

Draft
Subject to Legal Review for Accuracy, Clarity, and Consistency
June 18, 2004

FINANCIAL SERVICES
Side Letter on Independent Agents

H.E. Abdulla Hassan Saif
Minister of Finance and National Economy

Dear Minister Saif:

I have the honor to refer to the following understanding reached by the delegations of the United States of America and the Kingdom of Bahrain with respect to Chapter Eleven (Financial Services) of the Bahrain-United States Free Trade Agreement (the "Agreement") signed on this date:

In the context of Bahrain's review of the regulatory framework for the insurance sector, Bahrain shall ensure that any laws, regulations, and rules that are developed as a result of the review will permit U.S. insurance suppliers to sell their insurance products through independent agents.

I have the honor to propose that this letter, and your letter of confirmation in reply, shall constitute an integral part of the Agreement.

Sincerely,

Cathy Novelli
AUSTR for Europe and the Mediterranean