

January 19, 2006

H.E. Maqbool Bin Ali Sultan
Minister of Commerce and Industry
Ministry of Commerce and Industry
Sultanate of Oman

Dear Mr. Minister:

In connection with the signing on this date of the United States-Oman Free Trade Agreement (the "Agreement"), we have the honor to confirm the following understanding reached by the Governments of the United States of America and the Sultanate of Oman regarding the Agreement:

The Parties confirm that, with respect to cross-border trade in financial services, and without prejudice to other means of prudential regulation, a Party may require the registration or authorization of cross-border financial service suppliers of the other Party and of financial instruments.

We would be grateful if you would confirm that your Government shares this understanding and have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an agreement between our two Governments to enter into force on the date of entry into force of the Agreement.

Sincerely,

Rob Portman
United States Trade Representative

Clay Lowery
Assistant Secretary for International Affairs
U.S. Department of the Treasury