



TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199



ISSUE: **D**

PAGES: 1 OF 16

**REVISION HISTORY**

Revision History				
Date	Memo	Revision	Author	Change Description
06-MAY-10	GS3036	A	Michelle Hill	Initial Release
04-FEB-11	C448302	B	Michelle Hill	Update to reflect reorg and name change to Motorola Solutions Inc.
24-APR-18	AGLDM08683	C	Michelle Hill	Update titles, org names and URL's.
03-APR-19	AGLDM09199	D	Michelle Hill	Clarify the responsibility of suppliers to declare accurate COO on ASN, commercial invoice, product marking, packaging and labels.

**APPROVALS**

Sector Specific Approvers		
Name	Position	Business Sector
Ken Bradshaw  Bradshaw and Bell Approvals - 1213933l	Director, Logistics	Supply Chain Motorola Solutions, Inc.
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**Table of Contents**

1. Objective..... 2

2. Scope ..... 2

3. Responsibilities..... 2



TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 2 OF 16

4.	Abbreviations, Acronyms, and Definitions .....	3
5.	Reference Documents .....	9
6.	Procedure .....	9
7.	Quality .....	11

**1. Objective**

**1.1.** The objective of this document is to define Motorola Solutions, Inc. standards for compliant determination of non-preferential country of origin for purposes of product marking and declaration on international invoices.

**1.2.** These standards are not to be construed as legal advice or a substitute for compliance to contradictory governmental regulations. The Exporter / Importer of Record, is legally responsible for understanding and complying with export/import regulations of the countries involved. Motorola Solutions will not be held responsible for failure of an unrelated party to follow applicable export/import regulations.

**2. Scope**

**2.1.** Motorola Solutions, Inc. (MSI). For the purpose of this document, all references to “Motorola Solutions” and “MSI” shall be deemed to include Motorola Solutions, Inc. and its affiliates. Motorola Solutions, Inc. “affiliates” includes Vertex Standard USA, Inc.

**2.2.** This global specification applies to all MSI factories, customer fulfillment centers, and repair service centers that ship internationally.

**2.3.** MSI requires its suppliers (including, but not limited to direct materials, indirect materials, EMS, ODM, and repair operations) to maintain comparable country of origin compliance programs for the products they provide to MSI or on behalf of MSI.

**3. Responsibilities**

**3.1. Global Trade Compliance.** Provide oversight, guidance, and interpretation of regulations.

**3.2.** Various functions may be responsible for determining non-preferential country of origin, depending on local organization, including but not limited to: import/export operations, engineering, product management, category management, procurement, purchasing, supplier, order management, warehouse management, quality, receiving, packing, and shipping.

**3.3.** Local supply chain operations are expected to engage all responsible organizations in a cross-functional effort to develop, document, and maintain a compliant country of origin determination process.



TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 3 OF 16

**4. Abbreviations, Acronyms, and Definitions**

(3S) Shipping Label <sup>3</sup>	Used to identify a shipment by all parties involved in the shipping/receiving process: supplier, freight company, and customer.  Label should be placed in the upright position, in the lower right-hand corner of the smallest face of the box.
(4S) Packing List Label <sup>3</sup>	Used to identify a shipment by all parties involved in the shipping/receiving process: supplier, freight company, and customer.  Label should be placed on a blank part of the packing list (either front or back). If the supplier can provide a bar coded packing list with the fields listed below, a separate (4S) label is not required. The packing list should be placed in a packing list envelope and the envelope placed in a clearly visible position on the number 1 box of each purchase order shipment.
(5S) Outer pack Label <sup>3</sup>	Used to identify a shipment by all parties involved in the shipping/receiving process: supplier, freight company, and customer.  Label should be placed in the upright position, in the lower right-hand corner of the smallest face of the <u>outermost shipping container</u> .
ASN	<b>5.</b> An Advance Shipment Notice (ASN) is transmitted via Electronic Data Interchange (EDI) from a supplier to let the receiving organization know that a shipment is coming. The ASN contains details including shipment date, time, and identification number; packing slip data; freight information; item detail including cumulative received quantities; purchase order number; and returnable container information.
BOM	Bill of Materials – a record of all materials used in the production or kitting of an intermediate or finished good.
Certificate of origin <sup>7</sup>	A certificate of origin is a document that states the country of origin and may be required for importation, meeting letter of credit requirements, or receiving benefits under a trade agreement. To be accepted by the importing country’s Customs agency, the document may have to be certified by a local chamber of commerce, consulate, notary or other government office or agency.



