

Washington, D.C.  
June 15, 2004

The Honorable Robert B. Zoellick  
United States Trade Representative

Dear Ambassador Zoellick:

I have the honor to confirm the following understanding reached between the delegations of the Kingdom of Morocco and the United States of America in the course of negotiations regarding Chapter Twelve (Financial Services) of the Free Trade Agreement between our Governments signed this day:

Morocco reserves the right to regulate the treatment of transactions between a branch and its parent company and to hold the branch solely responsible for complying with its commitments towards the insured and complying with laws and regulations in force.

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,

Taïb Fassi Fihri  
Minister Delegate for Foreign Affairs and Cooperation

Washington, D.C.  
June 15, 2004

The Honorable Taïb Fassi Fihri  
Minister Delegate for Foreign Affairs and Cooperation  
Kingdom of Morocco

Dear Minister Fassi Fihri:

I am pleased to receive 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 Kingdom of Morocco and the United States of America in the course of negotiations regarding Chapter Twelve (Financial Services) of the Free Trade Agreement between our Governments signed this day:

Morocco reserves the right to regulate the treatment of transactions between a branch and its parent company and to hold the branch solely responsible for complying with its commitments towards the insured and complying with laws and regulations in force.

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

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 letter in reply shall constitute an integral part of the Agreement.

Sincerely,

Robert B. Zoellick