

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN
AND
THE UNITED STATES POSTAL SERVICE
FOR THE EXCHANGE OF POSTAL MONEY ORDERS
ON THE BASIS OF THE
MONEY ORDERS AND POSTAL TRAVELLERS' CHECKS AGREEMENT
OF THE
UNIVERSAL POSTAL UNION

MEMORANDUM OF UNDERSTANDING

BETWEEN THE MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN
AND THE UNITED STATES POSTAL SERVICE FOR THE EXCHANGE OF POSTAL
MONEY ORDERS ON THE BASIS OF THE MONEY ORDERS AND POSTAL
TRAVELLERS' CHECKS AGREEMENT OF THE UNIVERSAL POSTAL UNION

The Ministry of Posts and Telecommunications of Japan and the
United States Postal Service have agreed to establish a
reciprocal service for the exchange of postal money orders
between their countries, on the basis on the Money Orders and
Postal Travellers' Checks Agreement of the Universal Postal
Union (UPU), in accordance with the following terms and
conditions:

1. Designated offices

a. Designated offices will coordinate the operation of the postal money order service. The respective addresses of these offices shall be as listed in the annex.

b. All correspondence between the two administrations concerning the operation of the postal money order service, including customer inquiries and claims and the settlement of accounts, shall be addressed to the offices indicated in the annex.

2. Scope of service; Card money orders; Transmission

a. The exchange of international postal money orders shall be limited to the exchange by mail of card money orders on UPU Form MPI, or a similar form designated by the issuing administration.

b. The information concerning the amount of payment appearing on these forms shall be mechanically printed or typewritten. The amount in words may be replaced by a numbered indication supplied by means of a check-protecting machine, and preceded by a symbol other than a number or a letter.

c. Money orders issued pursuant to this Memorandum of Understanding shall be transmitted by the purchaser or by the issuing postal administration directly to the payee.

3. Currency; Maximum amount

a. The amounts of money orders shall be expressed in United States dollars (\$) for orders issued in Japan, and in Japanese yen (¥) for orders issued in the United States of America. The amount of money orders expressed in the currency of the paying administration shall be entered in the column of the amount of payment, and the paid-in amount, which shall be expressed in the currency of the issuing country, shall be entered in the column of the sum deposited.

b. The amount of a single postal money order may not exceed five hundred dollars (\$500) when issued in Japan, and one hundred and fifty thousand yen (¥150,000) when issued in the United States of America. The amount of each money order shall not contain a fraction of one cent or of one yen.

4. Term of validity

The validity of money orders shall extend until expiry of the third month following that of issue.

5. Provisional remittances

Each postal administration shall make a provisional remittance to the other when the amount it owes the other for money orders it has issued exceeds one hundred thousand dollars (\$100,000) or twenty-five million yen (¥ 25,000,000).

6. Preparation and settlement of accounts

a. The settlement of accounts shall be made reciprocally, without offsetting.

b. Within two months after the close of each quarter, each administration shall prepare and forward to the other a quarterly account, in duplicate, listing the amounts of all the money orders received from the other and paid during the preceding quarter and the total amounts of the provisional remittances it has received during that quarter. The money orders paid during each quarter shall be given a serial number and listed in the corresponding quarterly account with the number in its numerical order and the amount. The quarterly account shall be accompanied by paid money orders arranged in the same order as the entries on the quarterly account.

c. Upon acceptance, each administration shall return one signed copy of the quarterly account received from the other administration and shall transmit, when applicable, a payment for the balance payable for that quarter. Payment shall be made in the currency of the country of the other administration.

d. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next quarterly account.

7. Remuneration of the paying administration



8. Application of the UPU Agreement

The UPU Money Orders and Postal Travellers' Checks Agreement shall be applicable in all cases not expressly governed by this Memorandum of Understanding, except the provisions of the Agreement which govern the following: advice of payment; payment to addressee only; redirection; charges which may be collected from payee; and participation of non-postal organizations.

9. Amendment of the Memorandum of Understanding

This Memorandum of Understanding may be amended by mutual consent of the administrations by means of correspondence.

10. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Memorandum of Understanding which cannot be resolved by the administrations to their mutual satisfaction shall be settled by arbitration, following the arbitration procedures in the General Regulations of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration.