**TITLE: Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 4 OF 16

Country of origin marking <sup>7</sup>	<p>Country of origin markings are physical marks on products or packaging that identify the country of origin. The purpose of country of origin marking is to inform the ultimate purchaser of the country in which the product was made.</p> <p>Refer to section 6 of the global specification on “Country of Origin Marking (1213933U06)” for detailed guidance on product and package marking requirements, which may vary based on the type of product or package.</p>
Country of origin of goods <sup>7</sup>	<p>The country of origin of a good is the country of manufacture, production or growth. It is not the country of export or the last country from which the item shipped. Origin is almost always required to be declared to the importing government as part of the importing process. Origin is also a key element in determining applicability of trade agreement benefits to goods.</p> <p>The country of origin of a good is the country in which:</p> <ul style="list-style-type: none"> <li>• The good is “wholly obtained or produced” (see “wholly produced” definition);</li> <li>• The good is produced exclusively from domestic materials; or</li> <li>• Each foreign material incorporated in that good undergoes a substantial transformation.</li> </ul>
Declaration of origin <sup>1</sup>	A declaration of origin is a country of origin statement by the manufacturer, producer, supplier, exporter or other competent person on the commercial invoice or any other document relating to the goods.
Documentary evidence of origin <sup>1</sup>	A certificate of origin, a certified declaration of origin or a declaration of origin.
Essential Character <sup>4,10</sup>	The factor which determines essential character will vary between different kinds of goods. It may, for example be determined by the nature of the materials or component, its bulk, quantity, weight or value, or by the role of a constituent material in relation to the use of the goods.
External (Tertiary) packaging	Packaging used in the handling and transport of a quantity of Immediate and/or Intermediate packaged units. This packaging is specifically designed to prevent damage during transportation.
Immediate (Primary, Ultimate Purchaser, or Retail) packaging	Packaging designed to be supplied with the sales unit sold to the final user or users at the point of purchase.



**TITLE: Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 5 OF 16

Intermediate (Secondary) packaging	<p>1. Packaging used to group quantities of primary packaged goods. The packaging can be sold along with the units or can be removed before being sold to the final user.</p> <p>2. Rails, foams, reels, bundles, or bags of a single product; and boxes, cartons, bags, or other packages used to contain them. Normally one or more intermediate packages will be bundled to make a shipping pack.</p>
ISO Standard 3166-1 <sup>6</sup>	The short country names from ISO 3166-1 and the alpha-2 codes are made available by ISO at no charge for internal use and non-commercial purposes. The lists are extracted from ISO 3166-1. They contain all short country names and alpha-2 code elements officially published by ISO and they are updated whenever a change of country name and/or alpha-2 code element is made in ISO 3166-1. ( <a href="https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2">https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2</a> ).
ISO country code <sup>6</sup>	Alpha-2 character country code defined in ISO 3166-1 ( <a href="https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2">https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2</a> ).
ISO short country name <sup>6</sup>	The short country name defined in ISO 3166-1 ( <a href="https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2">https://en.wikipedia.org/wiki/ISO_3166-1_alpha-2</a> ).
Non-preferential rules of origin <sup>5</sup>	<p>“Non-preferential” rules are those that generally apply to merchandise in the absence of trade agreements.</p> <p>Typically, non-preferential rules of origin schemes employ the “substantial transformation” criterion for goods that consist in whole or in part of materials from more than one country.</p>
Originating	Manufactured, produced or grown, in accordance with applicable rules of origin.
Preferential rules of origin <sup>5</sup>	“Preferential” rules are those that apply to merchandise to determine eligibility for special treatment under various trade agreements or special legislation. Preferential rules of origin often employ schemes other than (or in addition to) “substantial transformation”, including commodity-specific tariff shift rules and regional value content rules. A product that qualifies as originating in a particular country under non-preferential rules of origin does not necessarily qualify as originating in that country for purposes of preferential treatment under a trade agreement.
Rules of origin <sup>1</sup>	the specific provisions, developed from principles established by national legislation or international agreements ("origin criteria"), applied by a country to determine the origin of goods.



TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 6 OF 16

Substantial transformation<sup>4</sup>

A substantial transformation has occurred when an article emerges from a process with a new name, character, or use different from that possessed by the article prior to processing.

If the manufacturing or combining process is a minor one which leaves the identity of the imported article intact, a substantial transformation has not occurred.

No article or material shall be considered to have been grown, produced, or manufactured in a country by virtue of having merely undergone "simple combining or packaging operations", or mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

"Simple combining or packaging operations" include, but are not limited to, the following processes:

- Repacking or packaging components together;
- Fitting together a small number of components by bolting, gluing, soldering etc.;
- The addition of batteries to devices;
- The addition of substances such as anti-caking agents, preservatives, wetting agents, etc.;
- Diluting chemicals with inert ingredients to bring them to standard degrees of strength.

