4 February 2016

The Honourable Michael Froman United States Trade Representative 600 17th Street, NW Washington, DC 20508 United States of America

Dear Ambassador Froman

I have the honour to confirm the following understanding reached between representatives of the Government of Australia (Australia) and the Government of the United States of America (United States) during the negotiations of the Chapter 26 (Transparency and Anticorruption) Annex on Transparency and Procedural Fairness for Pharmaceutical Products and Medical Devices (the Annex) of the Trans-Pacific Partnership Agreement (TPP Agreement):

For the purposes of demonstrating their commitment to the importance of the principles outlined in Article 2 (Principles) of the Annex, Australia and the United States affirm that they remain committed to the principles in paragraph 1 (Agreed Principles) of Annex 2-C (Pharmaceuticals) of the Australia-United States Free Trade Agreement.

Australia and the United States may satisfy the requirement to undertake consultations under Article 5 (Consultation) of the Annex, if they undertake relevant consultations with respect to the obligations in Annex 2-C (Pharmaceuticals) of the Australia-United States Free Trade Agreement under the appropriate mechanisms established under the Australia-United States Free Trade Agreement.

I have the honour 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 TPP Agreement as between Australia and the United States.

Yours sincerely

Andrew Robb

The Honorable Andrew Robb Minister for Trade and Investment Parliament House Canberra, Australia

Dear Minister Robb:

I am pleased to acknowledge your letter of February 4, 2016, which reads as follows:

I have the honour to confirm the following understanding reached between representatives of the Government of Australia (Australia) and the Government of the United States of America (United States) during the negotiations of the Chapter 26 (Transparency and Anticorruption) Annex on Transparency and Procedural Fairness for Pharmaceutical Products and Medical Devices (the Annex) of the Trans-Pacific Partnership Agreement (TPP Agreement):

For the purposes of demonstrating their commitment to the importance of the principles outlined in Article 2 (Principles) of the Annex, Australia and the United States affirm that they remain committed to the principles in paragraph 1 (Agreed Principles) of Annex 2-C (Pharmaceuticals) of the Australia-United States Free Trade Agreement.

Australia and the United States may satisfy the requirement to undertake consultations under Article 5 (Consultation) of the Annex, if they undertake relevant consultations with respect to the obligations in Annex 2-C (Pharmaceuticals) of the Australia-United States Free Trade Agreement under the appropriate mechanisms established under the Australia-United States Free Trade Agreement.

I have the honour 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 TPP Agreement as between Australia and the United States.

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

Ambassador Michael B. G. Froman