



EXPORTER QUESTIONNAIRE

deep drawn stainless steel sinks EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

Period of Investigation: 1 JANUARY – 31 DECEMBER 2013
Response due by: **24 APRIL 2014 (EXTENDED TO 5 MAY)**

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RETURN OF QUESTIONNAIRE DETAILS

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THE GOODS UNDER CONSIDERATION

Goods Description

The goods under consideration ("the goods") ie the goods exported to Australia at allegedly at dumped prices and in receipt of subsidies, are:

deep drawn stainless steel sinks with a single deep drawn bowl having a volume of between 7 and 70 litres (inclusive), or multiple drawn bowls having a combined volume of between 12 and 70 litres (inclusive), with or without integrated drain boards, whether finished or unfinished, regardless of type of finish, gauge, or grade of stainless steel and whether or not including accessories.

Additional information

Further information in relation to the goods was provided in the application as follows.

For the purposes of the definition of the goods, the term "deep drawn" refers to a manufacturing process using metal forming technology to produce a smooth basin with seamless, smooth, and rounded corners. Deep drawn stainless steel sinks are available in various shapes and configurations and may be described in a number of ways including flush mount, top mount, or undermount (to indicate the attachment relative to the countertop). Stainless steel sinks with multiple deep drawn bowls that are joined through a welding operation to form one unit are covered by the scope of the investigations. "Finished or unfinished" refers to whether or not the imported goods have been surface treated to their intended final "finish" for sale. Typically, finishes include brushed or polished.

Deep drawn stainless steel sinks are covered by the scope of the investigation whether or not they are sold in conjunction with accessories such as mounting clips, fasteners, seals, sound-deadening pads, faucets (whether attached or unattached), strainers, strainer sets, rinsing baskets, bottom grids, or other accessories.

Excluded from the definition of the goods the subject of this application are stainless steel sinks with fabricated bowls. Fabricated bowls do not have seamless corners, but rather are made by notching and bending the stainless steel, and then welding and finishing the vertical corners to form the bowls. Stainless steel sinks with fabricated bowls may sometimes be referred to as "fabricated sinks".

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Deep drawn stainless steel sinks are commonly used in residential and non-residential installations including in kitchens, bathrooms, utility and laundry rooms. When used in the context of bathrooms, deep drawn stainless steel sinks may there be referred to, for marketing purposes, as “wash basins”. As noted above, deep drawn stainless steel sinks may, or may not, have a single (or multiple) integrated drain board that forms part of the sink structure, designed to direct water into the sink bowl.

Tariff classification

The goods are currently classified to the tariff subheading 7324.10.00 (statistical code 52) of Schedule 3 to the *Customs Tariff Act 1995*.

These goods are subject to 5% Customs duty.

BACKGROUND AND GENERAL INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the Commission) is responsible for investigating the allegation that deep drawn stainless steel sinks have been exported to Australia from China at prices less than their normal value, and in receipt of countervailable subsidies, and that the dumping and subsidisation has caused material injury to the Australian industry

The Commission will use the information you provide to determine normal values and export prices over the investigation period. This information will determine whether deep drawn stainless steel sinks are dumped. You may make separate submissions concerning any other matter, for example injury.

The Commission investigation will be carried out under the provisions of the Part XVB of the *Customs Act 1901*.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem you uncooperative. In that case, the Commission may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry), and it may assess a dumping margin for your company based upon normal values that may be the highest determined in your country during the investigation period.

It is in your interest, therefore, to provide a complete and accurate submission, capable of verification.

Due date for response

Manufacturers and exporters are requested to respond to this questionnaire and return it to the Commission within the time specified on the cover page. There is a statutory time limit imposed for the investigation. The Commission may not be able to consider submissions received after the due date.

If you cannot lodge your submission by the due date please advise the investigation Case Manager as soon as possible.

Confidential and non-confidential submissions

You are required to lodge one confidential version (for official use only) and one non-confidential version (for public record) of your submission by the due date.

Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

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All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record.

Please note, Australia's anti-dumping and countervailing legislation requires that to the extent that information given to the Commission is claimed to be confidential or whose publication would adversely affect a business or commercial interest, the person giving the information must ensure that a summary of that information contains sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

The legislation allows that a person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information. However, such a summary would add considerably to an interested party's understanding of information contained in a document.

As provided for in Australia's anti-dumping and countervailing legislation, all submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. Note that if such an explanation is not provided, the Commission may disregard the information in the submission. An example of a statement to accompany deleted/blacked out text is:

[explanation of cost allocation through the divisions].

If, for some reason, you cannot produce a non-confidential summary, please contact the investigation Case Manager.

Exporter's declaration

At Section J, you are required to make a declaration that the information contained in your submission is complete and correct. Alternatively, if you did not export the goods during the period of investigation, you may make a declaration to that effect.

You must return a signed declaration with your response to the questionnaire.

Verification of the information that you supply

The Commission will seek to verify the information provided in your submission. Where there are a large number of exporters, the Commission may have to verify information from selected exporters only. The purpose of the visit is to verify the information submitted in response to this questionnaire. It is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be complete and accurate.

Verification visits take several days. We will want to examine in detail your company's records in respect of the goods and will ask for copies of documents relating to the manufacture and sale of the goods. We will need to consult with your staff, particularly your financial controller (or accountant) and your domestic and export sales people. We may also need to see your factory, in which case we will need to consult with your operational managers.

