

Chapter Two

General Definitions

Article 201: Definitions of General Application

1. For purposes of this Agreement, unless otherwise specified:

Commission means the Free Trade Commission established under Article 2001;

Customs Valuation Code means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, including its interpretative notes;

days means calendar days, including weekends and holidays;

enterprise means any entity constituted or organized under applicable law, whether or not for profit, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture or other association;

enterprise of a Party means an enterprise constituted or organized under the laws of, or principally carrying on its business in the territory of, a Party;

existing means in effect at the time of entry into force of this Agreement;

Generally Accepted Accounting Principles means the recognized consensus or substantial authoritative support in the territory of a Party with respect to the recording of revenues, expenses, costs, assets and liabilities, disclosure of information and preparation of financial statements. These standards may be broad guidelines of general application as well as detailed standards, practices and procedures;

Harmonized System means the Harmonized Commodity Description and Coding System, and its legal notes, as adopted and implemented by the Parties in their respective tariff laws;

measure includes any law, regulation, procedure, requirement or practice;

national means a natural person who is a citizen or permanent resident of a Party and any other natural person referred to in Annex 201.1;

originating means qualifying under the rules of origin set out in Chapter Four (Rules of Origin);

person means a natural person or an enterprise;

person of a Party means a national, or an enterprise of a Party;

state enterprise means an enterprise that is owned, or controlled through ownership interests, by a Party; and

territory means for a Party the territory of that Party as set

out in Annex 201.1.

2. For purposes of this Agreement, unless otherwise specified, a reference to province or state includes local governments.

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ANNEX 201.1

Country-Specific Definitions

For purposes of this Agreement, unless otherwise specified:

national also includes:

(a) for Mexico, a national or a citizen according to Articles 30 and 34, respectively, of the Mexican Constitution; and

(b) for the United States, "national of the United States" as defined in the existing provisions of the United States Immigration and Nationality Act;

territory means:

(a) with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources;

(b) with respect to Mexico,

(i) the states of the Federation and the Federal District,

(ii) the islands, including the reefs and keys, in adjacent seas,

(iii) the islands of Guadalupe and Revillagigedo situated in the Pacific Ocean,

(iv) the continental shelf and the submarine shelf of such islands, keys and reefs,

(v) the waters of the territorial seas, in accordance with international law and its interior maritime waters,

(vi) the space located above the national territory, in accordance with international law,

(vii) any areas beyond the territorial seas of Mexico within which, in accordance with international law, including the United Nations Convention on the Law of the Sea, and its domestic laws, Mexico may exercise rights with respect to the seabed and subsoil and their natural resources; and

(c) with respect to the United States,

(i) the customs territory of the United States, which includes the 50 states, the District of Columbia and Puerto Rico,

(ii) the foreign trade zones located in the United States and Puerto Rico, and

(iii) any areas beyond the territorial seas of the United States within which, in accordance with international law and its domestic laws, the United States may exercise rights with respect to the seabed and subsoil and their natural resources.