

Exceptions to the Rules

Article 3.4: Non-Qualifying Operations

A good shall not be considered to be an originating good merely by reason of:

- (a) any work, process or practice in respect of which it may be demonstrated, on the basis of a preponderance of evidence, that the object was to circumvent this Chapter;
- (b) minor processing; or
- (c) a change in tariff classification that is the result of
 - (i) a change in end use of the good, or
 - (ii) collecting parts so that the collection of parts is classified as if it were an assembled good pursuant to Rule 2(a) of the General Rules for the interpretation of the Harmonized System.

Article 3.5: Direct Shipment and Transshipment

1. Except as provided in paragraph 2, an originating good that is exported from the territory of a Party shall maintain its originating status only if:

- (a) the good is shipped directly from the territory of one Party to the territory of the other Party;
- (b) the good is transhipped through the territory of a non-Party, provided that
 - (i) the good does not undergo further production or any other operation in the territory of that non-Party, other than unloading, splitting up of loads, reloading or any other operation necessary to preserve it in good condition or to transport the good to the territory of a Party, and
 - (ii) the good remains under customs control in the territory of any non-Party through which the good is transported to the territory of a Party; or