After gathering the information we will prepare a report of the visit. We will provide you with a draft of the report and then respond to any questions you have. We will ask you to prepare a non-confidential copy of the report for the public record.

If you do not manufacture the goods

You may export but not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods). In such cases it is important that you forward a copy of this questionnaire to the relevant manufacturers **immediately**. You should also inform the investigation case officer of the contact details for these manufacturers.

You should complete those sections of the questionnaire that you are reasonably able to complete. If, for example, you are unable to supply details of production costs, you should clearly explain why the section does not apply to your company.

If you do not export the goods

Depending on the arrangement for sale of the goods to Australia through an intermediary, the Commission will have to determine who is the exporter of the goods for the purpose of this investigation.

In any case, information (such as cost of production data) supplied by the manufacturer will be relevant to establishing the normal value of the goods. In the absence of verified information, the Commission may use other available information. This information may result in a decision less favourable to your company.

Outline of information required by this questionnaire

- | | |
|------------------|--|
| Section A | General information relating to your company including financial reports. |
| Section B | A complete list of your company's exports to Australia over the investigation period. |
| Section C | A list of goods sold on the domestic market of the country of export (like goods) that may be compared to the goods under consideration (the goods). |
| Section D | A detailed list of all of your company's sales of like goods in your domestic market. |
| Section E | Information to allow a fair comparison between export and domestic prices. |
| Section F | Information in relation to your company's exports of like goods to countries other than Australia. |
| Section G | Costs to make and sell, for exports to Australia and for the domestic market. |
| Section H | Particular market situation |
| Section I | Countervailing (subsidisation) |

Section J Your declaration.

Section K Exporter Questionnaire response checklist

Appendix 1 A glossary of terms used in this questionnaire

Some general instructions for preparing your response

- When answering the questionnaire please carefully read all instructions. The Commission requires a response to *all* sections of this questionnaire. Please provide an explanation if a question is not relevant to your situation.
- Answer questions in the order presented in the questionnaire. Please ensure that information submitted conforms to the requested format and is clearly labelled. Please repeat the question to which you are responding and place your answer below it.
- Identify source documents and advise where they are kept. During on-site verification you should be prepared to substantiate all the information you have submitted. Every part of the response should be traceable to company documents that are used in the ordinary course of business.
- We recommend that you retain all work sheets used in answering the questionnaire, in particular those linking the information supplied with management and accounting records. This will help us to verify the information.
- Clearly identify all units of measurement and currencies used. Apply the same measurement consistently throughout your response to the questionnaire.

Instructions on providing electronic data

- It is important that information is submitted in electronic format.
- Electronic data should be emailed, or submitted on a CD-ROM or USB, or via email.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format (for example, Excel can normally access data in Dbase or as an ASCII file). Excel files must be compatible to the USA version.
- An Excel workbook, ***Exporter Questionnaire spreadsheets – sinks*** accompanies this questionnaire and forms a template for your response to the data requested. The workbook is referred to throughout this questionnaire as appropriate. This workbook should be completed and used to provide the requested data where possible.
- If you cannot present electronic data in the requested format contact the investigation case officer as soon as possible.

Further information

Before you respond to the questionnaire you should read all the key documentation related to this application including the applicant's non-confidential submission and the Anti-Dumping Notice notifying the initiation of the investigation. These documents are available on the Commission's website, www.adcommision.gov.au

We also advise that you read the attached glossary of terms.

If you require further assistance, or you are having difficulties completing your submission, please contact the investigation Case Manager. The Commission will need to know the reasons.

SECTION A - COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head Office: Jiangmen New Star Hi-tech Enterprise Ltd. (“New Star”)

Name: Ms. Pan Qianhua

Position in the company: Manager of sales department

Address: No. 25, Bei San Road, Duruan, Pengjiang District, Jiangmen City, Guangdong Province, P.R. China, 529000

Telephone: 0086-750-7361322

Facsimile number: 0086-750-7361300-810

E-mail address of contact person: kate.pan@newstar-sink.com

Factory: Jiangmen New Star Hi-tech Enterprise Ltd. (“New Star”)

Address: No. 25, Bei San Road, Duruan, Pengjiang District, Jiangmen City, Guangdong Province, P.R. China, 529000

Telephone: 0086-750-7361322

Facsimile number: 0086-750-7361300-810

E-mail address of contact person: kate.pan@newstar-sink.com

A-2 Representative of the company for the purpose of investigation

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name: Li Fayin

Address: 6th Floor, South Tower, Financial Street Center, 9 Financial Street, Xicheng, Beijing, China 100033

Telephone: 0086-10-66523388

Facsimile/Telex number: 0086-10-66523399

E-mail address of contact: lifayin@junzejun.com

Name: Andrew Percival

Address: Level 17, 8 Chifley, 8-12 Chifley Square, Sydney NSW 2000

Telephone: +61 2 9210 6228

Facsimile/Telex number: +61 2 9210 6611

E-mail address of contact person: andrew.percival@corrs.com.au

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Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (eg. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

[Answer]

New Star is a privately-held limited liability company, and a sino-foreign joint venture. Please refer to Exhibit H 1-3-a: Business License of New Star.

