May 28, 2004

The Honorable Alberto Trejos Minister of Foreign Trade San Jose, Costa Rica

Dear Minister Trejos:

I have the honor to confirm the following understanding reached between the delegations of the United States and Costa Rica in the course of negotiations regarding Chapter Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the "Agreement"):

The extraction of natural resources (mining), electricity generation, refining of crude oil and its derivatives, hunting, and fishing shall not be considered as services for purposes of the Agreement.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments.

Sincerely,

Robert B. Zoellick

COURTESY TRANSLATION

The Honorable Robert B. Zoellick United States Trade Representative Washington, D.C.

Dear Ambassador Zoellick:

I am pleased to acknowledge your letter of today's date, which reads as follows:

"I have the honor to confirm the following understanding reached between the delegations of the United States and Costa Rica in the course of negotiations regarding Chapter Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the "Agreement"):

The extraction of natural resources (mining), electricity generation, refining of crude oil and its derivatives, hunting, and fishing shall not be considered as services for purposes of the Agreement.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments."

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this reply shall constitute an agreement between our Governments.

Sincerely,

Alberto Trejos