11. Temporary suspension

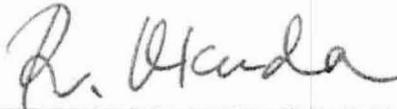
a. Should extraordinary circumstances justify it, either postal administration may temporarily suspend its operation of the postal money order service established by this Memorandum of Understanding, provided that notice of such suspension is given immediately to the other administration by telex.

b. The postal administration which has temporarily suspended service shall also give immediate notice to the other postal administration, by telex, when service is resumed.

12. Effective date

The service established by this Memorandum of Understanding shall begin on January 1, 1985, and shall remain in effect thereafter until terminated by one of the signatories on six months' notice or by both signatories on a mutually agreed upon date.

FOR THE
MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN



Director General of the
Postal Savings Bureau

Tokyo, August 31, 1984

(Place and date of signing)

FOR THE
UNITED STATES POSTAL SERVICE



Postmaster General

Washington, D.C. 12/24/84

(Place and date of signing)

MODIFICATION OF THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN
AND THE UNITED STATES POSTAL SERVICE FOR THE EXCHANGE OF POSTAL
MONEY ORDERS ON THE BASIS OF THE MONEY ORDERS AND POSTAL
TRAVELLERS' CHECKS AGREEMENT OF THE UNIVERSAL POSTAL UNION

The Ministry of Posts and Telecommunications of Japan and the United States Postal Service have agreed to modify the articles of this Memorandum of Understanding, on the basis of the provisions of Article 9 of the Memorandum of Understanding, as follows:

ad. 3 Currency; Maximum amount

a. The amounts of money orders, in both directions, shall be expressed in United States dollars (\$).

b. The maximum amount of a single postal money order shall be fixed at seven hundred dollars (\$700) in both directions. The amount of each money order shall not contain a fraction of one cent.

ad. 5 Provisional remittances

Each postal administration shall make a provisional remittance to the other when the amount it owes the other for money orders it has issued exceeds one hundred thousand dollars (\$100,000).

ad. 6 Preparation and settlement of accounts

a. The settlement of accounts shall be made by offsetting.

b. Within two months after the close of each quarter, each administration shall prepare and forward to the other a quarterly account, in duplicate, listing the amounts of all the money orders received from the other and paid during the preceding quarter, [REDACTED] and the total amount of the provisional remittances it has received during that quarter. The money orders paid

during each quarter shall be given a serial number and listed in the corresponding quarterly account with the number in its numerical order and the amount. The quarterly account shall be accompanied by paid money orders arranged in the same order as the entries on the quarterly account.

c. Upon acceptance, each administration shall return one signed copy of the quarterly account received from the other administration.

d. Upon receipt of the quarterly account, the creditor administration shall prepare and forward to the debtor administration a general account, in duplicate, based on the quarterly accounts of both administrations and showing in detail the balance resulting from the transactions of money orders during that quarter.

e. Upon acceptance, the debtor administration shall return one signed copy of the general account received and shall transmit as soon as possible a payment for the balance payable for that quarter. Payment shall be made in United States dollars.

f. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next quarterly account.

ad.12 Effective date

The service established by this Memorandum of Understanding shall begin on August 1, 1985, and shall remain in effect thereafter until terminated by one of the signatories on six months' notice or by both signatories on a mutually agreed upon date.

Annex: ad. 2 and 3

2. Address of paid card money order instruments.

In Japan

Tokyo Postal Savings Center
The Second Giro Section
3-25 Kuramae 1-chome
Taito-ku, Tokyo
110-99 JAPAN

In the United States of America

United States Postal Service
Postal Data Center
Reconciliation Branch
Post Office Box 14973
St. Louis, Missouri 63182-9411
UNITED STATES OF AMERICA

3. Address of accounts and inquiries

In Japan

Tokyo Postal Savings Center
The Second Giro Section
3-25, Kuramae 1-chome
Taito-ku, Tokyo
110-99 JAPAN

In the United States of America

United States Postal Service
Postal Data Center
International and Inquiry Branch
Post Office Box 14964
St. Louis, Missouri 63182-9421
UNITED STATES OF AMERICA

4. Address of sums to be paid to the other administration
for the settlement of accounts.

In Japan

Director General
Postal Savings Bureau
Ministry of Posts and Telecommunications
Tokyo
100 JAPAN
(through the Bank of Tokyo in Tokyo)

In the United States of America

United States Postal Service
Money Order Division
(through the Federal Reserve Bank in New York)

