

**DRAFT**  
**Subject to Legal Review for Accuracy, Clarity, and Consistency**

Dear:

I have the honor to confirm the following understanding reached between the delegations of the United States and the Republic of Korea in the course of negotiations regarding each Party's Annex I entry on telecommunications services of the United States – Korea Free Trade Agreement:

If a Party conditions the granting of a license to supply public telecommunications services to a person of the Party in which a person of the other Party holds an equity interest on a finding that the supply of such services would serve the public interest, the Party shall ensure that it: (i) bases any such finding and the procedures for making such a finding on objective and transparent criteria; (ii) employs a presumption in favor of finding that granting a license to a person of the Party in which a person of the other Party holds an equity interest would serve the public interest; and (iii) develops any such procedures through a rulemaking consistent with Article 14.20.

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

Sincerely,

*[Reply Letter Forthcoming]*