



July 11, 2006

The Honorable Charles Grassley
Chairman
Committee on Finance
US Senate
219 Dirksen Senate Office Building
Washington, DC 20510-6200

Dear Mr. Chairman:

**Re : Senate Finance Committee Hearing July 12, 2006
Vietnam PNTR**

I am writing to express United Commercial Bank's support for the passage of S. 3495, which would grant Permanent Normal Trade Relations (PNTR) status for Vietnam.

United Commercial Bank is a leading community bank serving Asian Americans with more than 50 branches in California, Washington State, Massachusetts, New York and Hong Kong as well as representative offices in Shenzhen, and Taipei. Our customers are small to medium enterprises (SMEs), the backbone of the US economy. We believe that Congressional approval of PNTR for Vietnam is necessary for the US business community to take full advantage of the benefits that will be granted to all WTO members after Vietnam's accession.

Because of the foregoing belief, United Commercial Bank has submitted an application to the Government of Vietnam for a full-service branch license in Vietnam. Upon approval of our branch license application, we plan to be in Vietnam to serve our American customers who trade with Vietnam, and Vietnamese customers who export to the US. Accordingly, our branch in Vietnam will be beneficial to the trade flow between the US and Vietnam.

We, however, also understand that the recently signed US-Vietnam Bilateral Market-Access Agreement related to Vietnam's WTO accession may contain arbitrary quantitative restrictions. If such arbitrary restrictions are applied to our pending license application, it might unreasonably preclude us -- and other smaller US banks -- from establishing a branch in Vietnam. We wish to call to the Committee's attention the fact that if such arbitrary restrictions are used to keep smaller banks like ours out of Vietnam, SMEs endeavoring to increase the trade flow between the US and Vietnam will find it difficult to do so. This is because the larger banks presently operating in Vietnam -- and those that may establish Vietnam branches in the future -- do not customarily provide US export trade financing to SMEs. Therefore, if the Committee is able to influence Vietnam's not to use of arbitrary quantitative restrictions, we would strongly encourage it to do so.

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In all other respects, we believe the timely approval of PNTR is essential not only to US business interests and the overall US trade agenda, but also to US foreign policy interests. These include regional security, cooperation on POW/MIA, continued dialogue and progress on religious and human rights, labor, and other bilateral issues. It is important for the US to demonstrate its support for Vietnam's leaders in their efforts to strengthen the rule of law and integrate Vietnam into the global economy. With President Bush scheduled to visit Vietnam this November during the APEC Summit, this is a critical time for the US Congress to show support and initiate a significant step forward in the US-Vietnam relationship.

We implore you to support S. 3495. Thank you for your considerations.

Sincerely yours,



Tony Ka Wah Tsui
Executive Vice President
General Manager
Greater China Region