November 30, 2018

The Honorable Chrystia Freeland Minister of Foreign Affairs Canada

Dear Minister Freeland:

I have the honor to confirm the following agreement reached between the Government of Canada (Canada) and the Government of the United States (United States):

The United States shall not adopt or maintain a measure imposing tariffs or import restrictions on goods or services of Canada under Section 232 of the Trade Expansion Act of 1962, as amended (Section 232), for at least 60 days after imposition of a measure.

During that 60-day period, the United States and Canada shall seek to negotiate an appropriate outcome based on industry dynamics and historical trading patterns.

Notwithstanding the NAFTA 1994, the Protocol Replacing the North American Free Trade Agreement with the Agreement Between the United States of America, the United Mexican States, and Canada (USMCA), and the WTO Agreement, if the United States takes a measure under Section 232 that is inconsistent with one of those Agreements, Canada may take a measure of equivalent commercial effect in response.

For greater certainty, Canada also retains its WTO rights to challenge a Section 232 measure.

I have the honor to propose that this letter and your letter in reply shall constitute an agreement between the United States and Canada, to enter into force on the date of your letter in reply.

Sincerely,

Ambassador Robert E. Lighthizer United States Trade Representative The Honorable Robert E. Lighthizer United States Trade Representative Washington, D.C. United States of America

Dear Ambassador Lighthizer,

I am pleased to acknowledge your letter of November 30, 2018, which reads as follows:

I have the honor to confirm the following agreement reached between the Government of Canada (Canada) and the Government of the United States (United States):

The United States shall not adopt or maintain a measure imposing tariffs or import restrictions on goods or services of Canada under Section 232 of the Trade Expansion Act of 1962, as amended (Section 232), for at least 60 days after imposition of a measure.

During that 60-day period, the United States and Canada shall seek to negotiate an appropriate outcome based on industry dynamics and historical trading patterns.

Notwithstanding the NAFTA 1994, the Protocol Replacing the North American Free Trade Agreement with the Agreement Between the United States of America, the United Mexican States, and Canada (USMCA), and the WTO Agreement, if the United States takes a measure under Section 232 that is inconsistent with one of those Agreements, Canada may take a measure of equivalent commercial effect in response.

For greater certainty, Canada also retains its WTO rights to challenge a Section 232 measure.

I have the honor to propose that this letter and your letter in reply shall constitute an agreement between the United States and Canada, to enter into force on the date of your letter in reply.

I have the further honour of confirming that Canada shares this understanding and that your letter and this letter in reply, equally authentic in English and French, constitutes an agreement between Canada and the United States, which shall enter into force on the day of this reply. Sincerely,

The Honourable Chrystia Freeland Minister of Foreign Affairs