June 30, 2007

The Honorable Hyun Chong Kim
Minister for Trade
Seoul, Republic of Korea

Dear Minister Kim:

I have the honor to confirm the following understanding reached between the delegations of the United States of America and the Republic of Korea during the course of negotiations regarding Chapter Eighteen (Intellectual Property Rights) of the Free Trade Agreement between our two Governments signed this day:

Neither the United States nor Korea will invoke Article 22.4 of the Agreement with respect to the other Party's obligations under Article 18.9.5(b) of the Agreement during the first 18 months after the date the Agreement enters into force. Should either Party have concerns with respect to the other Party's compliance with its obligations under Article 18.9.5(b) during the first 18 months after the date the Agreement enters into force, the United States and Korea will, consistent with Article 22.3 of the Agreement and at the request of either Party, consult with a view to reaching a mutually satisfactory resolution of those concerns.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Free Trade Agreement.

Sincerely,

Susan C. Schwab

[*TRANSLATION*]

June 30, 2007

The Honorable Susan C. Schwab
United States Trade Representative
Washington, D.C.

Dear Ambassador Schwab:

I have the honor to acknowledge receipt of your letter of this date, which reads as follows:

> I have the honor to confirm the following understanding reached between the delegations of the United States of America and the Republic of Korea during the course of negotiations regarding Chapter Eighteen (Intellectual Property Rights) of the Free Trade Agreement between our two Governments signed this day:
>
> Neither the United States nor Korea will invoke Article 22.4 of the Agreement with respect to the other Party's obligations under Article 18.9.5(b) of the Agreement during the first 18 months after the date the Agreement enters into force. Should either Party have concerns with respect to the other Party's compliance with its obligations under Article 18.9.5(b) during the first 18 months after the date the Agreement enters into force, the United States and Korea will, consistent with Article 22.3 of the Agreement and at the request of either Party, consult with a view to reaching a mutually satisfactory resolution of those concerns.
>
> I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Free Trade Agreement.

I have the further honor to confirm that my Government shares this understanding and that your letter and this letter in reply shall constitute an integral part of the Free Trade Agreement.

Sincerely,

[*SGN/*]
Hyun Chong Kim