The substantial transformation criterion is applied on a case-by-case basis, and it is based on a change in name/character/use (i.e., an article that consists in whole or in part of materials from more than one country is a product of the country in which it has been substantially transformed into a new and different article of commerce with a name, character, and use distinct from that of the article or articles from which it was so transformed).



**TITLE: Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 7 OF 16

<p>Ultimate Purchaser</p>	<p>The “ultimate purchaser” is generally the last person in the importing country who will receive the article in the form in which it was imported.</p> <p>Examples:</p> <p>(1) If an imported article will be used in manufacture, the manufacturer may be the “ultimate purchaser” if he subjects the imported article to a process which results in a substantial transformation of the article.</p> <p>(2) If the manufacturing process is merely a minor one which leaves the identity of the imported article intact (i.e., no substantial transformation), the consumer or user of the article, who obtains the article after the processing, will be regarded as the “ultimate purchaser.”</p> <p>(3) If an article is to be sold at retail in its imported form, the purchaser at retail is the “ultimate purchaser.”</p> <p>(4) If the imported article is distributed as a gift the recipient is the “ultimate purchaser”.</p>
<p>WCO<sup>1</sup></p>	<p>The World Customs Organization (WCO) is the only intergovernmental organization exclusively focused on Customs matters. With its worldwide membership, the WCO is now recognized as the voice of the global Customs community. It is particularly noted for its work in areas covering the development of global standards, the simplification and harmonization of Customs procedures, trade supply chain security, the facilitation of international trade, the enhancement of Customs enforcement and compliance activities, anti-counterfeiting and piracy initiatives, public-private partnerships, integrity promotion, and sustainable global Customs capacity building programs. The WCO also maintains the international Harmonized System goods nomenclature, and administers the technical aspects of the WTO Agreements on Customs Valuation and Rules of Origin.</p>



**TITLE: Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 8 OF 16

<p>Wholly produced<sup>1</sup></p>	<p>Goods produced wholly in a given country shall be taken as originating in that country. The following only shall be taken to be produced wholly in a given country:</p> <ul style="list-style-type: none"> <li>• mineral products extracted from its soil, from its territorial waters or from its sea-bed;</li> <li>• vegetable products harvested or gathered in that country;</li> <li>• live animals born and raised in that country;</li> <li>• products obtained from live animals in that country;</li> <li>• products obtained from hunting or fishing conducted in that country;</li> <li>• products obtained by maritime fishing and other products taken from the sea by a vessel of that country;</li> <li>• products obtained aboard a factory ship of that country solely from products of the kind covered by paragraph (f) above;</li> <li>• products extracted from marine soil or subsoil outside that country's territorial waters, provided that the country has sole rights to work that soil or subsoil;</li> <li>• scrap and waste from manufacturing and processing operations, and used articles, collected in that country and fit only for the recovery of raw materials;</li> <li>• goods produced in that country solely from the products referred to above.</li> </ul>
<p>WTO<sup>2</sup></p>	<p>The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to help producers of goods and services, exporters, and importers conduct their business.</p> <p>Functions:</p> <ul style="list-style-type: none"> <li>• Administering WTO trade agreements</li> <li>• Forum for trade negotiations</li> <li>• Handling trade disputes</li> <li>• Monitoring national trade policies</li> <li>• Technical assistance and training for developing countries</li> <li>• Cooperation with other international organizations</li> </ul>





TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 9 OF 16

## 6. Reference Documents


Document Description
<sup>1</sup> World Customs Organization, <a href="http://www.wcoomd.org/">http://www.wcoomd.org/</a>
<sup>2</sup> World Trade Organization, <a href="https://www.wto.org/">https://www.wto.org/</a>
<sup>3</sup> Motorola Solutions Receiving Bar Code Specification (1213933A01), <a href="https://drive.google.com/open?id=0B-5wD-XGOj54TzVxTjRnV0k5T00">https://drive.google.com/open?id=0B-5wD-XGOj54TzVxTjRnV0k5T00</a>
<sup>4</sup> Customs Rulings Online Search System (CROSS), <a href="https://rulings.cbp.gov/">https://rulings.cbp.gov/</a>
<sup>5</sup> "What Every Member of the Trade Community Should Know About: U.S. Rules of Origin Preferential and Non-Preferential Rules of Origin", Informed Compliance Publications. May 2004. <a href="https://www.cbp.gov/sites/default/files/assets/documents/2016-Apr/icp026_3.pdf">https://www.cbp.gov/sites/default/files/assets/documents/2016-Apr/icp026_3.pdf</a>
<sup>6</sup> International Organization for Standardization, <a href="https://www.iso.org/home.html">https://www.iso.org/home.html</a>
<sup>7</sup> Global Trade Compliance Country of Origin/Marking guidance: <a href="https://converge.motorolasolutions.com/community/lga/office-of-ethics-and-global-trade-compliance/customs-compliance">https://converge.motorolasolutions.com/community/lga/office-of-ethics-and-global-trade-compliance/customs-compliance</a>
<sup>9</sup> Harmonized Tariff Schedule of the United States, <a href="https://hts.usitc.gov/current">https://hts.usitc.gov/current</a>
<sup>10</sup> Explanatory Notes to the Harmonized Commodity Description and Coding System (HS- fourth edition 2007), published by the World Customs Organization
<sup>11</sup> Country of Origin Product Marking Requirements for Foreign Articles Imported into the U.S. (GTC-003), <a href="https://converge.motorolasolutions.com/docs/DOC-24975">https://converge.motorolasolutions.com/docs/DOC-24975</a>
<sup>12</sup> U.S. Country of Origin Marking Requirements for Repackaging or Kitting Operations (GTC-004), <a href="https://converge.motorolasolutions.com/docs/DOC-24976">https://converge.motorolasolutions.com/docs/DOC-24976</a>
<sup>13</sup> 19 C.F.R. § 134 Country of Origin Marking (US Code of Federal Regulations) <a href="https://www.gpo.gov/fdsys/pkg/CFR-2001-title19-vol1/content-detail.html">https://www.gpo.gov/fdsys/pkg/CFR-2001-title19-vol1/content-detail.html</a>
<sup>14</sup> "Made in U.S.A." Standard (US Federal Trade Commission) <a href="https://www.ftc.gov/tips-advice/business-center/guidance/complying-made-usa-standard">https://www.ftc.gov/tips-advice/business-center/guidance/complying-made-usa-standard</a>
<sup>15</sup> 19 C.F.R. § 102 Rules of Origin (US Code of Federal Regulations) <a href="https://www.gpo.gov/fdsys/pkg/CFR-2001-title19-vol1/content-detail.html">https://www.gpo.gov/fdsys/pkg/CFR-2001-title19-vol1/content-detail.html</a>
Country of Origin Marking Chart, <a href="https://converge.motorolasolutions.com/docs/DOC-24973">https://converge.motorolasolutions.com/docs/DOC-24973</a>
Packaging Requirements for Inbound Shipments to Motorola Solutions (12S10601A), <a href="https://drive.google.com/open?id=0B-5wD-XGOj54LVc3a0l6YjVzOFU">https://drive.google.com/open?id=0B-5wD-XGOj54LVc3a0l6YjVzOFU</a>
Country of Origin Marking (1213933U06) <a href="https://drive.google.com/open?id=0B-5wD-XGOj54SkhoOGk3eWJfXzA">https://drive.google.com/open?id=0B-5wD-XGOj54SkhoOGk3eWJfXzA</a>
Country of Origin Declaration on Invoices (1213933U05) <a href="https://drive.google.com/open?id=0B-5wD-XGOj54eEIZdHNuUEImV00">https://drive.google.com/open?id=0B-5wD-XGOj54eEIZdHNuUEImV00</a>

## 7. Procedure

### Determining the non-preferential country of origin for an item

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 <b>MOTOROLA SOLUTIONS</b> Global Specification		NO. <b>1213933U04</b>	
TITLE: <b>Determining Non-Preferential Country of Origin</b>			
REVISION DATE: 03-APR-19	MEMO: AGLDM09199	ISSUE: <b>D</b>	PAGES: 10 OF 16

Review local item detail, bill of material, and purchasing records to determine whether the item is a “Make” or a “Buy”, then follow the steps below to determine the correct country of origin for an item.

**7.1. Buy items** – The correct country of origin shall be determined by the supplier, based on the definition for “Country of origin of goods” found in section 4 of this document.

**7.1.1.** All suppliers must comply with applicable product marking, package labeling, and shipping carton labeling requirements.

**7.1.2.** Motorola Solutions requires its suppliers to declare the country of origin on the commercial invoice for every item shipped internationally, and the supplier is responsible for ensuring the correct value for country of origin is defined on the commercial invoice

**7.1.3.** Country of origin is a required field on the ASN transmitted by suppliers to Motorola Solutions, and the supplier is responsible for ensuring the correct value for country of origin is defined on the ASN.

**7.1.4.** Motorola Solutions shall record the country of origin for “buy” items, based on the information provided by the supplier via ASN, marking on the product, marking on packaging, and declaration on the commercial invoice.

**7.2. Make items** – Review the local Motorola Solutions manufacturing bill of material to determine the correct country of origin, giving proper consideration of all of the following origin criteria. Seek guidance from your local trade compliance professional or regional Global Trade Compliance representative for assistance reviewing the bill of material if you are unsure how to determine the correct country of origin for an item.

