

CHAPTER TEN EXCEPTIONS

Article 10.1: General Exceptions

For purposes of Chapter Two (Trade in Goods), Article XX of GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, *mutatis mutandis*.

Article 10.2: Security Exceptions

1. Nothing in this Agreement shall be construed to:
 - (a) require a Party to furnish any information, the disclosure of which it considers contrary to its essential security interests;
 - (b) prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to the traffic in arms, ammunition, and implements of war and to such traffic in other goods and materials as carried on, directly or indirectly, for the purposes of supplying a military establishment;
 - (ii) relating to fissionable materials or the materials from which they are derived;
 - (iii) taken so as to protect critical public infrastructure from deliberate attempts intended to disable or degrade such infrastructure; or
 - (iv) taken in time of national emergency, war, or other emergency in international relations; or
 - (c) prevent a Party from taking any action in pursuance of its obligations under the *United Nations Charter* for the maintenance of international peace and security.
2. The Joint Committee shall be informed to the fullest extent possible of measures taken under subparagraphs 1(b) and (c) and of their termination.

Article 10.3: Taxation

1. Except as set out in this Article, nothing in this Agreement shall apply to taxation measures.
2. Nothing in this Agreement shall affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between this Agreement and any such tax convention, the latter shall prevail to the extent of the inconsistency. In the case of a tax convention between the Parties, the competent authorities under that convention shall have sole responsibility for jointly determining whether any inconsistency exists between this Agreement and that convention.
3. This Agreement shall only grant rights or impose obligations with respect to taxation measures where they are granted or imposed under Article 2.14 (National Treatment on Internal Taxation and Regulation) of Chapter Two (Trade in Goods), to the extent provided under Article III of GATT 1994.
4. For purposes of this Article:
 - (a) **tax convention** means a convention for the elimination of double taxation with respect to taxes on income and capital gains and the prevention of tax evasion and avoidance or any other international taxation agreement or arrangement to which both Parties are party;
 - (b) taxes and taxation measures do not include customs duties as defined in Article 1.5 (General Definitions) and the measures listed in the exceptions in subparagraphs (b), (c), (d), and (e) of that definition; and
 - (c) **competent authorities** means:
 - (i) for Korea, the Deputy Minister for Tax and Customs, Ministry of Economy and Finance, or his or her successor; and
 - (ii) for the Philippines, the Commissioner of the Bureau of Internal Revenue, Department of Finance, or his or her successor.

Article 10.4: Disclosure of Information

Nothing in this Agreement shall be construed to require a Party to furnish or allow access to confidential information the disclosure of which would impede

law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

Article 10.5: Confidentiality

Unless otherwise provided in this Agreement, where a Party provides information to the other Party in accordance with this Agreement and designates such information as confidential, the other Party shall, subject to its laws and regulations, maintain the confidentiality of the information.