

**Annex 502.3**

**Procurement - Provisions for Entities of a Commercial or Industrial Nature  
or Those Which Have Been Granted Exclusive Rights by a Party**

**C. Contracting Rules**

9. A Party may, under exceptional circumstances, exclude a procurement of an entity covered by this Annex from the provisions of this Annex for regional and economic development purposes provided that all such exceptions are reported, prior to the commencement of any procedure leading to the award of a contract, to the other Parties with an explanation of the reasons justifying the decision. A Party invoking this provision will seek to minimize the discriminatory effects of the exception on the goods or suppliers of the other Parties.