**7.2.1.** Is the product “wholly produced” (defined in section 4)?


**7.2.1.1.** If yes, the country of origin is the country in which the item is wholly produced.

**7.2.1.1.1.** Note: It would be *extremely unusual* for any product manufactured, procured, or repaired by Motorola Solutions to satisfy the “wholly produced” origin criterion. Be certain that you understand the definition of “wholly produced” before making a claim that an item is “wholly produced”. Although it is possible that all materials used in the production of a finished good are sourced locally, it is highly unlikely that none of the materials were imported at some point.

**7.2.1.2.** If no, go to section 6.2.2.

**7.2.1.3.** If unsure whether an item should be considered “wholly produced”, seek guidance from your local trade compliance professional or regional Global Trade Compliance representative.

**7.2.2.** Is the product produced exclusively of domestic materials?

 <b>MOTOROLA SOLUTIONS</b> Global Specification		NO. <b>1213933U04</b>	
TITLE: <b>Determining Non-Preferential Country of Origin</b>			
REVISION DATE: 03-APR-19	MEMO: AGLDM09199	ISSUE: <b>D</b>	PAGES: 11 OF 16

7.2.2.1. If yes, the country of origin is the country in which the item produced exclusively of domestic materials.

7.2.2.1.1. Note: It would be *extremely unusual* for any product manufactured, procured, or repaired by Motorola Solutions to satisfy the “produced exclusively of domestic materials” origin criterion. Be certain that you understand the definition of “wholly produced” before making a claim that an item is “produced exclusively of domestic materials”. Although it is possible that all materials used in the production of a finished good are sourced locally, it is highly unlikely that none of the materials were imported at some point.

7.2.2.2. If no, go to section 6.2.3.

7.2.2.3. If unsure whether an item should be considered “produced exclusively of domestic materials”, seek guidance from your local trade compliance professional or regional Global Trade Compliance representative.

**7.2.3.** Does each foreign material incorporated in the finished good undergo a “substantial transformation” (defined in section 4) as a result of processing by the local manufacturing operation?

7.2.3.1. If yes, the country of the local Motorola Solutions manufacturing operation is the country of origin.

7.2.3.2. If no, consider essential character. Go to 6.2.4.

7.2.3.3. If unsure whether substantial transformation has occurred, seek guidance from your local trade compliance professional or regional Global Trade Compliance representative.

*Example: See Appendix I.*

**7.2.4.** Is it possible to determine which component or material on the bill of materials imparts the “essential character” (defined in section 4) of the product or kit?

7.2.4.1. If yes, the country of origin of the component or material that gives the product its essential character is the the country of origin of the product.

7.2.4.2. If no, seek further guidance from your local trade compliance professional or regional Global Trade Compliance representative.

*Example: See Appendix II*

**7.2.5.** Special exceptions – For certain products, the country of origin is based on the exporter or importer government’s interpretation of rules of origin. Consult with the importer or in-country trade compliance for further guidance.

## 8. Quality

Global Trade Compliance is responsible for auditing compliance to this standard.



TITLE: Determining Non-Preferential Country of Origin

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: D

PAGES: 12 OF 16

Appendix I: Substantial Transformation Example (GPS)

In the example below, the bill of material indicates that all purchased components/materials (resistors, capacitors, IC's, etc.) have been substantially transformed into a CPN6129C power supply board as a result of processing by the US manufacturing operation. Therefore, the country of origin of CPN6129C is United States.

BOM Multi Level - Header	APC	Description	St	M/B	Supply_Type
CPN6129C	0112	PA PWR SUP BUCK CNV ADJ W BYP	03C	Make	Push

