

## ANNEX 9C PUBLIC DEBT

1. For the purposes of this Annex, **negotiated restructuring** means the restructuring or rescheduling of a debt instrument that has been effected through (a) a modification or amendment of that debt instrument, as provided for under its terms, or;

(b) a comprehensive debt exchange or other similar process in which the holders of no less than 75 per cent of the aggregate principal amount of the outstanding debt under that debt instrument have consented to the debt exchange or other process.

2. The Parties recognise that the purchase of debt issued by a Party entails commercial risk. For greater certainty, no award shall be made in favour of a disputing investor for a claim under paragraph 7 of Article 9.24 (Settlement of Investment Disputes between a Party and an Investor of the other Party) with respect to default or non-payment of debt issued by a Party unless the disputing investor meets its burden of proving that such default or non-payment constitutes a breach of an obligation under Chapter 9 (Investment), including an uncompensated expropriation pursuant to Article 9.11 (Expropriation and Compensation).

3. No claim that a restructuring of debt issued by a Party breaches an obligation under Chapter 9 (Investment) shall be submitted to, or if already submitted, continue in, arbitration under Article 9.24 (Settlement of Investment Disputes between a Party and an Investor of the Other Party), if the restructuring is a negotiated restructuring at the time of submission, or becomes a negotiated restructuring after that submission, except for a claim that the restructuring violates Article 9.3 (National Treatment) or Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment).

4. Notwithstanding paragraph 7 of Article 9.24 (Settlement of Investment Disputes between a Party and an Investor of the other Party), and subject to paragraph 3, an investor of the other Party shall not submit a claim under Article 9.24 (Settlement of Investment Disputes between a Party and an Investor

of the Other Party) that a restructuring of debt issued by a Party breaches an obligation under Chapter 9 (Investment), other than Article 9.3 (National Treatment) or Article 9.4 (Most-Favoured-Nation Treatment) of Chapter 9 (Investment), unless 365 days have elapsed from the date of receipt by the disputing Party of the written request for consultations pursuant to paragraphs 5 and 6 of Article 9.24 (Settlement of Investment Disputes between a Party and an Investor of the other Party).