COMMUNICATION FROM THE UNITED STATES OF AMERICA

Revised Conditional Offer of the United States of America
Concerning Initial Commitments

Revision

The following communication is circulated at the request of the permanent delegation of the United States to the members of the Group of Negotiations on Services.

The United States presents a revised offer of initial commitments pursuant to the General Agreement on Trade in Services, as indicated in the following schedule. This offer is conditional. The United States reserves its right to modify, extend or reduce this offer at any time prior to closure of the services negotiations, depending on the degree to which other parties provide equivalent and mutually acceptable offers and depending on the final text of the services agreement and its annexes. The United States further reserves the right to make technical changes to its offer.

For the purpose of this offer the "United States" is defined as encompassing the 50 states of the United States, plus the District of Columbia.
U.S. OFFER ON SERVICES

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* Sectors added to the US offer in Rev. 1
ALL SECTORS:

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LIMITATIONS ON NATIONAL TREATMENT
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Temporary Entry of Services Providers 1/

Unbound, except for managers, executives and specialists, as defined below. Limited to citizens of Parties to which the United States applies the Agreement who are employees of firms that provide services within the United States through a branch, subsidiary, or affiliate established in the United States and who have been in the prior employ of their firm outside the United States for a period of not less than one year immediately preceding the date of their application for admission and who are one of the following:

(a) Managers - persons within an organization who primarily direct the organization, or a department or sub-division of the organization, supervise and control the work of other supervisory, professional or managerial employees, have the authority to hire and fire or recommend hiring, firing, or other personnel actions (such as promotion or leave authorization), and exercise discretionary authority over day-to-day operations. Does not include first-line supervisors, unless the employees supervised are professionals, nor does it include employees who primarily perform tasks necessary for the provision of the service.

(b) Executives - persons within the organization who primarily direct the management of the organization, exercise wide latitude in decision-making, and receive only general supervision of direction from higher-level executives, the board of directors, or stockholders of the business. Executives would not directly perform tasks related to the actual provision of the service or services of the organization.

(c) Specialists - persons within an organization who possess knowledge at an advanced level of expertise and who possess proprietary knowledge of the organization's service, research equipment, techniques, or management. (Specialists may include, but are not limited to, members of licensed professions.)

US commitments regarding entry and temporary stay in the US do not apply in cases of labor/management disputes.
Temporary Entry of Service Providers (cont.):

1/ "Temporary entry" means entry without intent to establish permanent residence under immigration laws of the US and confers no rights with respect to citizenship. "Temporary entry" for the purposes of this offer is limited to a three year period that may be extended for a term not to exceed five years. Services providers and personnel entering under the terms and conditions of the Agreement must observe all laws related to: immigration, labor, and conditions of work. The legal entity employing such persons must cooperate, upon request, with authorities charged with enforcing these measures.

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<th>LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII</th>
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<tr>
<td><strong>Aquisition of Land</strong></td>
<td>The federal government restricts initial sale of federally-owned lands to US citizens. (Preceding restriction does not apply to foreign-owned companies formed under the laws of any state of the United States.) Acquisition of land reclaimed with federal funds and reclamation of desert land is restricted to individual US citizens.</td>
</tr>
<tr>
<td></td>
<td>The following states may restrict ownership of land by non-US citizens: Kentucky (restrictions apply only to individuals, not to foreign-owned companies incorporated within the United States) and South Carolina (applies to individuals and foreign-owned corporations.)</td>
</tr>
<tr>
<td></td>
<td>The following states restrict purchases of land by non-US citizens not resident within the state: Oklahoma, Florida, Wyoming. Mississippi permits non-US citizens to purchase up to 5 acres for residential property, and up to 320 acres for industrial development; purchases above these limits are prohibited.</td>
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<tr>
<td></td>
<td>The following states prohibit or restrict non-US citizens from purchasing and/or bidding on sales of public lands: Hawaii, Idaho, Mississippi, Montana, and Oregon.</td>
</tr>
<tr>
<td><strong>Subsidies and incentives</strong></td>
<td>Certain subsidies and incentives may be restricted to citizens or companies of the United States or of a particular state or locality.</td>
</tr>
<tr>
<td>Eligibility for certain subsidies and incentives be limited to companies established within the United States or a particular locality.</td>
<td>Bound for federal taxes, except as covered by Article 16 (d) and (e). Standstill with respect to state taxation measures.</td>
</tr>
<tr>
<td><strong>Taxation</strong></td>
<td></td>
</tr>
<tr>
<td>Not applicable.</td>
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</tbody>
</table>
An applicant to a state bar may be required to establish state residency for a period of time or state the intent to do so in the following states: Hawaii, Iowa, Indiana, Kentucky, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, Oklahoma, Rhode Island, South Dakota, Virginia, Wyoming.

