Subject to Legal Review for Accuracy, Clarity and Consistency

The Honorable Ildefonso Guajardo Secretary of Economy México, D.F., México

Dear Secretary Guajardo:

I have the honor to confirm the following understanding regarding Tequila and Mezcal reached by representatives of the Governments of the United States of America (the United States) and the United Mexican States (Mexico) during negotiations of Chapter 18 of the Trans-Pacific Partnership Agreement (TPP Agreement):

In accordance with its domestic legislation and administrative procedures, the United States acknowledges that it will provide updates, respond to questions and provide general information regarding the legal proceedings currently before the United States Patent and Trademark Office regarding the certification marks for TEQUILA and MEZCAL for spirits. The United States takes due note of its obligations with regard to the recognition of TEQUILA and MEZCAL as distinctive products of Mexico.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute a common understanding between the United States and Mexico on the aforementioned subjects.

Sincerely,

Ambassador Michael B.G. Froman

Subject to Legal Review for Accuracy, Clarity and Consistency

The Honorable Michael B.G. Froman United States Trade Representative Washington, D.C., United States of America

Dear Ambassador Froman,

I have the honor to acknowledge receipt of your letter of this date, which reads as follows:

"I have the honor to confirm the following understanding regarding Tequila and Mezcal reached by representatives of the Governments of the United States of America (the United States) and the United Mexican States (Mexico) during negotiations of Chapter 18 of the Trans-Pacific Partnership Agreement (TPP Agreement):

In accordance with its domestic legislation and administrative procedures, the United States acknowledges that it will provide updates, respond to questions and provide general information regarding the legal proceedings currently before the United States Patent and Trademark Office regarding the certification marks for TEQUILA and MEZCAL for spirits. The United States takes due note of its obligations with regard to the recognition of TEQUILA and MEZCAL as distinctive products of Mexico.

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding, shall constitute a common understanding between the United States and Mexico on the afore mentioned subjects."

I have the further honor to confirm that my government shares this understanding and that your letter and this reply shall constitute a common understanding between the United States and Mexico on the aforementioned subjects.

Sincerely,

Ildefonso Guajardo