

Agreement on the European Economic Area

PART III

FREE MOVEMENT OF PERSONS, SERVICES AND CAPITAL

CHAPTER 4

CAPITAL

Article 42

1 Where domestic rules governing the capital market and the credit system are applied to the movements of capital liberalized in accordance with the provisions of this Agreement, this shall be done in a non-discriminatory manner.

2 Loans for the direct or indirect financing of an EC Member State or an EFTA State or its regional or local authorities shall not be issued or placed in other EC Member States or EFTA States unless the States concerned have reached agreement thereon.