Level	Component	Description	Qty	M/B	UOM	APC	Status
1	0173000A86	PS BCK CNV 21-28VOU 13A W BYP -C	1	Make	EA	0112	03C
2	0613952B68	CER CHIP RES 49.9 OHM 1% 0603	1	Buv	EA	0112	03C
2	0613952C73	CER CHIP RES 562 OHM 1% 0603	1	Buv	EA	0112	03C
2	0613952D01	CER CHIP RES 1000 OHM 1% 0603	2	Buv	EA	0895	03C
2	0613952D30	CER CHIP RES 2000 OHM 1% 0603	1	Buv	EA	0112	03C
2	0613952D51	CER CHIP RES 3320 OHM 1% 0603	2	Buv	EA	0112	03C
2	0613952D93	CER CHIP RES 9090 OHM 1% 0603	2	Buv	EA	0112	03C
2	0613952E68	CER CHIP RES 49.9K OHM 1 0603	1	Buv	EA	0112	03C
2	0613952E88	CER CHIP RES 80.6K OHM 1 0603	1	Buv	EA	0112	03C
2	0613952G67	CER CHIP RES 0.0 +/-0.050 OHM	3	Buv	EA	0112	03C
2	0613959B01	CER CHIP RES 10.0 OHM 1% 1210	2	Buv	EA	0112	03C
2	0613959G61	CER CHIP RES 330 OHM 5% 1210	1	Buv	EA	0112	03C
2	0614033F30	RES.MF.2KOHM..1%..063W.SM.0603.50PPM/CEL.PB-FREE	2	Buv	EA	0112	03C
2	0614033G01	RES.MF.10KOHM..1%..063W.SM.0603.50PPM/CEL.PB-	2	Buv	EA	0112	03C
2	0614033G44	RES.MF.28KOHM..1%..063W.SM.0603.50PPM/CEL.PB-	1	Buv	EA	0112	03C
2	0614033G88	RES.MF.80.6KOHM..1%..063W.SM.0603.50PPM/CEL.LEAD-	3	Buv	EA	0112	03C
2	2113944C06	CAP CER CHP 470.0PF 50V 5%	4	Buv	EA	0112	03C
2	2113944C45	CAP CER CHP 100.0PF 50V 5%	6	Buv	EA	0112	03C
2	2113945C01	CAP CER CHP 6800PF 50V 10%	1	Buv	EA	0112	03C
2	2113945C02	CAP CER CHP 10.000PF 50V 10%	2	Buv	EA	0112	03C
2	2113945D04	CAP CER CHP 100.000PF 25V 10%	1	Buv	EA	0112	03C
2	2113946E02	CAP CER CHP 1.0UF 16V 10%	4	Buv	EA	0112	03C
2	2185457Y01	CAP CHIP CER 10UF 35V W18	16	Buv	EA	0112	03C
2	2385169Y04	CAP ALU LYT 330UF 35V 20%	5	Buv	EA	0112	03C
2	2385681Y03	CAP.TANT.47UF.20%.16V.7343	1	Buv	EA	0112	03C
2	2485011Y01	INDUCTOR BEAD CHP PB-FREE	4	Buv	EA	0112	03C
2	2485245Y01	INDUCTOR 11UH 14A SM NOPB	2	Buv	EA	0112	03C
2	2485364Y14	CHIP IND 100 NH 5% 0805 EPP	3	Buv	EA	0112	03C
2	2485568Y01	SHIELDED POWER INDUCTOR	3	Buv	EA	0112	03C
2	2585242Y01	XFMR GATE DRIVE 1:1:1 SM NOPB	1	Buv	EA	0112	03C
2	2884812Y02	HEADER. 10 PIN SMT	1	Buv	EA	0112	03C
2	4813973A08	XSTR.BIP GP SS.NPN.T2222.SM.SOT-	1	Buv	EA	0112	03C
2	4813978B09	PB FREE. NOT COMPLETELY ENRICHED	9	Buv	EA	0112	03C
2	4813978C02	PB FREE. NOT COMPLETELY ENRICHED	2	Buv	EA	0112	03C



TITLE: Determining Non-Preferential Country of Origin

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: D

PAGES: 13 OF 16

Level	Component	Description	Qty	M/B	UOM	APC	Status
2	4885048Y02	MOSFET N-CH. 75V.80A W18	1	Buy	EA	0112	03C
2	4885058Y04	DIODE SCH 30A 60V DL NOPB (Y03 ALT)	1	Buy	EA	0112	03C
2	4885489Y01	DIODE SCHOTTKY 2A 40V SMB PB-FREE	1	Buy	EA	0112	03C
2	5114005A19	IC.OP AMP.2PER PKG.HI-SPD.SM.SO-8.SING SPLY. PB-	1	Buy	EA	0112	03C
2	5185254Y01	IC PWM PUSH-PULL 8P SM NOPB	1	Buy	EA	0112	03C
2	5185255Y01	IC MOSFET DRVR LOWSIDE 9A SM	1	Buy	EA	0112	03C
2	6585118Y02	FUSE 2A. 125V FAST ACT W18	1	Buy	EA	0112	03C
2	6585118Y05	FUSE 1/2A, 125V FAST ACT W18	1	Buy	EA	0112	03C
1	1010041C20	SOLDER PASTE(SN62/PB36/AG2)	0	Buy	EA	0895	03C
1	1110034A47	CLOTH LINT FREE 9X9"	0	Buy	EA	0895	03C
1	5482006W02	RIBBON THERMAL XFER	0	Buy	EA	0895	03C
1	5482006W03	BARCODE LABEL	1	Buy	EA	0507	03C
1	5686077Y01	INSERT. CONV. ESD FOAM 17.75 X 8.75	0	Buy	EA	0112	03C
1	8485225Y03	PCB.PS.CONV.W/BYPASS	1	Buy	EA	0112	03C

Appendix II: Essential Character Example (GPS)

In the example below, the bill of material indicates that all purchased components/materials have NOT been substantially transformed. Therefore, the country of the component/material that gives the item its essential character is the country of origin. In this case, part 5984115T02 is the "FAN AC 50HZ 230V 106CFM 13W" that gives part BLN7111B the essential character of a 50HZ FAN ASSEMBLY. Therefore, the country of origin of BLN7111B is the country of origin of 5984115T02. The origins of the CABLES, FASTENERS, HOUSING, LABELS and PACKAGING are irrelevant.