MODIFICATION OF THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN
AND THE UNITED STATES POSTAL SERVICE FOR THE EXCHANGE OF POSTAL
MONEY ORDERS ON THE BASIS OF THE MONEY ORDERS AND POSTAL
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ad. 6 Preparation and settlement of accounts

a. The settlement of accounts shall be made by offsetting.

b. Within two months after the close of each quarter, each administration shall prepare and forward to the other a quarterly account, in duplicate, listing the amounts of all the money orders received from the other and paid during the preceding quarter, [REDACTED]

[REDACTED] and the total amount of the provisional remittances it has received during that quarter. The money orders paid

during each quarter shall be given a serial number and listed in the corresponding quarterly account with the number in its numerical order and the amount. The quarterly account shall be accompanied by paid money orders arranged in the same order as the entries on the quarterly account.

c. Upon acceptance, each administration shall return one signed copy of the quarterly account received from the other administration.

d. Upon receipt of the quarterly account, the creditor administration shall prepare and forward to the debtor administration a general account, in duplicate, based on the quarterly accounts of both administrations and showing in detail the balance resulting from the transactions of money orders during that quarter.

e. Upon acceptance, the debtor administration shall return one signed copy of the general account received and shall transmit as soon as possible a payment for the balance payable for that quarter. Payment shall be made in United States dollars.

f. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next quarterly account.

ad.12 Effective date

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The Second Giro Section
3-25 Kuramae 1-chome
Taito-ku, Tokyo
110-99 JAPAN

In the United States of America

United States Postal Service
Postal Data Center
Reconciliation Branch
Post Office Box 14973
St. Louis, Missouri 63182-9411
UNITED STATES OF AMERICA

3. Address of accounts and inquiries

In Japan

Tokyo Postal Savings Center
The Second Giro Section
3-25, Kuramae 1-chome
Taito-ku, Tokyo
110-99 JAPAN

In the United States of America

United States Postal Service
Postal Data Center
International and Inquiry Branch
Post Office Box 14964
St. Louis, Missouri 63182-9421
UNITED STATES OF AMERICA

4. Address of sums to be paid to the other administration
for the settlement of accounts.

In Japan

Director General
Postal Savings Bureau
Ministry of Posts and Telecommunications
Tokyo
100 JAPAN
(through the Bank of Tokyo in Tokyo)

In the United States of America

United States Postal Service
Money Order Division
(through the Federal Reserve Bank in New York)

For the
Ministry of Posts and Telecommunications of Japan

Minoru Shiya
Director General of the
Postal Savings Bureau

Tokyo. July 12, 1985
(Place and date of signing)

For the
United States Postal Service

Paul N. Carlin
Postmaster General

Washington, D.C. June 21, 1985
(Place and date of signing)

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN
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THE UNITED STATES POSTAL SERVICE
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a. The exchange of international postal money orders shall be limited to the exchange by mail of card money orders on UPU Form MPl, or a similar form designated by the issuing administration.

b. The information concerning the amount of payment appearing on these forms shall be mechanically printed or typewritten. The amount in words may be replaced by a numbered indication supplied by means of a check-protecting machine, and preceded by a symbol other than a number or a letter.

c. Money orders issued pursuant to this Memorandum of Understanding shall be transmitted by the purchaser or by the issuing postal administration directly to the payee.

3. Currency; Maximum amount

a. The amounts of money orders shall be expressed in United States dollars (\$) for orders issued in Japan, and in Japanese yen (¥) for orders issued in the United States of America. The amount of money orders expressed in the currency of the paying administration shall be entered in the column of the amount of payment, and the paid-in amount, which shall be expressed in the currency of the issuing country, shall be entered in the column of the sum deposited.

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c. Upon acceptance, each administration shall return one signed copy of the quarterly account received from the other administration and shall transmit, when applicable, a payment for the balance payable for that quarter. Payment shall be made in the currency of the country of the other administration.

d. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next quarterly account.

8. Application of the UPU Agreement

The UPU Money Orders and Postal Travellers' Checks Agreement shall be applicable in all cases not expressly governed by this Memorandum of Understanding, except the provisions of the Agreement which govern the following: advice of payment; payment to addressee only; redirection; charges which may be collected from payee; and participation of non-postal organizations.

9. Amendment of the Memorandum of Understanding

This Memorandum of Understanding may be amended by mutual consent of the administrations by means of correspondence.