A candidate sitting for the bar examination may be required to have attended a law school approved by the American Bar Association or the American Association of Law Schools.

The following jurisdictions have no express provision or the evaluation of foreign legal education: Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Utah, West Virginia, Wisconsin, Wyoming.

Of those states that do provide for evaluation of foreign education, the following require some form of additional legal education: Alaska, District of Columbia, Hawaii, Oregon, Pennsylvania, Vermont, Virginia.
LIMITATIONS ON MARKET ACCESS
Pursuant to Article XVI

Legal Services:
Foreign Legal Consultants

Unbound for Texas.

The practice of foreign legal consultancy is not specifically authorized in the following states:


LIMITATIONS ON NATIONAL TREATMENT
Pursuant to Article XVII

Foreign lawyers not licensed to practice in the United States may practice as foreign legal consultants in the following states: Alaska, California, Connecticut, District of Columbia, Hawaii, Illinois, Michigan, New Jersey, New York, Ohio, and Oregon.

1/ Foreign legal consultants are permitted to advise on the law of their home jurisdiction. Other practice, such as advice on U.S. or international law, may be permitted subject to specific state regulations. Approval as a foreign legal consultant requires licensure and experience in practicing the law of the applicant's home country.
LIMITATIONS ON MARKET ACCESS PURSUANT TO ARTICLE XVI

LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII

ACCOUNTING AND AUDITING

Only sole proprietorships or partnerships are permitted.

US citizenship required in Alabama and North Carolina.

The following states require as a condition of licensing local residency: (Arizona, Arkansas, Connecticut, District of Columbia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee); and/or a locally established office (Arkansas, Connecticut, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska, New Hampshire, New Mexico, Ohio, Vermont, Wyoming.)

Note that bookkeeping services are covered under "Tax preparation and bookkeeping," below.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER:

In addition to the ability to provide the full range of accounting services subject to obtaining a license, and subject to the restrictions noted above, accountants licensed by a foreign country may conduct a limited range of accounting services or practice temporarily on professional business incident to his/her regular practice in another country, subject to obtaining temporary permits or licenses where applicable, in the following states: Colorado, Connecticut, Indiana, Iowa, Massachusetts, Michigan, Missouri, New Hampshire, North Dakota, Oklahoma, Texas, Utah, Vermont, Washington, Wisconsin. Other states do not have provisions for temporary practice and require foreign accountants to obtain a state license as a Certified Public Accountant in order to provide any services within the state.

All states require candidates for CPA licenses to pass the Uniform Certified Public Accountants examination. Candidates are generally required to have completed courses of study at colleges or universities recognized by the state boards (or demonstrate equivalent education) and/or have several years of public accounting experience.

Nationals of parties are permitted to seek qualification as a public accountant (i.e., no citizenship, residency or local establishment requirements to obtaining a state license as a Certified Public Accountant) in the following states: Alaska, Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Maine, Maryland, Massachusetts, Montana, Nevada, New Jersey, New York, Oregon, Pennsylvania, S. Dakota, Utah, Virginia, Washington, Wisconsin.
SECTOR OR SUB-SECTOR

LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVI
LIMITATIONS ON MARKET ACCESS PURSUANT TO ARTICLE XVI

Tax preparation and bookkeeping
None
None

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER:
Tax preparers are licensed in some states. Licensing is consistent with provisions of agreement, including Articles 6, 16, and 17. In California, for example, licence requires completion of a 60 hour course on US and California tax law.

Architectural Services
None
Subject to residency requirements for licensure as an architect in the following states: Arkansas, Idaho, Illinois, Kansas, Kentucky, Mississippi, New Hampshire, Oklahoma, Pennsylvania, Rhode Island, South Dakota, Tennessee, Wyoming.