New Star does not use any other business names to sell goods.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

[Answer]

The shareholders of New Star are:

[REDACTED]

Please refer to Confidential Exhibit A-3-2: Corporate Structure of Associated Companies.

3. If your company is a subsidiary of another company, list the principal shareholders of that company.

[Answer]

Please refer to our response to A-3.2 above.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

[Answer]

Please refer to Confidential Exhibit A-3-2: Corporate Structure of Associated Companies.

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

[Answer]

Please refer to Confidential Exhibit A-3-2: Corporate Structure of Associated Companies.

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6. Are any management fees/corporate allocations charged to your company by your parent or related company?

[Answer]

Not applicable.

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

[Answer]

New Star is an exporter of the subject goods to Australia and is also the manufacturer of the goods.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

[Answer]

New Star produces and sells the goods in the domestic market and also exports the goods to other countries, including Australia. Sam Lee, an associated company of New Star, is also involved in the export sales to Australia.

New Star issues invoices to Sam Lee which in turn issues invoices to the unaffiliated Australian customers. See Section B-2(a) for further information.

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

[Answer]

Please refer to Confidential Exhibit A-3-9: Internal organization chart.

10. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

[Answer]

Please refer to:

- **Confidential Exhibit A-4-3 for New Star's audited annual report for 2013 and 2012; and**
- **Exhibit A-3-10 for New Star's product catalogue of stainless steel sinks.**

A-4 General accounting/administration information

1. Indicate your accounting period.

[Answer]

New Star's accounting period is calendar year (1 January to 31 December).

2. Indicate the address where the company's financial records are held.

[Answer]

New Star's accounting records are accessible at No. 25, Bei San Road, Duruan, Pengjiang District, Jiangmen City, Guangdong Province, P.R. China.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;

Please refer to Confidential Exhibit A-4-3 for New Star's chart of accounts.

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);

Please refer to Confidential Exhibit A-4-3 for:

- **New Star's audited financial statements for 2013 and 2012; and**
- **Sam Lee's audited financial statements for 2012.**
- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under consideration, and
- the company.

Please refer to Confidential Exhibit A-4-3 for New Star's balance sheet and profit statements for 2012, 2013 and the first three months of 2014.

According to the laws and regulations in Hong Kong, Sam Lee does not have monthly financial statements such as Income statements or Profit and Loss statements. Please refer to Confidential Exhibit A-4-3 for Sam Lee's audited financial statements for 2012.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Not applicable.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

[Answer]

New Star's accounting practices are in accordance with the generally accepted accounting principles ("GAAP") of China.

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

[Answer]

New Star uses Accounting Standards for Business Enterprises of China in its daily operations.

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

[Answer]

New Star uses average cost methodology.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

[Answer]

New Star records the cost of goods according to their actual cost and allocates the total cost of direct material to the specific products based on the standard weight of steel consumed for the products.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

[Answer]

New Star sells damaged goods and records the amount for which they are sold in its accounts under other business revenue.

- valuation methods for scrap, by products, or joint products;

[Answer]

For the production of stainless steel sinks, scrap materials are residual steel plates after cutting standard stainless steel plates into specific models. New Star sells the steel scrap and books the sales value under other business revenue.

- valuation and revaluation methods for fixed assets;

[Answer]

A fixed asset is initially valued at its acquisition cost. New Star, commencing from the following month when the fixed asset has reached the working condition for its intended use, uses the straight-line method to accrue depreciation based on the value after deducting estimated salvage value from the acquisition value. The annual depreciation rates of different categories of fixed assets vary according to their acquisition value.

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- average useful life for each class of production equipment and depreciation method and rate used for each;

[Answer]

Depreciation is calculated by the straight-line method as follows:

Types of fixed assets	salvage rate	Depreciation year	Annual depreciation rate
Building and construction			
Machinery and equipment			
Electronic equipment			
Transport equipment			

- treatment of foreign exchange gains and losses arising from transactions;

[Answer]

New Star records gains and losses from foreign currency transactions incurred in the month in which they are incurred as financial gains or expenses of that month.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

[Answer]

New Star records the gains and losses from foreign currency transactions of balance sheet items incurred in current month as the financial gains or expenses of that month.

- inclusion of general expenses and/or interest;

[Answer]

New Star records general expenses under administrative and selling expenses.

- provisions for bad or doubtful debts;

[Answer]

Not applicable.

- expenses for idle equipment and/or plant shut-downs;

[Answer]

Not applicable.

- costs of plant closure;

[Answer]

Not applicable.

- restructuring costs;

[Answer]

Not applicable.

- by-products and scrap materials resulting from your company's production process; and

[Answer]

Steel scrap is sold and the sales value recorded under other business revenue.

- effects of inflation on financial statement information.

[Answer]

New Star booked the value of the assets according to their acquisition cost.

Inflation has no effect upon financial statement information.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

[Answer]

Not applicable.

A-5 Income statement

Complete the spreadsheet '**Income statement**' in the **Exporter Questionnaire spreadsheets – sinks** workbook.

Note: if your financial information does not permit you to present information in accordance with this spreadsheet please present the information in a form that closely matches the table.

You will note that the spreadsheet requires information concerning all products produced and for the goods under consideration ('*goods under consideration*' (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

[Answer]

Please refer to Confidential Exhibit A-5 for New Star's income statement spread sheet.

