

**Draft**  
**Subject to Legal Review for Accuracy, Clarity, and Consistency**  
**March 31, 2004**

**Financial Services Annex (Insurance) - United States**

**Headnotes**

1. Commitments in this sector under this Agreement are undertaken subject to the limitations and conditions set forth in these headnotes and the schedule below.
2. National treatment commitments in the insurance sector are subject to the following limitation: national treatment with respect to insurance financial institutions will be provided according to a non-U.S. insurance financial institution's state of domicile, where applicable, in the United States. State of domicile is defined by individual states, and is generally the state in which an insurer either is incorporated, is organized or maintains its principal office in the United States.
3. Market access commitments in the insurance sector are subject to the following limitation: Article 12.9.1(c) shall not apply to non-conforming measures relating to Article 12.4.

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**Sector:** Insurance

**Obligations Concerned:** National Treatment  
Cross-Border Trade

**Level of Government:** Central

**Measures:** 31 U.S.C. § 9304

**Description:** Branches of foreign insurance companies are not permitted to provide surety bonds for U.S. Government contracts.

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**Sector:** Insurance

**Obligations Concerned:** National Treatment  
Cross-Border Trade

**Level of Government:** Central

**Measures:** 46 C.F.R. § 249.9

**Description:** When more than 50 per cent of the value of a maritime vessel whose hull was built under federally guaranteed mortgage funds is insured by a non-US insurer, the insured must demonstrate that the risk was substantially first offered in the US market.

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**Sector:** Insurance

**Obligations Concerned:** National Treatment  
Most-Favored-Nation Treatment  
Cross-Border Trade  
Senior Management and Boards of Directors

**Level of Government:** Regional

**Measures:** All existing non-conforming measures of all states, the District of Columbia, and Puerto Rico

**Description:**

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**Sector:** Insurance

**Obligations Concerned:** Market Access

**Level of Government:** All

**Measures:**

**Description:** The United States reserves the right to adopt or maintain any measure that is not inconsistent with the United States' obligations under Article XVI of the GATS.