N H K Japan Broadcasting Corporation KEIJI SHIMA Tokyo, Japan Chairman June 14, 1990

Dear Ambassador Hills:

With reference to the letter dated today from Ambassador Ryohei Murata to you, I would like to inform you of NHK's ,position, as follows with regard to the issue of satellite procurement.

We are aware that, at the recent Japan-U.S. talks on the procurement of satellites, negotiators expected NHK to follow procedures comparable to those applicable government procurement.

NHK, being an independent and autonomous organization, will on its own initiative adopt, on the date of the exchange of letters, open, transparent and non-discriminatory policies and procedures for the procurement of satellites, other than R&D satellites, equivalent to the procurement, consultation and review procedures referred to in the Attachments to the letter to you of June 14, 1990 from Ambassador Murata.

NHK also wishes to inform you of its commitment to implement such procurement, consultation and review procedures.

Finally to reiterate, NHK will proceed with this procurement process on the principle of independence and autonomy guaranteed to news and information organizations.

Sincerely yours,

[signature]

Keiji Shima Chairman of NHK

The Honorable Carla A. Hills United States Trade Representative 600 17th St.. N.W Washington, D.C. [letterhead]

EMBASSY OF JAPAN WASHINGTON, D. C. June 15, 1990

Dear Ambassador Hills:

Regarding the relations between the Government of Japan and NHK, I would like to reiterate the position of the Government of Japan on that question which has already been expressed in my letter concerning NHK sent to you today. The Government of Japan will take all available measures to ensure that NHK will observe its commitments contained in the letter of today's date from Mr. Shima to you .

I would also like to reaffirm the basic position of the Government of Japan as has been expressed through these talks that the talks on the satellite issue have been conducted for resolving any issue which may arise between the two countries, and that the Government of Japan does not deem these talks to have been undertaken under any U.S. trade law.

Sincerely yours,

[signature]

Ryohei Murata

The Honorable Carla A. Hills United States Trade Representative Office of the U.S.T.R.

Washington, D.C. 20506