A-6 Sales

Complete the spreadsheet 'Turnover' in the **Exporter Questionnaire spreadsheets – sinks** workbook.

Note: if your financial information does not permit you to present information in accordance with this spreadsheet please present the information in a form that closely matches the table.

This requires you to state your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

[Answer]

Please refer to Confidential Exhibit A-6 for New Star's turnover spread sheet.

SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at FOB point, but the Commission may also compare prices at the ex factory level, or another level if considered appropriate.

*You should report prices of **all** goods under consideration (the goods) **shipped** to Australia during the investigation period.*

The invoice date will normally be taken to be the date of sale. If you consider:

- the sale date is not the invoice date (see 'date of sale' column in question B4 below) and;*
- an alternative date should be used when comparing export and domestic prices*

*you **must** provide information in section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

B-1 For each customer in Australia to whom you shipped goods in the investigation period list:

name;
address;
contact name and phone/fax number where known; and
trade level (for example: distributor, wholesaler, retailer, end user, original equipment manufacturer).

[Answer]

Please refer to Confidential Exhibit B-1 for the information of each customer in Australia to whom New Star shipped subject goods during the POI.

B-2 For each customer identified in B1 please provide the following information.

- (a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

[Answer]

New Star has [REDACTED] customers in relation to its exports to Australia:-

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[confidential information regarding sales process between New Star and its customers]

Please refer to Confidential Exhibit B-2-A for a flow chart explaining the sales process.

- (b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

[Answer]

Please refer to the response to question B-2.a above. New Star does not pay commissions to any party.

- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

[Answer]

Ownership is transferred when the customer receives the bill of lading for a shipment.

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

[Answer]

New Star does not have any agency or distributor agreements or arrangements in relation to its export sales to the Australian market.

- (e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

[Answer]

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Please refer to the response to question B-2.a above.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

[Answer]

New Star is not related to any of its Australian customers. There is no financial or other arrangement between New Star and its Australian customers.

- (g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

[Answer]

There are no forward orders of the subject goods to Australia during the POI. We are currently obtaining information on whether there are current forward orders and will provide relevant information if such orders are identified.

- B-3** Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

[Answer]

The customers to whom New Star sold the subject goods exported to Australia during the POI were all [REDACTED].

The export selling prices did not vary according to the distribution channel.

B-4 Australian sales data

Complete the 'Australian sales' spreadsheet in the **Exporter Questionnaire spreadsheets – sinks** workbook.

This data should be provided on a transaction by transaction basis.

The below table provides some explanation of the data requested in the Australian sales spreadsheet.

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model	commercial model/grade or type
Number of bowls	the number of bowls of the sink sold, for example single bowl, 1 and ½ bowls, double bowl, etc.
Drainer boards	If the sink includes one or more drainer boards, identify the number of these
Finish	sink surface finish e.g. polished, brushed, unfinished
Brand name	If the sink is sold under a particular brand name, identify this
Product tier	In the application, the Australian industry identified that sinks may be classified into entry-level, mid or top-range sinks, which is relative to their pricing. Identify if the sink sold is considered entry-level, mid or top-range

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	product.
Accessories included	If the sink is sold with 'accessories' other than the sink and drainer board itself, identify which accessories are included (e.g. strainer, etc)
Product code	Code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	Refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	If applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	Agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	Gross invoice value shown on invoice <i>in the currency of sale, excluding taxes.</i>
Discounts on the invoice	If applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the date of sale.
Other factors*	any other costs, charges or expenses incurred in relation to the exports

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	to Australia (include additional columns as required). See question B5.
--	---

**** FOB export price and Ocean Freight:**

FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.

Freight allocations must be checked for consistency.

* All of these costs are further explained in section E-1.

[Answer]

Please refer to Confidential Exhibit B-4 for New Star's Australian sales spread sheet. New Star uses either [REDACTED] in its export sales to Australia. [confidential trade terms]

For the [REDACTED] sales, [REDACTED]

[confidential trade terms]

New Star sold the subject merchandise to Australia [REDACTED]

[confidential trade terms]

- B-5** If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see "other factors" in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

[Answer]

New Star does not have any other costs, charges or expenses incurred in respect of exports to Australia other than those recorded in Confidential Exhibit B-4.

- B-6** For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

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Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

[Answer]

New Star didn't provide any discount, rebate or allowance on export sales to Australia during the POI.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

[Answer]

New Star didn't issue any credit notes on export sales to Australia.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

[Answer]

Not applicable.

B-9 Select two shipments, in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

The Commission will select additional shipments for payment verification at the time of the visit.

[Answer]

Please refer to Confidential Exhibit B-9 for documentation in relation to the following two selected shipments to Australia:

- **Invoice number:** [REDACTED]; and
- **Invoice number:** [REDACTED].

SECTION C - EXPORTED GOODS & LIKE GOODS

- C-1** Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

[Answer]

Please refer to Confidential Exhibit C-1 for the list of goods exported to Australia.

- C-2** List each type of goods exported to Australia (these types should cover all types listed in spreadsheet “**Australian sales**” – see section B of this questionnaire).

[Answer]

Please refer to Confidential Exhibit C-1 for the list of goods exported to Australia.