BOM Single Level - Header						
Item	Description	St	APC	M/B	Supply_Type	Frozen_Cost
<u>BLN7111B</u>	50HZ FAN ASM	03C	0404	Make	Phantom	103.98289

BOM Single Level - Details													
Item	Description	Seq.	Qty	St	APC	M/B	U_O_M	Frozen_Cost	Implem_Date	Effect_Date	Supply Type	Bom Status	
<u>(PR22814)</u>	PRELIMINARY BILL OF MATERIAL	1	0	03N	0228	Make	FR	*	18-NOV-02	18-NOV-02	Bulk	03	
<u>0180705F08</u>	CABLE ASSEMBLY	9200	2	03C	0228	Make	EA	0	18-NOV-02	18-NOV-02	*	03	
<u>0184471T01</u>	HOUSING ASSY TOP	9100	1	03C	0404	Buy	EA	15.9	18-NOV-02	18-NOV-02	Push	03	



TITLE: Determining Non-Preferential Country of Origin

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: D

PAGES: 14 OF 16

<u>0212022A01</u>	NUTLCK M4 X 8.0 STLZNC	9200	2	03C	0443	Buy	EA	.02	18-NOV-02	18-NOV-02	*	03
<u>0310943J15</u>	SCRTPG TT3.5X0.6X8 INTSTARPAN	9200	3	03C	0448	Buy	EA	.011	18-NOV-02	18-NOV-02	*	03
<u>0312016A54</u>	SCRTPG TT6X1X10 STRPAN	9200	2	03C	0509	Buy	EA	.0445	18-NOV-02	18-NOV-02	*	03
<u>0400007657</u>	WSHRLCK 8 EXT STL CAD	9200	2	03C	0404	Buy	EA	.00293	18-NOV-02	18-NOV-02	*	03
<u>0782304W01</u>	BKT FAN MOUNTING	9200	2	03C	0277	Buy	EA	5.92	18-NOV-02	18-NOV-02	*	03
<u>1171721H01</u>	SHEET POLYP	1	0	03C	0443	Buy	EA	*	26-JUN-08	27-JUN-08	*	03
<u>1582305W01</u>	HOUSING FAN MOUNTING	9100	1	03C	0228	Buy	EA	13.97	18-NOV-02	18-NOV-02	Push	03
<u>3082000X30</u>	CABLE ASSY,GROUND	9200	2	03C	0404	Buy	EA	1.13	18-NOV-02	18-NOV-02	*	03
<u>3083670X02</u>	CBL PWR EURO MTR BLK	9100	1	03C	0404	Buy	EA	15.58	18-NOV-02	18-NOV-02	Push	03
<u>3084857Y01</u>	CORD,LINE 2-POS. ASSY.	9200	1	03C	0228	Buy	EA	19.2	31-AUG-04	31-AUG-04	*	03
<u>4282018H01</u>	RETNR CBL	9200	1	03C	0228	Buy	EA	.07503	18-NOV-02	18-NOV-02	*	03
<u>5484497M87</u>	LABEL ID 7/8 X 1/4	1	0	03C	0424	Buy	EA	*	18-NOV-02	18-NOV-02	Bulk	03
<u>5984115T02</u>	FAN AC 50HZ 230V 106CFM 13W	9100	3	03C	0228	Buy	EA	8.33	18-NOV-02	18-NOV-02	Push	03
<u>SVCWARR12</u>	12 MONTH STANDARD WARRANTY	1	12	03C	NONE	Buy	MTH	*	10-APR-04	10-APR-04	Phantom	03

In this next example, part PMUF1341C is the Super Tanapa level radio transceiver “brick” that gives radio model H46UCD9PW5BNI-A the essential character of a XTS 2500 Digital Portable Radio. Therefore, the country of origin of H46UCD9PW5BNI is Malaysia, which is the country of origin of PMUF1341C. Even though the US BOM indicates that this model is a “Make”, the minor processing that takes place in the US is not enough to change the country of origin from Malaysia to United States. The PMUF1341C has NOT been substantially transformed.