Includes urban planning and landscape architectural services

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER:
Cross border trade is allowed, i.e., local residency is NOT required, in the following states: Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Indiana, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, South Carolina, Texas, Utah, Vermont, Virginia, Washington, Wisconsin.
LIMITATIONS ON NATIONAL TREATMENT
PURSUANT TO ARTICLE XVII

US citizenship required as a condition of licensure of individuals in District of Columbia and Rhode Island.

Subject to in-state residency as a condition of licensure in: Idaho, Iowa, Kansas, Mississippi, Nevada, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, West Virginia.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER:

A number of states have provisions which will waive the Fundamentals of Engineering Exam for engineers based on a “long established practice clause.” Still other states provide for temporary or limited practice of non-residents.

Many states require that at least one of the corporate officers of an engineering company be licensed in order for the firm to be registered.

Residency is not required as a condition of licensing in the following jurisdictions: Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Pennsylvania, Oregon, Rhode Island, Utah, Vermont, Virginia, Washington, Wisconsin, Wyoming. (Some of the above states require residency for an individual who is not licensed in another state or country, but waive this requirement for individuals who hold a valid engineering license in another state or country.)
### LIMITATIONS ON MARKET ACCESS
Pursuant to Article XVI

### LIMITATIONS ON NATIONAL TREATMENT
Pursuant to Article XVII

#### BUSINESS SERVICES:

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<th>Limitations on National Treatment</th>
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</thead>
<tbody>
<tr>
<td>Computer Services (1)</td>
<td>None</td>
<td>None</td>
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</tbody>
</table>

1) Computer services are those services, whether or not conveyed over the public telecommunications transport network, that involve generating, acquiring, storing, transforming, processing, retrieving, utilizing or making available information in a computerized form, including, but not limited to:

- Computer programming
- Prepackaged software
- Computer integrated systems design
- Computer processing and data preparation
- Information retrieval services
- Computer facilities management
- Computer leasing and rental
- Computer maintenance and repair
- Other computer-related services, including those integral to the provision of other services for which market access or national treatment commitments have been made in the national schedule.

Excludes airline computer reservation services.

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<tr>
<th>Sector or Sub-Sector</th>
<th>Limitations on Market Access</th>
<th>Limitations on National Treatment</th>
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<tbody>
<tr>
<td>Real Estate Services</td>
<td>None</td>
<td>None</td>
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</table>

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<thead>
<tr>
<th>Sector or Sub-Sector</th>
<th>Limitations on Market Access</th>
<th>Limitations on National Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental/Leasing of Machinery and Equipment without operators 1/</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

1/ Does not include rental or leasing of ships, harbor dredges, or aircraft.
<table>
<thead>
<tr>
<th>SECTOR</th>
<th>LIMITATIONS ON MARKET ACCESS PURSUANT TO ARTICLE XVI</th>
<th>LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII</th>
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<tbody>
<tr>
<td>Advertising</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Market research and public opinion polling</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Management consulting</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Consulting related to agriculture, hunting, forestry and fishing</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Auxiliary Mining and Oilfield Services (1)</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

(1) Includes cross-border trade and airing of advertising, both live and animated, for public broadcast, as well as commercial presence of advertising agencies.

(1) Includes services related to management consulting.

(1) Does not include extraction of minerals, oil, gas or liquid hydrocarbons.
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<th>Sector</th>
<th>Limitations on Market Access Pursuant to Article XVI</th>
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<tbody>
<tr>
<td>Employment Agencies and Executive Placement Services</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Maintenance and Repair of Equipment</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Photographic services</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Publishing</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>A single company or firm is not permitted to own a combination of newspaper, radio and/or TV broadcast stations serving the same local market.</td>
<td>Unbound for movement of consumers with respect to tax deductions. None for other modes of delivery.</td>
</tr>
<tr>
<td>SECTOR OR SUB-SECTOR</td>
<td>LIMITATIONS ON MARKET ACCESS PURSUANT TO ARTICLE XVI</td>
<td>LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII</td>
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<tr>
<td>Telecommunications: Basic Inter-exchange and International Services</td>
<td>None (1)</td>
<td>None (1)</td>
</tr>
</tbody>
</table>

(1) Includes the right for providers of basic inter-exchange and international telecommunications services to provide such services through either:

i) their own inter-exchange and international network facilities, which they shall be entitled to build, own, and operate; or

ii) the resale of existing inter-exchange and international networks.

