

Sideletter on Book I, Title I and Book III, Title I of the Labor Code

~~[Standard opening]~~

I have the honor to refer to Annex I (Non-Conforming Measures) of the United States-Central America Free Trade Agreement (the “Agreement”) signed at _____ on _____, 2004.

_____ During the negotiations, the delegations of the United States and the Dominican Republic discussed the applicability of Article 11.2 (National Treatment) to Articles 135, 137, and 141 of the Labor Code of the Dominican Republic. I have the honor to confirm the following shared understanding that these Articles:

- treat as employees only natural persons under the dependency and immediate or delegated direction of the employer;
- do not apply to enterprises organized under the laws of a foreign country or their employees;
- do not apply to services supplied from the territory of a foreign country into the territory of the Dominican Republic;
- do not govern services provided by a liberal professional who practices independently; and
- do not apply to services supplied on a temporary basis.

I have the further honor to confirm, for greater certainty, our shared understanding that nothing in the preceding statements regarding the cited articles of the Labor Code is inconsistent with application of these articles to natural persons under the dependency and immediate or delegated direction of enterprises established in the Dominican Republic.

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]

~~[Standard closing.]~~