

DRAFT
Subject to Legal Review for Accuracy, Clarity, and Consistency
March 8, 2004

This letter was negotiated during the course of the CAFTA negotiations and is related to the Agreement, but is not part of the CAFTA.

[Letter on gambling]

[date]

The Honorable Alberto Trejos
Minister of Foreign Trade of Costa Rica

Dear Minister Trejos,

I have the honor to refer to Chapter Ten (Investment) and Chapter Eleven (Cross-Border Trade in Services) of the United States-Central America Free Trade Agreement (the "Agreement") signed at _____ on _____, 2004.

I have the honor to confirm the shared understanding of the Government of the United States of America and the Government of the Republic of Costa Rica that nothing in Chapter Ten (Investment) or Chapter 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 sportsbook and other gambling activity 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, to enter into force on the entry into force of the Agreement.

Sincerely,

Robert B. Zoellick

[identical reply letter not included]