

## MEXICAN CUSTOMS LAW FROM 2001:

**Article 185-A:** Infractions related to the obligation of keep a computer system software to control import – export inventories of pedimentos, will be applied to the persons that:

- I.- Do not fulfill the obligation to maintain a manual control of inventories, only and exclusively for machinery and equipment if there is no computer system software available, as specified on article 59, fraction I, first paragraph of the law; and*
- II.- Do not fulfill the obligation to maintain and automated control of inventories with a computer system software (obligatory for pedimentos of import and export of raw material and finished product) as specified on article 59, fraction I, paragraph second of the law.*

**Article 185-B:** *The following fines will be applied to those who get into the infractions related to the previous mentioned obligations, specified on article 185-A of the law:*

- I.- Fine from \$ 60.000,00 to \$ 80.000,00 (Mexican pesos), as indicated in fraction I; and*
- II.- Fine from \$ 100.000,00 to \$ 150.000,00 (Mexican pesos), as indicated in fraction II.*

(This is an excerpt of the Mexican Customs Law published for year 2001, regarding the obligations for the Maquiladora and PITEX industries for using and computer system software to control all imports and exports performed in Mexico, and it can be used as a reference and comparison against prices in our quotation).

As you can state, the Maquila Industry in México is in a stage of changes. These are being generated in all areas; already are social, political, economic, etc. and also, definitively, in the foreign trade. Within this last one, are the laws and regulations that govern the Export Industry (MAQUILA and PITEX).

As you can state, document regulations and controls, request of permissions, etc., have been increased considerably in the last 5 years and modifications to Mexican and US Customs Law appears every time with more frequency. Our intention is that our

software, **COMPLY!** is always up to date, as far as the mentioned changes.

### BASIC FEATURES

- Total compliance of Mexican Annex 24, 303 Article of the NAFTA agreement and also covering all requirements for US customs; Based on standard information required for the SAAI M3.
- 100% bilingual.
- Strong user access security control.
- Specialized (warnings) query screen to audit all system information, like import pedimentos due or to be due, part numbers with no tariff numbers assigned, regional part numbers with no certificate of origin, etc..
- Automatic system updates trough Internet using FTP to our servers.
- Intelligent validation scheme trough all the system to ensure that all auditable data by Mexican and US customs complies with their regulations.
- Customs brokers audit modules.
- Ability to run import pedimentos discounts interactively.
- Ability to set parameters and to assign default values for several options of the system, so it can be configured to cover your specific operation needs.

### BASIC MODULES

- Catalog of entities (Vendors, Clients, Brokers, etc.).
- Catalog of families.
- Catalog of parts (components and finished goods).
- Catalog of legal representatives.
- Catalog of units of measurement (conversion factors).
- Catalog of types of packing.
- Catalog of Transport ways.
- **Catalog of tariff fractions (Mexican and US) including duty rates, free trade agreements by country of origin, industry sectors promotion programs, compensatory rates, etc. updated in a regular basis by our company so you can download it and update it in your company.**
- Multilevel bills of materials.
- Registration of Secretaría de Economía permits.
- Registry of pedimentos.
- Generation of Mexican-US import invoices.

- **Registration of certificates of origin by supplier and country in order to apply for a preferential duty rates according to free trade agreements that Mexico held with other countries, like NAFTA.**
- Generation of the Mexican customs value declaration.
- Generation of the Mexican customs spreadsheet for materials importation.
- Generation of export invoices (Mexico-USA) for raw material, SCRAP, packing, machinery, finished products, etc., with automatic discharges from import invoices - pedimentos. Also included changes of regimen, scrap destruction in Mexico, etc..
- **CALCULATION AND GENERATION OF THE DUTIES COMPROBATION FORM FOR FINISHED GOODS EXPORTS FOR MAQUILA AND PITEX 2001, ACCORDING TO THE NAFTA 303 ARTICLE, in 3 different formats.**
- **Generation of import pedimentos discharges by periods of time or by invoices range (batch process), with the ability to rollback this process.**
- Generation of the U.S. Pro forma Custom Invoice (US invoices for Mexico-USA import) for raw material, waste, packing, machinery and finished products.
- Generation of the Inward Cargo Manifest for raw material, scrap, packing, finished product, machinery and equipment.
- Generation of packing list and bill of lading.
- **Interface with the INEGI system to electronically send the monthly report to that dependency by modem or Internet (email).**
- Generation of the annual declaration of assembly plants of export and/or PITEX for Mexican IRS (SAT).
- Generation of the official Mexican quarterly reports A16 and A17.
- Reports of balances in import pedimentos, history of imports, history of discharges, etc..
- General reports of the system (Catalogs, verification of operations, etc.).
- Generation of additional reports for the crossings in the American customs, such as Shipper's Export Declaration, Generation of Informal Entries, Generation of the Declaration of Foreign Shipper, Generation of the Declaration by the Assembler, etc..

- **Built-in interfaces for the upload from Excel or dbf files for Entities, Families, raw materials, finished goods, bills of materials, SECON permits, import and export invoices.**
- **Built-in interfaces for the download of every single data contained on the system database to Excel, dbf or text files.**

**Additional services**

- ❑ Reconstruction of import pedimentos discharges (cancellations) by export invoice line items, matching your current physical inventory with the import pedimentos inventory for your operations with no discounts performed.

Our system is totally client-server, using Visual FoxPro 7.0 own database or SQL-Server, depending on your specific needs. The system is developed for networks, using platforms like Windows NT, Novell, etc..

**LIST OF SOME CLIENTS:**

- ❑ General Electric Medical Systems Monterrey
- ❑ ELCOTEQ (Nokia)
- ❑ Hamilton Beach Saltillo
- ❑ Magnetek Matamoros
- ❑ Controlam (INVENSYS)
- ❑ Ensamblés Universales
- ❑ Tyco Electronics
- ❑

**MINIMUM REQUIREMENTS FOR SYSTEM INSTALLATION:**

- ❑ Pentium III processor, 1 GHZ.
- ❑ 256 MB RAM.
- ❑ Windows98 as minimum but it is compatible with Windows 2000, Windows ME o WindowsNT.
- ❑ 1 GB hard disk free space for the server and half gigabyte for the workstations.

(Again, all these requirements are the minimum to have Comply! performing as it best.)

**IMPORTANT NOTE: For all prices listed in this quotation will be necessary to add IVA.**

The system is ready for handling dates in the year 2000, as Microsoft Visual FoxPro 7.0, the language in which our system is designed, is Y2K (Year 2000

compliant) as you can verify in Microsoft website. Our system have approved the standard test in this concept.

**The Comply! system complies with the Annex 24 and SAAI M3, official Mexican customs law requirements, which marks the minimum options required for any import-export computer system.**

Finally, we believe is important to consider that our system was designed from "inside" of the MAQUILA outwards, that is to say, towards customs, customs brokers, etc., unlike many other systems that are designed by customs brokers towards MAQUILA or PITEX. This allows us to know your operation and its necessities, because we have an ample experience in foreign trade and 12 years of developing experience on information systems, because our personnel has worked in MAQUILA, customs brokers agencies, etc. and count on a very ample heap of knowledge in computer systems.

Hoping that this information is of utility, we reiterate our gratefulness for the opportunity that you are offering to us to present this information, wishing to be able to serve you in a near future.

**FOR YOUR ATTENTION AND PREFERENCE,  
THANK YOU VERY MUCH.**

**PHONES:**

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**Integral System for Control of Imports and Exports of Raw Materials, Machinery and Equipment**

