

May 28, 2004

The Honorable Alberto Trejos  
Minister of Foreign Trade  
San Jose, Costa Rica

Dear Minister Trejos:

I have the honor to confirm the following understanding reached between the delegations of the United States and Costa Rica in the course of negotiations regarding Chapters Ten (Investment) and Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the "Agreement"):

Nothing in Chapter Ten (Investment) or Eleven (Cross-Border Trade in Services) prevents the United States or Costa Rica from adopting, maintaining, or enforcing any measure consistent with the Agreement relating to sportsbooks or other gambling activities within their respective national territories.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments.

Sincerely,

Robert B. Zoellick

COURTESY TRANSLATION

The Honorable Robert B. Zoellick  
United States Trade Representative  
Washington, D.C.

Dear Ambassador Zoellick:

I am pleased to acknowledge your letter of today's date, which reads as follows:

“I have the honor to confirm the following understanding reached between the delegations of the United States and Costa Rica in the course of negotiations regarding Chapters Ten (Investment) and Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the “Agreement”):

Nothing in Chapter Ten (Investment) or Eleven (Cross-Border Trade in Services) prevents the United States or Costa Rica from adopting, maintaining, or enforcing any measure consistent with the Agreement relating to sportsbooks or other gambling activities within their respective national territories.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments.”

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this reply shall constitute an agreement between our Governments.

Sincerely,

Alberto Trejos