



MINISTRY OF FOREIGN AFFAIRS AND TRADE
REPUBLIC OF KOREA

July 25, 2005

Ms. Chan Lai Fung
Deputy Secretary (Trade)
Ministry of Trade and Industry
Republic of Singapore

Dear Ms. Chan:

I have the honour to refer to the Free Trade Agreement between the Government of the Republic of Korea and the Government of the Republic of Singapore ("the Agreement") to be signed in Seoul on August 4, 2005

Resulting from the above Agreement, I have the honour of confirming the understanding of both Parties that in relation to Chapter 10 (Investment) of the Agreement, under paragraph 1 of Article 10.12, a Party's right to adopt or maintain measures inconsistent with its obligation provided for in Article 10.4, is subject to paragraph 2. Accordingly, a Party shall abide by its undertaking in paragraph 2 of Article 10.12 and not adopt or maintain measures that are inconsistent with its obligation provided for in Article 10.4.

I would be grateful if you would confirm that the understanding of my Government as stated above is shared by your Government and that this understanding shall be treated as an integral part of the Agreement.

Sincerely,

Han-soo Kim

Director General

Free Trade Agreement Bureau