- C-3** If you sell like goods on the domestic market, for each type of the goods that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically; and provide a detailed explanation of the differences where the domestic goods (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

An example of how this information can be presented is provided in the below table.

EXPORTED TYPE	DOMESTIC TYPE	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate “YES”. Otherwise “NO”	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

[Answer]

During the POI, only [REDACTED] of the subject goods that New Star sold to Australia was also sold domestically. Please refer to Confidential Exhibit C-3 for the information required in the table above.

- C-4** Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

[Answer]

Please refer to Exhibit A-3-10 for New Star’s product catalogue.

SECTION D - DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

*All domestic sales made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission's requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your company.*

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices –

- *you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*
- *If you do not have any domestic sales of like goods you must contact the case officer who will explain the information the Commission requires for determining a normal value using alternative methods.*

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;

New Star sells the goods in the domestic market to [REDACTED]. New Star delivers the goods [REDACTED] to customers and relevant freight is borne by [REDACTED]. [confidential trade terms]

- information concerning the functions/activities performed by each party in the distribution chain; and

New Star conducts similar selling activities such as delivery arrangements i.e. to the customers/transportation company designated by the customers [REDACTED].

One of the customers, [REDACTED]

[REDACTED] [confidential details of a customer]

[REDACTED] [confidential customer information]

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[REDACTED] [information regarding sales to certain global supply chains unsuitable for use as not comparable to domestic sales]

Please refer to Confidential Exhibit D-7 for the documentation in relation to two selected domestic sales.

- a copy of any agency or distributor agreements, or contracts entered into.

Not applicable. New Star has not entered into any agency or distributor agreement with its customers.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

No customers are associated with New Star.

- D-2** Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

[Answer]

There is only one channel of distribution for domestic sales and selling prices of the like goods do not vary among the customers of New Star.

- D-3** Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and

The sales process is similar to export sales to Australia. The sales process is initiated by way of a customer contacting New Star to negotiate for purchase and then placing a purchase order with New Star. Upon receipt of the purchase order, New Star produces the goods ordered and delivers the goods [REDACTED].

New Star provided price lists [REDACTED]

[REDACTED] Please refer to Confidential Exhibit D-3 for a [REDACTED] [confidential information regarding provision of price lists]

- whether price includes the cost of delivery to customer.

Not applicable

If sales are in accordance with price lists, provide copies of the price lists.

D-4 Domestic sales data

Complete the 'Domestic sales' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

This data should be provided on a transaction by transaction basis.

The below table provides some explanation of the data requested in the Domestic sales spreadsheet.

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model	commercial model/grade or type of the goods
Number of bowls	the number of bowls of the sink sold, for example single bowl, 1 and ½ bowls, double bowl, etc.
Drainer boards	If the sink includes one or more drainer boards, identify the number of these
Finish	sink surface finish e.g. polished, brushed, unfinished
Brand name	If the sink is sold under a particular brand name, identify this
Product tier	In the application, the Australian industry identified that sinks may be classified into entry-level, mid or top-range sinks, which is relative to their pricing. Identify if the sink sold is considered entry-level, mid or top-range product.
Accessories included	If the sink is sold with 'accessories' other than the sink and drainer board itself, identify which accessories are included (e.g. strainer, etc)
Product code	code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date <i>other than</i> the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice <i>in the currency of sale</i> , net of taxes.
Discounts on the Invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	the actual amount of any deferred rebates or allowances in the currency of sale

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Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	any other costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question D5.

Costs marked with * are explained in section E-2.

[Answer]

Please refer to Confidential Exhibit D-4 for New Star's domestic sales spread sheet.

- D-5** If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above add a column for each item (see "other factors"). For example, certain other selling expenses incurred.

[Answer]

In the time available New Star has done its best to identify costs, charges or expenses which would need to be considered for adjustment purposes. New Star reserves the right to present further information before or during the verification process if such information is properly identified.

- D-6** For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

[Answer]

New Star does not offer any type of discount, rebate, or allowance on domestic sales of like goods. New Star didn't issue credit notes directly or indirectly to the customers for the like goods during the POI.

PUBLIC RECORD

D-7 Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales. (Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment.)

The Commission will select additional sales for verification at the time of our visit.

[Answer]

Please refer to Confidential Exhibit D-7 for the documentation in relation to two selected domestic sales.

SECTION E - FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (ie. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. The Commission must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence the Commission may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. The Commission will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, 'Australian sales')

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

[Answer]

New Star has reported the inland freight for each transaction based on the freight invoice for the sales which was booked under the operation expenses in the normal practice of New Star.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ("**Handling, loading & ancillary expenses**"). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

[Answer]

New Star has reported these expenses based on the brokerage and handling invoice for the transactions which was booked under the administrative expenses in the normal practice of New Star.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales eg, short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

[Answer]

The number of collection days for New Star's accounts receivable is considered to be the dates the buyer is given to pay for the goods in accordance with the terms of payment as agreed by both parties. The payment term of New Star's Australian sales during the POI was around █% on average.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed 'Packing'.

[Answer]

Packing methods vary according to customers' requirements and not between domestic and Australian market or different models of the goods. New Star only collects the total packing cost occurred in its normal practice and calculates a fixed rate for the product based on the packing cost occurred. The unit packing cost is calculated by multiplying the sale quantity by the fixed rate.

