(f) customs duties on originating goods classified under the tariff lines indicated with "B10*" shall be eliminated, from the Base Rate to free, effective on the first day of the 11th year;

(g) customs duties on originating goods classified under the tariff lines indicated with "B15" shall be eliminated, from the Base Rate to free, in 16 equal annual instalments beginning on the date of entry into force of this Agreement;

(h) customs duties on originating goods classified under the tariff lines indicated with "B20" shall be eliminated, from the Base Rate to free, in 21 equal annual instalments beginning on the date of entry into force of this Agreement;

(i) customs duties on originating goods classified under the tariff lines indicated with "P" shall be reduced in accordance with the terms and conditions set out in the notes indicated in Column 5 in each Party's Schedule;

(j) customs duties on originating goods classified under the tariff lines indicated with "Q" shall be as provided for in the terms and conditions set out in the notes indicated in Column 5 in each Party's Schedule;

(k) originating goods classified under the tariff lines indicated with "R" shall be excluded from any tariff commitment referred to in subparagraphs (a) through (j), and the customs duties on those originating goods shall be subject to negotiations provided for in the terms and conditions set out in the notes indicated in Column 5 in each Party's Schedule; and

(l) originating goods classified under the tariff lines indicated with "X" shall be excluded from any tariff commitment referred to in subparagraphs (a) through (k).

2. Unless otherwise provided for in this Annex, for the purposes of the elimination or reduction of customs duties in accordance with this Annex, in the case of *ad valorem* duties any fraction less than 0.1 of a percentage point shall be rounded to the nearest one decimal place (in the case of 0.05 percent, the fraction is rounded to 0.1 percent), and in the case of specific duties any fraction smaller than 0.01 of the official monetary unit of each Party shall be rounded to the nearest two decimal places (in the case of 0.005, the fraction is rounded to 0.01).

3. This Annex is made based on the Harmonized System, as amended on January 1, 2012.

4. For the purposes of this Annex, the term "Base Rate", as specified in Column 3 of each Party's Schedule means the starting point of elimination or reduction of customs duties.

5. For the purposes of implementing equal annual instalments, the following shall apply:

(a) the reduction for the first year shall take place on the date of entry into force of this Agreement; and

(b) the subsequent annual reductions shall take place on April 1 of each following year.

6. For the purposes of this Annex, the term "year" means, with respect to the first year, the period from the date of entry into force of this Agreement until the following March 31 and, with respect to each subsequent year, the twelve-month period which starts on April 1 of that year.