10. Arbitration

Any dispute which arises between the administrations concerning the interpretation or application of this Memorandum of Understanding which cannot be resolved by the administrations to their mutual satisfaction shall be settled by arbitration, following the arbitration procedures in the General Regulations of the Universal Postal Union at the time that the dispute is submitted by an administration for arbitration.

11. Temporary suspension

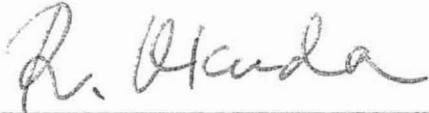
a. Should extraordinary circumstances justify it, either postal administration may temporarily suspend its operation of the postal money order service established by this Memorandum of Understanding, provided that notice of such suspension is given immediately to the other administration by telex.

b. The postal administration which has temporarily suspended service shall also give immediate notice to the other postal administration, by telex, when service is resumed.

12. Effective date

The service established by this Memorandum of Understanding shall begin on January 1, 1985, and shall remain in effect thereafter until terminated by one of the signatories on six months' notice or by both signatories on a mutually agreed upon date.

FOR THE
MINISTRY OF POSTS AND TELECOMMUNICATIONS OF JAPAN

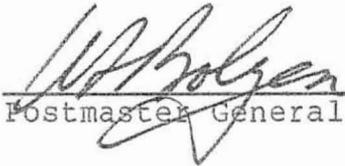


Director General of the
Postal Savings Bureau

Tokyo, August 31, 1981

(Place and date of signing)

FOR THE
UNITED STATES POSTAL SERVICE



Postmaster General

Washington, D.C. 12/24

(Place and date of signing)

ANNEX

DESIGNATED OFFICES

1. Post Offices where card money orders are prepared.

In Japan

<u>Name of Office</u>	<u>Address</u>	<u>Name of Office</u>	<u>Address</u>
Akita	Akita 010	Morioka	Morioka 020
Aomori	Aomori 030	Nagano-Central	Nagano 380
Asahikawa	Asahikawa 070	Nagasaki-Central	Nagasaki 850
Beppu	Beppu 874	Nagoya-Central	Nagoya 450
Fukui	Fukui 910	Naha-Central	Naha 900
Fukuoka-Central	Fukuoka 810	Niigata-Central	Niigata 950
Fukushima	Fukushima 960	Okayama-Central	Okayama 700
Hakodate	Hakodate 040	Osaka-Central	Osaka 530
Hiroshima-Central	Hiroshima 730	Sapporo-Central	Sapporo 060
Kagoshima-Central	Kagoshima 890	Sendai-Central	Sendai 980
Kanazawa-Central	Kanazawa 920	Shimonoseki	Shimonoseki 750
Kobe-Central	Kobe 650	Shizuoka	Shizuoka 420
Kochi	Kochi 780	Takamatsu	Takamatsu 760
Kofu	Kofu 400	Takasaki	Takasaki 370
Kumamoto-Central	Kumamoto 860	Tokyo-Central	Tokyo 100
Kyoto-Central	Kyoto 600	Tsu	Tsu 514
Matsue	Matsue 690	Utsunomiya	Utsunomiya 320
Matsuyama-Central	Matsuyama 790	Yamagata	Yamagata 990
Mito	Mito 310	Yokohama-Port	Yokohama 231
Miyazaki	Miyazaki 880		

In the United States of America

All United States Post Offices

2. Address of paid card money order instruments, accounts and inquiries.

In Japan

Tokyo Postal Savings Center
The Second Giro Section
3-25, Kuramae 1-chome
Taito-ku, Tokyo
110-99 JAPAN

In the United States of America

United States Postal Service
Postal Data Center
International and Inquiry Branch
Post Office Box 14964
St. Louis, Missouri 63182-9000
UNITED STATES OF AMERICA

ANNEX (continued)

3. Address of sums to be paid to the other administration for the settlement of accounts.

In Japan

Director General
Postal Savings Bureau
Ministry of Posts and Telecommunications
Tokyo
100 JAPAN
(through the Bank of Tokyo in Tokyo)

In the United States of America

United States Postal Service
Money Order Division
(through the Federal Reserve Bank in New York)

NOTE

1. Payment of money orders after the validity period

Both Administrations shall regard as valid payments of money orders paid after the validity period provided that such payments are made within one month after the expiration and reimburse the other Administration for such money orders.

2. Notification of postal money orders not to be cashed

In the Postal Savings Bureau a long term project concerning an overall improvement of on-line network system for the postal banking service composed of all post offices and postal savings data centers is being planned and in this frame-work the warning notice system will also be accomplished in future.