Please refer to:

- Confidential Exhibit G-4 for the packing cost of each model for domestic sale; and
- Confidential Exhibit G-5 for the packing cost of each model for Australian sale.

Please refer to Confidential Exhibit B-4 for the packing materials cost.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed "Commissions". Identify the general ledger account where the expense is located.

[Answer]

Not applicable.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

[Answer]

Not applicable.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

[Answer]

All of the adjustments occurred for the Australian sales have been reported in Confidential Exhibit B-4.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

[Answer]

Not applicable. New Star does not claim a currency conversion adjustment.

E-2 Costs associated with domestic sales

(These cost adjustments will relate to your responses made at question D-4, “**domestic sales**”)

The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

You should provide copies of your Bill of Materials for both the goods exported to Australia and those associated with domestic sales, and identify those components or inputs into production that are different, for example, specify different:

- Steel grades (Grade 304);
- Chrome/nickel content (18/10, compared with 18/8);
- Steel gauge (18, 20 or 22 gauge);
- Bowl finish (labour hours to achieve a brushed or polished finish);
- Inclusion or exclusion of a drainer board; and
- Inclusion or exclusion of a strainer/basket waste.

[Answer]

For the time being, New Star is not claiming an adjustment for physical characteristics. However, New Star reserves the right to present further information before or during the verification process if such an adjustment is required.

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

PUBLIC RECORD

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *"Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs"*

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

[Answer]

On the exportation of the subject goods during the POI, New Star was entitled to refund of VAT of 9%. The export VAT refund is calculated based on the FOB export price. The domestic sales price provided in Confidential Exhibit D-4 is VAT excluded price.

3. Level of trade

Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment.

PUBLIC RECORD

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

[Answer]

Not applicable. There are no relevant trade level differences and no adjustment is necessary or claimed.

4. Credit

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The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowing's by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system¹, the average credit period may be determined as follows:

1. *Calculate an accounts receivable turnover ratio*

This ratio equals the total credit sales divided by average accounts receivable. (It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2. *Calculate the average credit period*

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

¹ Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

PUBLIC RECORD

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

The following items are identified in the amounts quantified at question D-4:

[Answer]

The number of collection days for New Star's accounts receivable is considered to be the dates the buyer is given to pay the goods in accordance with the terms of payment as agreed by both parties. The payment terms for each customer in domestic market have been reported in Confidential Exhibit D-4. The average short term loan in RMB during the POI of New Star was █%.

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales ("**Inland transportation Costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

[Answer]

Not applicable. █

█ [confidential information regarding trading terms]

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified ("**Handling, loading and ancillary Expenses**"). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

[Answer]

Not applicable. █

█ [confidential information regarding trading terms]

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed "**Packing**".

[Answer]

Please see response to E-1.4 above.

8. Commissions

For any commissions paid in relation to the domestic sales:

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- provide a description
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

[Answer]

Not applicable.

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

[Answer]

Not applicable.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

[Answer]

In the time available New Star has done its best to identify costs, charges or expenses which would need to be considered for adjustment purposes. New Star reserves the right to present further information before or during the verification process if such information is properly identified.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

PUBLIC RECORD

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

[Answer]

Not applicable. No duplication is evident.

SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Third country sales data

Complete the 'Third country' spreadsheet in the **Exporter Questionnaire spreadsheets – sinks** workbook.

This data should be provided on a summary basis.

The below table provides some explanation of the data requested in the Third country spreadsheet.

Column heading	Explanation
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Quantity	Indicate quantity, in units, exported to the third country over the investigation period.
Unit of quantity	Show unit of quantity eg kg
Value of sales	Show net sales value to all customers in third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country eg. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country eg CIF, FOB, ex-factory, DDP etc.

[Answer]

Please see Confidential Exhibit F-1 for New Star's sales to third countries.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

[Answer]

The models sold to third countries and to Australia are different, and this would affect their comparability.

SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- *testing the profitability of sales of like goods on the domestic market;*
- *determining a constructed normal value of the goods under consideration (the goods) - ie of the goods exported to Australia; and*
- *making certain adjustments to the normal value.*

You will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. You will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (eg. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) you:

- *reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices, and*
- *provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the investigation period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1. Production process and capacity

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

[Answer]

Please see Confidential Exhibit G-1 for a flowchart explaining the production process.

G-2. Production capacity data

Complete the 'Production' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

[Answer]

Please see Confidential Exhibit G-2 for a production spread sheet.

G-3. Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

[Answer]

New Star calculates the cost of production in its ordinary cost accounting as follows:

- collecting the cost of production according to the actual costs occurred on a monthly basis, including direct material, auxiliary material, labor, fuel and power, and manufacturing expenses;
- dividing the total cost of production by the total standard weight of steel used for the production of the final goods for the month to get a ratio;
- multiplying the ratio by the total standard weight of a specific model produced in that month to get the cost of production for the model in the month; and
- when the products are sold, adding the un-refunded VAT to the cost of production to get the total cost of products sold which is recorded in the profit & loss statement.

New Star's cost accounting system is an integral part of its financial accounting system used for the financial statements, and can be reconciled to audited financial statements.

- 2 Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (ie differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

[Answer]

No applicable. New Star's cost accounting system is not based on standard costs.

