

## ANNEX I (con.)

-19-

15. TCRs 1 and 2 for chapter 35 are deleted, TCR 6 is deleted, TCRs 3 through 5 are renumbered as 4 through 6, respectively, and the following new TCRs 1 through 3, inclusive, and 7 for chapter 35 are inserted in numerical sequence:

- "1. A change to subheadings 3501.10 through 3501.90 from any other subheading, including another subheading within that group.
2. A change to subheadings 3502.11 through 3502.19 from any subheading outside that group.
3. A change to subheadings 3502.20 through 3502.90 from any other subheading, including another subheading within that group.
7. A change to subheadings 3507.10 through 3507.90 from any other subheading, including another subheading within that group."

16. TCR 4 for chapter 36 is deleted and the following new TCRs for chapter 36 are inserted in lieu thereof:

- "4. A change to subheading 3606.10 from any other subheading.
5. (A) A change to subheading 3606.90 from any other heading; or  
(B) A change to subheading 3606.90 from any other subheading within heading 3606, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 65 percent where the transaction value method is used, or
  - (2) 50 percent where the net cost method is used."

17. TCRs 1 through 3, inclusive, for chapter 38 are deleted and the following new TCRs for chapter 38 are inserted in lieu thereof:

- "1. A change to subheadings 3801.10 through 3801.90 from any other subheading, including another subheading within that group.
2. (A) A change to subheadings 3802.10 through 3802.90 from any other heading; or  
(B) A change to subheadings 3802.10 through 3802.90 from any other subheading within heading 3802, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used, or
  - (2) 50 percent where the net cost method is used.
3. A change to headings 3803 through 3804 from any other heading, including another heading within that group.
4. A change to subheadings 3805.10 through 3805.90 from any other subheading, including another subheading within that group.
5. A change to subheadings 3806.10 through 3806.90 from any other subheading, including another subheading within that group.
6. A change to heading 3807 from any other heading.