



February 4, 2016

**The Honourable Chrystia Freeland
Minister of International Trade
Canada**

Dear Minister Freeland,

In connection with the signing on this date of the Trans-Pacific Partnership Agreement (the TPP Agreement), I have the honour of confirming the following understanding reached by the Government of the United Mexican States (Mexico) and the Government of Canada (Canada) during the course of the negotiations regarding the terms Bacanora, Charanda and Sotol.

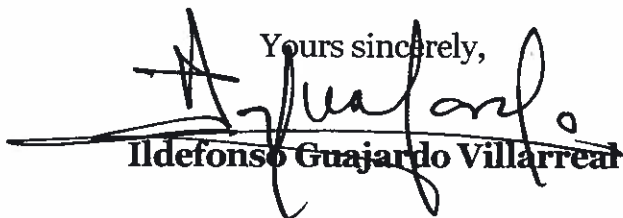
The terms Bacanora, Charanda and Sotol are eligible for registration as protected geographical indications of spirits in Canada.

In order to secure protection, the authorities responsible for these particular indications in Mexico must apply for protection in the territory of Canada, in accordance with the procedures and requirements prescribed by the domestic law of Canada. The protection by Canada of such geographical indications shall be in accordance with Articles 22 through 24 of TRIPS and subject to the exceptions of Article 24 of TRIPS.

Canada may adopt or maintain procedures that provide for the cancellation of the protection afforded to geographical indications within its territory consistent with the terms of the TPP Agreement.

If the terms Bacanora, Charanda or Sotol cease to be protected in their place of origin or fall into disuse in that place, Mexico shall notify Canada and request cancellation.

I have the honor to propose that this letter and your letter of reply, equally valid in Spanish, English and French, confirming that your Government shares this understanding, will constitute an understanding between our Governments, which shall enter into force on the date of entry into force of the TPP Agreement as between Mexico and Canada.

Yours sincerely,

Ildefonso Guajardo Villarreal