- 3 Provide details of any significant or unusual cost variances that occurred during the investigation period.

[Answer]

Not applicable. There were no significant or unusual cost variances that occurred during the POI.

- 4 Describe the profit/cost centres in your company's cost accounting system.

[Answer]

[redacted] [confidential information regarding profit/cost centres]

- 5 For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

[Answer]

New Star has calculated costs on a monthly basis and its amortization and depreciation policy has been reported earlier above and in the audit reports.

- 6 Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

[Answer]

New Star's accounting system records production costs for each specific model.

- 7 List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.

[Answer]

There were no product costs incurred by New Star that are valued differently for cost accounting purposes than for financial accounting purposes".

- 8 State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

[Answer]

Not applicable.

- 9 State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

[Answer]

Not applicable.

G-4 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

² The Commission applies the tests set out in s.269TAA of the Customs Act 1901 to determine whether goods are in ordinary course of trade. These provisions reflect the WTO anti-dumping agreement – see Article 2.2.1.

PUBLIC RECORD

Complete the 'Domestic CTMS' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks* workbook.

[Answer]

Please see Confidential Exhibit G-4 for New Star's Domestic CTMS spread sheet.

- Please provide the actual unit cost to make and sell separately for each model/type (identified in section C) of the like goods sold on the domestic market.
- Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.
- Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

[Answer]

New Star records the cost of production under the accounts code [REDACTED] [REDACTED] The method of calculation of the cost of production has been provided in our response to G-3.1. Please also refer to Confidential Exhibit G-4-1 for the cost of production calculation sheet for a sample month.

- Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.
- If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
- Please specify unit of currency.
- Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

[Answer]

Not applicable. The cost of production reported in Confidential Exhibit G-4 is in line with the cost of production determined in the normal practice of New Star.

- In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.

[Answer]

Not applicable.

PUBLIC RECORD

- Supply your Bill of Materials **separately for each model/type** (identified in section C) of the like goods sold on the domestic market.

[Answer]

Please see our response to G-3.1.

G-5 Cost to make and sell goods under consideration (goods exported to Australia)

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

Complete the 'Australian CTMS' spreadsheet in the **Exporter Questionnaire spreadsheets – sinks** workbook.

[Answer]

Please see Confidential Exhibit G-5 for New Star's Australian CTMS spread sheet.

- Please provide the actual unit cost to make and sell **separately for each model/type** (identified in section C) of the goods sold to Australia.
- Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.
- Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.
- Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.
- If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.
- Please specify unit of currency.
- Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

[Answer]

The cost differences between goods sold in the domestic market and those sold for export are due to the differences in the models sold in domestic and those exported to Australia.

PUBLIC RECORD

- Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.
- In calculating the unit cost to make and sell, provide an explanation if the allocation method used (eg number, or weight etc) to determine the unit cost differs from the prior practice of your company.
- Supply your Bill of Materials **separately for each model/type** (identified in section C) of the like goods sold on the domestic market.

[Answer]

Please see our response to G-3.1.

G-6 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

[Answer]

Stainless steel is the primary raw material and accounts for over █% of the total production cost.

New Star purchases all stainless steel from unaffiliated suppliers and hence purchases prices are all direct reflections of normal market price. The information of suppliers of the stainless steel is submitted in the stainless steel purchase Exhibit in response to Part I.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (eg market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your company the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

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The term associate is defined in section 269TAA of the *Customs Act*. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

Important note: If the major input is sourced as part of an integrated production process you should provide detailed information on the full costs of production of that input.

SECTION H – PARTICULAR MARKET SITUATION

The applicants claim that a 'market situation' exists in respect of deep drawn stainless steel sinks from China due to government influence on both the prices of the goods and the major raw material inputs (cold-rolled stainless steel) used in the manufacture of the goods.

The existence of a 'market situation' could affect the Commission's approach to calculating normal value within its dumping assessment.

In broad terms, it is generally the case that the normal value of the goods is the price paid for like goods sold for home consumption in the country of export. One of the exceptions to using domestic selling prices for this purpose provides that the domestic selling prices are not an appropriate basis for normal value if the Minister is satisfied that a situation in the market has rendered domestic selling prices unsuitable for establishing normal values (i.e. a 'particular market situation' exists).

One of these situations may be where the domestic selling prices in the country of export have been materially affected by government influence rendering those prices unsuitable for use in establishing normal values.

Through this questionnaire, the Commission is providing producers/exporters of the subject goods in China the opportunity to supply evidence that the sector under investigation is operating under market conditions. In examining the matter, the Commission will also send questionnaires to the Government of China and continue to examine information available from third-party sources.

It may be necessary for the Commission to request additional information following receipt and review of your response.

There are three parts to this section:

PART H-1 - Requests information concerning the organisation of your company and the Government of China's involvement in the business of your company.

PART H-2 - Requests information concerning the Government of China's measures with respect to the steel industry in China.

PART H-3 - Requests information concerning the deep drawn stainless steel sinks sector in the region where your company is located.

PART H-1 GENERAL INFORMATION

The information requested in this part will provide an overview of your corporate organisation and the Government of China's involvement in your business. In addition to your response to each of the questions, all necessary supporting documentation is requested.

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1. Specific questions are asked throughout this questionnaire in relation to the Government of China's interaction with your businesses.

