

Annex 12-2
Non-Justiciability of Security Exceptions

With respect to the interpretation and/or implementation of this Chapter, the Parties confirm their understanding that disputes submitted to arbitration pursuant paragraphs 7 and 8 of Article 10.14 (The Settlement of Investment Disputes between a Party and an Investor of the Other Party), where the disputing Party asserts as a defence that the measure alleged to be a breach is within the scope of a security exception as set out in Article 12.2 (Security Exceptions), any decision of the disputing Party taken on such security considerations shall be non-justiciable in that it shall not be open to any arbitral tribunal to review the merits of any such decision, even where the arbitral proceedings concern an assessment of any claim for damages and/or compensation, or an adjudication of any other issues referred to the tribunal.