So, when this new system has been completed, the Postal Savings Bureau will accept the warning notice.

Tadao Tatem

Director, International Service Division
Postal Savings Bureau
Ministry of Posts and Telecommunications of Japan

Aug. 31, 1984

Date

W. G. D. M. H.

Assistant Postmaster General
International Postal Affairs
United States Postal Service
United States of America

Aug. 3, 1984

Date

Naccarato, Laura E - Washington, DC

From: Nichols, Alan H - Washington, DC
Sent: Thursday, September 01, 2005 1:50 PM
To: Naccarato, Laura E - Washington, DC
Subject: next part

Ms. Ray Christine
Manager,
Product Information Requirements
475 L'enfant Plaza SW Room 425 Promenade
Washington DC
20260-0425

Dear Ms. Ray,

In regard to the above subject, as part of our on-going steps to improve payment methods with other organizations, we would like to suggest that the current system of quarterly settlement of accounts by offsetting be changed to monthly settlement of accounts by offsetting to reduce delays caused by paperwork involved in the settlement.

While it goes without saying that accurate accounting of the large volume of money orders involved is time consuming for both of our organizations, we are at the moment in the process of finalizing our settlement of accounts for financial year 2004 and find ourselves somewhat inconvenienced by delays in settlement processing.

Therefore in order to expedite the paperwork, we would like to ask you to accept our above proposal and agree to modify the article of the Memorandum of Understanding, on the basis of the provisions of Article 9 the Memorandum of Understanding as follows.

Ad. 6 Preparation and settlement of accounts

a. The settlement of accounts shall be made by offsetting.

b. Within one month after close of each month, each administration shall prepare and forward to the other a monthly account, in duplicate,

listing the amounts of all the money orders received from the other and paid during the preceding month,

the amount of remuneration under Article 7 and the total amount of the provisional remittances it has received during that month.

The money orders paid during each month shall reflect the serial number of the document (be given a serial number) and be listed in the corresponding monthly account. (with the numbers in its numerical order and the amount.) The monthly account shall be accompanied by paid money orders arranged in the same order

as the entries on the monthly account.

c. Within 15 days of receipt of the monthly account (Upon acceptance), each administration shall return one signed copy of the accepted monthly account received from the other administration.

d. Upon receipt of the acceptance notification of the monthly account, the creditor administration shall prepare and forward to the debtor administration a general account, in duplicate, based on the monthly account of both administrations and showing in detail the balance resulting from the transactions of money orders

during that month. General account will be completed within 30 days of receipt of acceptance letter

e. Upon acceptance of the General account, the debtor administration shall return one signed copy of the general account received and shall transmit within 30 days (as soon as possible)

a payment for the balance payable for that month. Payment shall be made in United States dollars.

f. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next monthly account.

We would be grateful for your understanding in this matter. If this amendment meets with your

9/23/2005

Naccarato, Laura E - Washington, DC

From: Nichols, Alan H - Washington, DC
Sent: Thursday, September 01, 2005 1:49 PM
To: Naccarato, Laura E - Washington, DC
Subject: FW: Modification of The Memorandum of Understanding between Japan Post and The United States Postal Service

Dear Ms. Ray,

In regard to the above subject, as part of our on-going steps to improve payment methods with other organizations, we would like to suggest that the current system of quarterly settlement of accounts by offsetting be changed to monthly settlement of accounts by offsetting to reduce delays caused by paperwork involved in the settlement.

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- c. Upon acceptance, each administration shall return one signed copy of the monthly account received from the other administration.
- d. Upon receipt of the monthly account, the creditor administration shall prepare and forward to the debtor administration a general account, in duplicate, based on the monthly account of both administrations and showing in detail the balance resulting from the transactions of money orders during that month.
- e. Upon acceptance, the debtor administration shall return one signed copy of the general account received and shall transmit as soon as possible a payment for the balance payable for that month. Payment shall be made in United States dollars.
- f. Any accounting errors discovered during subsequent checks of the accounts shall be corrected in the next monthly account.

We would be grateful for your understanding in this matter. If this amendment meets with your approval, we would like to introduce this method of the settlement from April 2005. If you have any comments on this issue, please feel free to contact us accordingly.

Thank you in advance for your kind cooperation.
Your prompt response would be much appreciated.

Sincerely yours,

ONDA Tetsuo