In addition this offer includes the right to invest in public telecommunications transport networks and services.

This offer is contingent upon the agreement by Parties to the General Agreement on Trade in Services which have a major telecommunications market to undertake commitments to provide unlimited, unconditional market access and national treatment for basic telecommunications services and to accept additional commitments as specified in US requests to certain countries.
(1) No commitment made hereunder with respect to market access or national treatment for the provision of enhanced services shall be construed to extend to the provision of basic telecommunications services.

(2) As defined by the U.S. Federal Communications Commission. Section 64.702 of the Commission's Rules and Regulations defines "enhanced services" as:

services, offered over common carrier [i.e., public telecommunications transport] services, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information, or involve subscriber interaction with stored information.

The foregoing definition includes, but is not limited to the following:

- electronic mail, voice mail, on-line information and data base retrieval, electronic data interchange, store and forward facsimile services, code and/or protocol conversion, on-line information and/or data processing, including transaction processing, alarm services.

These examples are provided solely for the purposes of illustration and do not limit the services (whether known today or developed in the future) that fall within the definition.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER: These services may require authorizations to do business in a state, consistent with the provisions of the Services Agreement, particularly with Articles 6, 16 and 17.
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<tbody>
<tr>
<td>Audio Visual Services</td>
<td>None</td>
<td>None</td>
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</tbody>
</table>

(1) Includes, but is not limited to production and distribution of motion pictures, television programming, video tapes, sound recording and all other forms of filmed or recorded entertainment, news programming, sports and cinema exhibition of filmed or recorded entertainment. Also includes ancillary services (such as dubbing and print duplications) associated with audio and visual works. Does not include ownership/operation of television or radio stations or other broadcasting services. (See offer on Broadcasting.)

Broadcasting 1/

A single company or firm prohibited from owning a combination of newspapers, radio and/or TV broadcast stations serving the same local market.

Radio and television broadcasting licenses may not be held 1) by a non-U.S. citizen; 2) by a foreign government; 3) by a corporation chartered under the law of a foreign country or which has a non-U.S. citizen as an officer or director or more than 20 percent of the capital stock of which is owned or voted by non-U.S. citizens; 4) by a corporation chartered under the laws of the United States that is directly or indirectly controlled by a corporation more than 25 percent of whose capital stock is owned by non-U.S. citizens or a foreign government or of more than 25 percent of which corporation's officers or directors are non-U.S. citizens.

1/ Includes radio and television transmission services.
SECTOR LIMITATIONS ON MARKET ACCESS PURSUANT TO ARTICLE XVI

Construction services

Certain inspection functions may be reserved to state or local governments.

LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII

Michigan requires all contractors to maintain a place of business in Michigan.

Where approved third party inspectors are permitted, there may be citizenship and/or residency requirements (e.g., boiler inspectors in Texas).
DISTRIBUTION SERVICES:

Wholesale trade services
(Excluding wholesale trade of alcoholic beverages and firearms and military equipment)
None

Retailing services
(Excluding retail sale of alcoholic beverages and firearms and military equipment)
None

Franchising
None

EDUCATIONAL SERVICES:

Adult Education
None

Other Education Services
None

ENVIRONMENTAL SERVICES:

Environmental Consulting Services
None

LIMITATIONS ON NATIONAL TREATMENT PURSUANT TO ARTICLE XVII

Some scholarships and grants may be limited to U.S. citizens and/or residents of particular states.
SECTOR

LIMITATIONS ON MARKET ACCESS
PURSUANT TO THE ATTACHMENT TO ANNEX

LIMITATIONS ON NATIONAL TREATMENT
PURSUANT TO THE ATTACHMENT TO ANNEX

FINANCIAL SERVICES:
The United States undertakes its commitments on insurance with respect to the “Understanding on Commitments in Financial Services.”

Direct Insurance (except for workers’ compensation insurance)

Federal Measure: Branches are not permitted to provide surety bonds for U.S. government contracts.


The following states may prohibit a non-US insurance company to establish a subsidiary, unless that company is already licensed in some other US state: Minnesota, Mississippi, Texas and Tennessee.

The following states may prohibit a non-US insurance company to establish a branch unless that company is already licensed in some other US state: Alaska, Arkansas, Arizona, Georgia, Hawaii, Kansas, Minnesota, Nebraska, New Jersey, North Carolina, Oregon, Pennsylvania, Tennessee, Texas, Utah and Vermont, Wisconsin, Wyoming, West Virginia.