BOM Multi Level - Header

Item	APC	Description	St	M/B
H46UCD9PW5BNI-A	0205	XTS2250 MODEL 1.5 7/800	03C	Make

BOM Multi Level - Details

Level	Component	Description	Qty	M/B	UOM	APC	Status
1	1205059A99	TEST AND TUNE XTS2500	1	Make	FR	0205	03C
1	1505579Z01	COVER DUST ACCY CONN	1	Buy	EA	0620	03C

**TITLE: Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 15 OF 16

1	CLSA_XTS2500_ADAPTER	OPTION CLASS ITEM CLSA_XTS2500_ADAPTER	1	Make	EA	0205	03C
2	Q424AC	INT: RSM ADAPTER	1	Make	EA	0407	03C
3	NNTN4285A	RSM ADAPTER	1	Make	EA	0205	03C
4	4385665D01	ADAPTER RSM	1	Buy	EA	0205	03C
1	CLSA_XTS2500_DATA	OPTION CLASS ITEM CLSA_XTS2500_DATA	1	Make	EA	NONE	03C
2	Q947AR	ENH: RS232 PACKET INTERFA	1	Make	EA	0205	03C
3	(REFERENCE)_A164	SPECIAL PROGRAMMING	1	Make	FR	0205	03C
1	CLSA_XTS2500_LABEL	OPTION CLASS ITEM CLSA_XTS2500_LABEL	1	Make	EA	0412	03C
2	Q360BF	INT: DOC/COFETEL LBL XTS2250	1	Make	EA	0205	03C
3	1205062A66	INTERN DOC/COFETEL LBL XTS2250	1	Make	FR	0205	03C
3	3304791J08	LABEL, FCC	1	Buy	EA	0721	03C
2	QA00081AY	INT: BLANK LABEL	1	Make	EA	0205	03C
3	3371256L01	LABEL, BLANK	1	Buy	EA	0205	03C
1	CLSA_XTS2500_OP_MODE	OPTION CLASS ITEM CLSA_XTS2500_OP_MODE	1	Make	EA	0412	03C
2	Q574AA	ENH:TRUNKING 9600 BAUD	1	Make	EA	0205	03C
3	8295593A54	SFWR 6.12 MOL PORTABLE R12.00.17	1	Make	FR	0500	03C
1	CLSA_XTS2500_PACKING	Option Class item CLSA_XTS2500_PACKING	1	Make	EA	0412	03C
2	H415EH	INT: BULK PACKING	1	Make	EA	0205	03C
3	NBN6310A	10 PACK PACKING KIT	1	Make	EA	0476	03C
4	1105033S04	RIBBON LABEL ZEBRA PRINTER	0	Buy	EA	0001	03C
4	1110033D17	TAPE ADHES 3/4" CLR	0	Buy	EA	0895	03C
4	3305393U02	LBL ZEBRA PRINTER	0.2	Buy	EA	0500	03C
4	3305393U06	LBL ZEBRA	1	Buy	EA	0570	03C
4	5686249A02	CLAMSHELL	1	Buy	EA	0205	03C
4	5686298A01	CARTON PORTABLE 10 PACK	0.1	Buy	EA	0476	03C
1	CLSA_XTS2500_RADIO	OPTION CLASS ITEM CLSA_XTS2500_RADIO	1	Make	EA	0412	03C
2	Q792GL	INT:ST XTS2250 7/800 M1.5 INTL	1	Make	EA	0205	03C
<b>3</b>	<b>PMUF1341C</b>	<b>ST XTS2250 764-870M INTL M1.5</b>	<b>1</b>	<b>Buy</b>	<b>EA</b>	<b>0205</b>	<b>03C</b>
1	CLSA_XTS2500_SECURE	OPTION CLASS ITEM CLSA_XTS2500_SECURE	1	Make	EA	0412	03C
2	Q667AB	ENH:ADP SFWR DSP BASED CRYPTO	1	Make	EA	0205	03C
3	(REFERENCE)_A164	SPECIAL PROGRAMMING	1	Make	FR	0205	03C



TITLE: **Determining Non-Preferential Country of Origin**

REVISION DATE: 03-APR-19

MEMO: AGLDM09199

ISSUE: **D**

PAGES: 16 OF 16

1	CLSA_XTS2500_SYS_ENH	OPTION CLASS CLSA_XTS2500_SYS_ENH	ITEM	1	Make	EA	0412	03C
2	G857AE	INT: OPTIONAL EMERGENCY TONE		1	Make	EA	0205	03C
3	(REFERENCE)_A401	TECH EDIT FUNCTION		1	Make	FR	0228	03C
1	CLSA_XTS2500_WARRANT	OPTION CLASS CLSA_XTS2500_WARRANT	ITEM	1	Make	EA	0412	03C
2	H885BK	ADD: 2 YR REPAIR SERVICE ADVANTAGE		1	Make	EA	0205	03C
3	(REFERENCE)_A991	SPECIAL WARRANTY		1	Make	FR	0465	03C