



U.S. - Korea Business Council

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April 25, 2007

The Honorable Susan Schwab
United States Trade Representative
600 Seventeenth Street, NW
Washington, DC 20508

Dear Ambassador Schwab:

The members of the U.S.-Korea Business Council Financial Services and Taxation Working Group congratulate you and your negotiating team on the conclusion of a Free Trade Agreement (FTA) between the United States and the Republic of Korea. We would like to particularly single out the dedication and outstanding job done by Ambassador Bhatia and Wendy Cutler.

A comprehensive and commercially meaningful FTA with Korea is a longstanding goal of the Council and of working group member companies. Korea is a dynamic and exciting market for U.S. banking, insurance, asset management, and securities companies. It is the second largest market for U.S. services in Asia, and will be the largest and most significant market for insurance and securities opened by any U.S. FTA to date.

We particularly wish to commend negotiators for concluding strong chapters on financial services, investment and transparency in this agreement. The commitments included in these chapters create a new standard for financial services in a FTA with important new market access and regulatory provisions for the banking, insurance, asset management, and securities industries in Korea. We anticipate this agreement will enhance Korea's overall economic resiliency and will further advance Korea's financial hub aspirations through attracting new investment and by generating increased competition. Moreover, many of the provisions in these chapters establish important precedents that will set the bar higher for future regional and global trade liberalization.

Again, congratulations on the successful conclusion of this agreement.

Sincerely,

The ACE Group
American International Group, Inc.
The Chubb Corporation
Citigroup, Inc.

Deloitte & Touche
MetLife
New York Life
Prudential Financial, Inc.