Federal Measure: When more than 50% of the value of a maritime vessel whose hull was built under federally guaranteed mortgage funds is insured by a non-U.S. insurer, the insured must demonstrate that the risk was substantially first offered in the U.S. market.

The following states require U.S. citizenship for incorporators, managers, board of officers (either for all of the portion of them): Alaska, Arkansas, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Vermont, Washington and Wyoming. California requires that for mutual insurers operating as an authorized insurer only in the State of California, a majority of the directors shall be citizens and residents of California.

Federal excise taxes are imposed on underwritings by non-established companies in the amount of 4 percent on casualty on indemnity bonds and 1 percent on life, sickness and accident policies and annuity contracts.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER

Insurers which are not licensed in the US as direct insurers may offer certain lines of insurance, which are designated as "surplus lines," generally high risk or unpredictable lines of insurance where licensed insurers are unable or unwilling to meet insurance demand. (Some states maintain lists of eligible surplus lines insurers and other states maintain lists of ineligible insurers.)
A license is not required to provide the types of insurance listed in para 3(a) of the market access provisions in the attachment to the Annex, as well as for reinsurance, retrocession, and surplus lines. In order to provide other forms of insurance on a cross-border basis, the insurance company must be licensed in the US state where the insurance is transacted.

All states in the US will license a non-US company that is licensed as a branch in some other state.

The following states require residence for some of the following: incorporators, managers, boards of directors, or other officers (either for all of the officers: Alabama, Alaska, Arizona, Arkansas, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Ohio, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New York, North Carolina, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Vermont, Washington and Wyoming.
LIMITATIONS ON MARKET ACCESS
PURSUANT TO THE ATTACHMENT TO ANNEX

Limitations on market access for "direct insurance also apply.

LIMITATIONS ON NATIONAL TREATMENT
PURSUANT TO THE ATTACHMENT TO ANNEX

Insurance companies incorporated in Nevada may purchase reinsurance only from an insurer admitted to Nevada. Unbound for Maine for the provision of reinsurance for workers' compensation insurance.
A 1 percent excise tax is imposed on underwritings by non-established companies.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER: Many states require that the ceding insurer, in order to receive credit on its financial statement, reinsure risks with reinsurance companies which deposit assets in the state.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER: US states generally prohibit intermediaries from entering their states to solicit insurance business, unless the intermediary is licensed. "Entry into a state" includes communication by mail, telephone or electronic means, as well as physical presence in the state. States which prohibit non-residents from placing surplus lines insurance (even when those non-residents are licensed by the state) typically permit non-residents to place surplus lines through a licensed resident broker and receive the commission.

The following states require local residency as a condition of licensing: Alaska (for adjuster trainees), California (for adjusters; and for life and disability insurance analysts), Georgia (for inspection when not accompanied by a licensed resident adjuster), Illinois (for non-resident public adjusters who are licensed in a state which does not permit equal treatment to Illinois residents), Mississippi (for independent adjusters), Nevada (for appraisers and adjusters) and the Virgin Islands (for inspecting risks).
### Sector Limitations and Conditions

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<tr>
<td>None.</td>
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</table>

**FINANCIAL SERVICES SECTOR 1/**

**Cross-Border Trade**

None.

**Commercial Presence**

ESTABLISHMENT AND EXPANSION

None. 2/

1/ This offer is conditioned on negotiating partners providing equivalent and mutually acceptable offers in financial services, and is subject to technical changes. The schedule is based upon the draft General Agreement on Trade in Services of 10/9/90, as modified by the draft Financial Services Annex of 10/21/90. To the extent that obligations in the final framework agreement and especially the final annex on financial services are changed from those drafts, modifications may be needed in this schedule. This offer assumes that tax measures are not covered by a financial services agreement. The United States is still exploring the feasibility of covering sub-national governments in a financial services agreement. Modifications will be necessary in this offer should such entities be covered by a financial services agreement.

