel member who shall chair the panel and, unless the Parties decide otherwise, shall not be a national of either Party. If the chair of the panel has not been appointed within 30 days of the most recent appointment under subparagraph (b), either Party may request the Appointing Authority to appoint, at its discretion, subject to paragraph 4, the chair of the panel, who shall not be a national of either Party;
- (d) subparagraphs (b) and (c) shall apply if a panel member or the chair of the panel withdraws, is removed or becomes unable to serve on the panel. In that case, the time periods applicable to the panel proceeding shall be suspended for a period beginning on the date a panel member ceases to serve and ending on the date the replacement is appointed.

4. Each member of a panel established for disputes arising under this Chapter shall have the qualifications required by Article 21.12

(Institutional Arrangements and Dispute Settlement Procedures – Qualifications of Panel Members), with the exception of subparagraph 2(b). In addition, each panel member shall have expertise or experience in financial services law or practice, which may include the regulation of financial institutions.

5. If a panel finds a measure to be inconsistent with the obligations of this Agreement and the measure affects:

- (a) only the financial services sector, the complaining Party may suspend benefits only in the financial services sector;
- (b) the financial services sector and another sector, the complaining Party may suspend benefits in the financial services sector that have an effect equivalent to the effect of the measures in the Party's financial services sector; or
- (c) only a sector other than the financial services sector, the complaining Party may not suspend benefits in the financial services sector.

Article 13.18: Investment Disputes in Financial Services

1. If an investor of a Party submits a claim under Articles 10.19

(Investment – Claim by an Investor of a Party on Its Own Behalf) or

10.20 (Investment – Claim by an Investor of a Party on Behalf of an Enterprise) to arbitration under Section C of Chapter Ten (Investment) and the disputing Party invokes an exception under Article 13.10, the Tribunal, at the request of the disputing Party, shall refer the matter in writing to the Committee for a decision in accordance with paragraph 2. The Tribunal may not proceed until it receives the decision or report under this Article.

2. In a referral under paragraph 1, the Committee shall decide whether and to what extent Article 13.10 is a valid defence to the claim of the investor. The Committee shall transmit a copy of its decision to the Tribunal and to the Commission. The decision shall be binding on the Tribunal.

3. If the Committee has not decided the issue within 60 days of receiving the referral under paragraph 1, either Party may, within 10 days, request the establishment of a panel under Article 21.10 (Institutional Arrangements and Dispute Settlement Procedures – Establishment of a Panel). The panel shall be constituted in accordance with Article 13.17. Further to Article 21.16 (Institutional Arrangements and Dispute Settlement Procedures – Panel Reports), the panel shall transmit its final report to the Committee and to the Tribunal. The report is binding on the Tribunal.

4. If a Party does not request the establishment of a panel under paragraph 3 within 10 days after the expiration of the 60-day period, the Tribunal may proceed to decide the matter.

Annex 13.6 : Cross-Border Trade

Canada

Insurance and Insurance-Related Services

1. Article 13.6(1) applies to cross-border trade in financial services, as defined in subparagraph (a) of the definition of cross-border provision of a financial service in Article 13.1 with respect to:

- (a) insurance of risks relating to:
 - (i) maritime transport, commercial aviation and space launching and freight (including satellites), when that insurance covers any or all of the following: the goods being transported, the vehicle transporting the goods, or any liability deriving therefrom, and
 - (ii) goods in international transit; and
- (b) reinsurance and retrocession, services auxiliary to insurance as described in subparagraph (d) of the definition of financial service, and insurance intermediation such as brokerage and

agency as described in subparagraph (c) of the definition of financial service.

2. Canada's commitments on cross-border insurance and insurance-related services apply only where a Honduran entity is not in itself or through an agent insuring in Canada a risk.

Banking and Other Financial Services (excluding insurance)

3. Article 13.6(1) applies to cross-border provision of or trade in financial services, as defined in subparagraph (a) of the definition of cross-border provision of a financial service in Article 13.1 with respect to:

- (a) the provision and transfer of financial information and financial data processing and related software as described in subparagraph (o) of the definition of financial service; and
- (b) advisory and other auxiliary financial services, and credit reference and analysis, excluding intermediation, relating to banking and other financial services as described in subparagraph (p) of the definition of financial service.

4. Canada's commitments on cross-border trade of banking and other financial services (excluding insurance) are made on the basis that

neither the foreign bank nor one of its affiliates, if subject to the Bank Act, S.C. 1991, c. 46, maintains a financial establishment in Canada.

Honduras

Insurance and Insurance-Related Services

1. For Honduras, Article 13.6(1) applies to the cross-border provision of or trade in financial services as defined in subparagraph (a) of the definition of cross-border provision of a financial service in Article 13.1 with respect to:

- a) insurance of risk relating to:
 - (i) maritime shipping and commercial aviation and space launching and freight (including satellites), with such insurance to cover any or all of the following: the goods being transported, the vehicle transporting the goods, and any liability arising therefrom, and
 - (ii) goods in international transit;
- b) reinsurance and retrocession;
- c) services auxiliary to insurance as referred to in subparagraph (d) of the definition of financial services; and
- d) insurance intermediation such as brokerage and agency only for the services included in subparagraphs (a) and (b).

2. For Honduras, Article 13.6(1) applies to the cross-border provision of or trade in financial services as defined in subparagraph (c) of the definition of cross-border provision of a financial service with respect to services listed in paragraph 1 above. It is understood that the commitment for cross-border movement of persons is limited to those insurance and insurance-related services listed in paragraph 1.

3. Honduras's commitments on cross-border insurance and insurance-related services apply only where a Canadian entity is not in itself or through an agent insuring in Honduras a risk.

Banking and Other Financial Services (Excluding Insurance)

4. For Honduras, Article 13.6(1) applies with respect to the provision and transfer of financial information and financial data processing and related software as referred to in subparagraph (o) of the definition of financial service, and advisory and other auxiliary services, excluding intermediation, relating to banking and other financial services as referred to in subparagraph (p) of the definition of financial service.

Annex 13.15: Authorities Responsible for Financial Services

The authority of each Party responsible for financial services is:

- a) for Canada, the Department of Finance of Canada; and
- b) for Honduras, the Secretary of State at the Offices of Industry and Trade (*la Secretaría de Estado en los Despachos de Industria y Comercio*), in consultation with the corresponding competent authorities (National Commission of Banking and Insurance (*Comisión Nacional de Bancos y Seguros*) and the Central Bank of Honduras (*Banco Central de Honduras*)),

or their respective successors.

Chapter Fourteen: Temporary Entry for Business Persons

Article 14.1: Definitions

For the purposes of this Chapter:

after-sales service includes a service provided by a person:

to repair, service, supervise installers, and set up and test commercial or industrial equipment (including computer software), provided the service is performed as part of an original or extended sales or lease agreement, warranty, or service contract; but does not include hands-on installation generally performed by construction or building trades; or

to provide familiarization or training sessions to potential users;

business visitor means a short-term visitor who does not intend to enter the labour market of a Party, but who seeks entry to engage in activities such as buying or selling goods or services, negotiating contracts, conferring with colleagues, or attending conferences; and

temporary entry means the right to enter and remain in the territory of a Party for the period authorized.