

Subject to Legal Review for Accuracy, Clarity and Consistency

In connection with the signing [on this date] of the Trans-Pacific Partnership Agreement (TPP Agreement), I have the honor to confirm the following understanding reached between representatives of the Government of the United States of America and the Government of Japan:

- 1) The U.S. Department of the Treasury shall, upon receipt of a petition from the Japanese liquor industry groups requesting establishment of standards of fill for distilled spirits of 700 ml, 720 ml, 900 ml, and 1.8 liters, issue a proposal to amend regulations to further include such standards of fill. A proposed regulation shall be published in the Federal Register and shall invite public comment for 60 days. All who are interested, including the Government of Japan and Japanese entities, may submit comments during the public comment period.
- 2) Once the public comment period has closed, the U.S. Treasury shall review all public comments, and take a final action on the proposal, consistent with the Administrative Procedure Act.
- 3) Once the proposed regulation is published in the Federal Register and until a final action is taken, all written and oral communications on this matter with the Government of Japan shall be undertaken consistent with the Administrative Procedure Act.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement with respect to the United States of America and Japan.