

THE UNITED STATES TRADE REPRESENTATIVE
Executive Office of the President
Washington, D.C. 20506

March 20, 1997

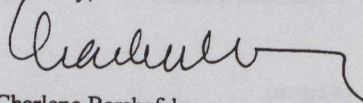
His Excellency Herminio Blanco Mendoza
Secretary of Commerce and Industrial Development
Alfonso Reyes 30, Piso 10
Col. Hipodromo de la Condesa
06179 Mexico D.F.
Mexico

Dear Mr. Secretary:

I have the honor to confirm the understanding, as set forth in the Annex to this letter, reached by the delegations of Canada, the United Mexican States and the United States of America in the Working Group on Rules of Origin, established pursuant to Article 513 of the North American Free Trade Agreement (hereinafter referred to as the "NAFTA"), to make certain technical rectifications to Annex 401 of the NAFTA. These rectifications do not constitute substantial changes to the NAFTA and have the sole purpose of establishing consistency between Annex 401 and the Parties' tariff laws.

I confirm that this letter and its Annex, and your letter, together with your letter to Minister Eggleton and his letter of confirmation in reply, shall constitute an agreement among the three governments. I further confirm that this agreement shall enter into force on April 15, 1997, on an exchange of written notifications certifying the completion of each Party's applicable legal procedures.

Sincerely,



Charlene Barshefsky