Subject to Legal Review for Accuracy, Clarity and Consistency

Dear Ambassador:

I have the honor to confirm the following understanding reached between representatives of the Government of the United States of America (hereinafter referred to as "United States") and the Government of Japan (hereinafter referred to as "Japan") during the course of negotiations regarding Chapter 12 (Temporary Entry for Business Persons) of the Trans-Pacific Partnership Agreement (hereinafter referred to as "the Agreement") signed this day:

Until such time as the United States undertakes commitments pursuant to Article 12.4 (Grant of Temporary Entry), the United States shall refrain from seeking recourse to Chapter 28 (Dispute Settlement) with respect to a refusal by Japan to grant temporary entry pursuant to Article 12.4, notwithstanding the requirements set out in Article 12.10.1 (Dispute Settlement).

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement with respect to the United States and Japan.

Sincerely,

Ambassador Michael B.G. Froman

Subject to Legal Review for Accuracy, Clarity and Consistency

Dear Ambassador:

I am pleased to acknowledge your letter of this date, which reads as follows:

"I have the honor to confirm the following understanding reached between representatives of the Government of the United States of America (hereinafter referred to as "United States") and the Government of Japan (hereinafter referred to as "Japan") during the course of negotiations regarding Chapter 12 (Temporary Entry for Business Persons) of the Trans-Pacific Partnership Agreement (hereinafter referred to as "the Agreement") signed this day:

Until such time as the United States undertakes commitments pursuant to Article 12.4 (Grant of Temporary Entry), the United States shall refrain from seeking recourse to Chapter 28 (Dispute Settlement) with respect to a refusal by Japan to grant temporary entry pursuant to Article 12.4, notwithstanding the requirements set out in Article 12.10.1 (Dispute Settlement).

I have the honor to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement with respect to the United States and Japan."

I have the honor to confirm that my Government shares this understanding, and that your letter and this reply shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement with respect to Japan and the United States.

(Signature)

Kenichiro Sasae Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America

His Excellency Michael B.G. Froman United States Trade Representative