2/ There are no limitations on the establishment of an initial U.S. banking presence through a national bank subsidiary (i.e., a federal charter) in any state of the U.S. Federal law defers to state law on questions of establishment of initial foreign bank branches or agencies in the U.S., and on expansion of commercial presence. Federal law does not govern licensing of representative offices of banks, which is a matter of state law. Where allowed by state law, foreign representative offices must be registered with the U.S. Secretary of the Treasury.
Directors of a national bank must be citizens of the U.S. If a national bank is an affiliate or subsidiary of a foreign bank, only a majority of the board need be U.S. citizens.

Edge Corporations (specialized international banking companies chartered under federal law) can be owned by domestically owned banks and domestic non-bank companies willing to restrict their business activities to banking. Foreign ownership of Edge Corporations is limited to foreign banks only; neither domestic banks owned by foreign persons (other than foreign banks) nor foreign non-bank companies may establish or acquire Edge Corporations.

NEW FINANCIAL SERVICES
Federal law prohibits the offering of futures, options, or options on futures on onions.
HEALTH RELATED AND SOCIAL SERVICES:

Hospitals and other Health Care Facilities 1/

LIMITATIONS ON MARKET ACCESS
PURSUANT TO ARTICLE XVI

Unbound.

LIMITATIONS ON NATIONAL TREATMENT
PURSUANT TO ARTICLE XVII

Government reimbursement of medical expenses limited to licensed, certified facilities in the United States.

1/ Includes both direct ownership and management and operation by contract of such facilities on a "for fee" basis.
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<td><strong>TOURISM AND TRAVEL RELATED SERVICES:</strong></td>
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<tr>
<td>Tourism and Travel Related Services 1/</td>
<td>None</td>
<td>Official tourism representations with diplomatic or official status are not permitted to operate on a commercial basis in the US or to act as agents or principles in commercial transactions.</td>
</tr>
<tr>
<td>Justice.</td>
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<tr>
<td>Concession stands in federal, state and local</td>
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<tr>
<td>Where such concession stands are leased to private operators, the number of concessions may be limited.</td>
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</tr>
<tr>
<td>1/ Includes all sub-sectors listed in MTN/GNS/W/120, e.g., hotels and restaurants (including catering), travel agencies and tour operators, tourist guides, and other related services.</td>
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</tr>
<tr>
<td><strong>RECREATIONAL, SPORTING AND OTHER SERVICES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment services</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>News agency services</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
SECTOR
OR SUB-SECTOR
TRANSPORTATION:

Road Transport:

Rail Transport Service

LIMITATIONS ON MARKET ACCESS
Pursuant to Article XVI

None

LIMITATIONS ON NATIONAL TREATMENT
Pursuant to Article XVII

None, except foreign railroads
must incorporate in Vermont
or in an adjacent state
in order to own directly or indirectly
the stock of a railroad company
incorporated in Vermont.

Road Transport:

Trucking

Unbound for cross border trade.

Bound for all other modes,
except that in the following
states, state operating authority
for intra-state trucking may be
subject to public convenience and
necessity tests: Alabama, Arizona,
Arkansas, California, Colorado, Connecticut,
District of Columbia, Georgia, Hawaii,
Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky,
Louisiana, Maryland, Massachusetts, Michigan,
Minnesota, Mississippi, Missouri, Montana,
Nebraska, Nevada, New Hampshire, New Mexico, New
York, North Carolina, North Dakota, Ohio, Oklahoma,
Oregon, Pennsylvania, Rhode Island,
South Carolina, South Dakota, Tennessee, Texas,
Utah, Virginia, Washington, West
Virginia, Wyoming.

SUPPLEMENTAL INFORMATION PROVIDED FOR TRANSPARENCY AND ASSISTANCE IN EVALUATING OFFER:
No quantitative limits on state licenses in the following states: Alaska, Arizona,
Delaware, Florida, Maine, New Jersey, Vermont, and Wisconsin.

Road Transport:
Buses 1/

Unbound for cross-border.
No limitations for other modes.

Unbound for cross border.
No limitations for other modes.

1/ Excludes municipal bus services.
Other Transport Services:
Classification Services for New Vessels for Merchant Shipping 1/

Permitted, subject to review of vessel plans and inspections by US Coast Guard.

Coast Guard authority for review and inspection has been delegated to one US classification society.

1/ This service is limited to assessing the standard of seaworthiness and safety of newly constructed U.S. flag merchant vessels. It includes the review of plans prior to construction and the inspection of the vessel while it is being built to ensure that it meets construction and equipment standards.