



## **Generalized System of Preferences (GSP) Letter of Acknowledgement**

Dear Hobby Lobby Supplier:

Your company supplies, or has indicated an interest in supplying, products to Hobby Lobby that qualify for duty-free preferences provided by the US Generalized System of Preferences (GSP), which your country of final production is a beneficiary country.

Products that qualify for GSP must satisfy one of the two following criteria to qualify for duty-free status under the US Generalized System of Preferences (GSP).

1. The product is wholly the growth, product, or manufacture of a designated GSP beneficiary country.  
*OR*
2. The product is the sum of (1) the cost or value of the materials produced in the beneficiary country and (2) the direct costs of processing operations performed in such GSP beneficiary country is not less than 35 percent (%) of the appraised value (\$) in USD of such article at the time of its entry into the customs territory of the United States.

All shipments must be sent directly from the GSP beneficiary country to the United States. If shipped through any intermediary country, the shipment must not enter the commerce of that country.

Further guidance as to determining which material costs and processing costs are included in, and excluded from, can be found in 19 CFR 10.177 and 10.178. For more information, click [here](#) or go to <https://ecfr.io/Title-19>.

### **GSP Qualifying Items**

#### **Annual GSP Letter of Acknowledgement**

Each supplier that provides GSP qualifying items is required to sign and return the annual GSP Letter of Acknowledgement.

#### **Sales Confirmation**

It is necessary to provide the following declaration on the sales confirmation for each PO. “(Vendor Name) hereby declares that the goods listed were produced in (Country of Final Production Here) and that they comply with the origin requirements specified for those goods in the Generalized System of Preferences for goods exported to the United States.”

#### **Manufacturer Statement of GSP Declaration**

A completed Manufacturer Statement of GSP Declaration must be provided with each commercial invoice at the time of shipment.



#### GSP Audit

Hobby Lobby conducts random annual audits of Preferential Trade Program and Free Trade Agreement suppliers. The GSP Qualification Audit Form and product origination records must be provided within thirty days from the request from Hobby Lobby and/or US Customs and Border Protection.

#### Record Keeping

It is necessary to complete and maintain the above-listed records. Records justifying claims of product origination must be kept for a five-year period from the date of the transaction.

Please sign and return this annual GSP Letter of Acknowledgement to Hobby Lobby Stores, Inc. International Department at [international@hobbylobby.com](mailto:international@hobbylobby.com).

I understand and will comply with Hobby Lobby's procedures concerning US Generalized System of Preferences (GSP).

Authorized Signature of Supplier/Exporter:	
Date:	