However, please generally describe all interaction that your business has with the Government of China at all levels, including (but not limited to):

- a) reporting requirements;

[Answer]:

New Star needs to report to the Local Jiangmen tax authority monthly financial statements including balance sheet, profit and loss statements;

New Stars needs to report to the local Jiangmen Statistics authority for statistical purposes its operational data, employment and energy consumption etc.

- b) payment of taxes;

[Answer]:

New Star pays taxes to the local Jiangmen Tax authorities.

- c) senior management representation within your business;

[Answer]:

No senior management representation in New Star is from the government.

- d) supervision by the State-owned Assets Supervision and Administration Commission (SASAC) or a body under the control of SASAC.

[Answer]:

New Star is not a state-owned enterprise and does not have supervision by the SASAC or a body under the control of SASAC.

- e) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);

[Answer]:

New Star does not have interaction with government concerning its business decisions.

- f) licensing;

[Answer]:

New Star does not have interaction with government concerning licensing.

- g) restrictions on land use;

[Answer]:

New Star must use the land for industry use.

- h) provision of loans; or

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[Answer]:

Government does not have involvement in New Star's loans.

- i) provision of grants, awards or other funds.

[Answer]:

New Star did not receive any grants from government authorities during the POI.

2. Business structure, ownership and management

- a) Indicate whether your company is a state-owned or state-invested enterprise (SIE) (refer to the Glossary of Terms for definition).

[Answer]:

New Star is not a state-owned or state-invested enterprise.

- b) List the Board of Directors and Board of Shareholders of your business and all other entities/businesses your business is related to.

Indicate the names of common directors and officers between yours and related businesses, where applicable.

[Answer]:

Please refer to Confidential Exhibit A-3-2 for information of the shareholders of New Star and its related companies. Mr. [REDACTED] is the common director of New Star and its related companies.

- c) Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders representatives, employees, or otherwise affiliated with the Government of China (at any level, from any agency, party, or otherwise associated entity, including SASAC)?

If so, identify the individuals, their role on that Board and their affiliation with the Government of China.

[Answer]:

None of the people identified in the question of New Star and its related companies is affiliated with the Government of China.

- d) Does your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders have a representative from the Chinese Communist Party (CCP)? If so, identify their name and title and indicate their position at the board level.

[Answer]:

None of the Board of Directors or the Board of Shareholders of New Star and of its related companies has a representative from the CCP.

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- e) Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders appointed, managed or recommended by the Government of China? If so, identify any relevant government department(s) they are affiliated with.

[Answer]:

None of the members of Board of Directors or Board of Shareholders of New Star and of its related companies is appointed, managed or recommended by the Government of China.

- f) Indicate who owns what percentage of all shares in your business and identify whether they are:
- an affiliate, representative, agency or otherwise representative of the Government of China;
 - employees of your business;
 - foreign investors; or
 - other (please specify).

[Answer]:

Please refer to Confidential Exhibit A-3-2 for information of the shareholders of New Star and of its related companies. None of the shareholders of New Star or its related companies is an affiliate, representative, agency or otherwise representative of the Government of China. All of the individual shareholders identified are employees of New Star and are not foreign investors.

- g) Provide the details of any significant changes in the ownership structure of your business during the investigation period.

[Answer]:

There was no change of ownership of New Star during the POI.

- h) Identify any positions within your business that are appointments or designated to act on behalf of Government of China authorities.

[Answer]:

There is no position within New Star that is appointed by or designated to act on behalf of the Government of China.

- i) Explain whether there are requirements in law and in practice to have government representation at any level of your business. If there is such a requirement, explain the role of government representatives appointed to any level of your business.

[Answer]:

There is no requirement in law or in practice to have government representation at any level of New Star's business.

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- j) If your business is a publicly-traded company, what are the rules regarding the issuance of shares by your business? Identify any stock exchanges on which your business is listed.

[Answer]:

Not applicable. New Star is not a publicly-traded company.

- k) Who has the ability to reward, fire or discipline your business' senior managers?

[Answer]:

The Board of Directors of New Star has the ability to reward, fire or discipline its senior managers.

- l) Do any of your company's senior managers hold positions in any Government of China departments or organisations, associations or Chambers of Commerce? If so describe the nature of these positions.

[Answer]:

None of New Star's senior managers holds a position in any Government of China department or organization, association or Chamber of Commerce.

- m) Provide the names and positions of your company's pricing committee.

[Answer]:

New Star does not have a pricing committee. The prices of New Star are determined by Mr. [REDACTED] of New Star.

3. Licensing

- a) Provide a copy of your business license(s).

[Answer]:

Please refer to Exhibit H-1-3-a for the business license of New Star.

- b) Identify the Government of China departments or offices responsible for issuing the license(s).

[Answer]:

The Jiangmen Industry and Commerce Administration Bureau is responsible for the issuing of the business license.

- c) Describe the procedures involved in applying for the license(s).

[Answer]:

New Star submits its articles of association, capital verification report and a completed application form, etc., in its application for the business license.

- d) Describe any requirements or conditions that must be met in order to obtain the license(s).

[Answer]:

To obtain a business licence, a company must have sufficient capital and be domiciled in China in order to obtain the business license.

- e) Describe and explain any restrictions imposed on your business by the business license(s).

[Answer]:

Companies shall operate within the business scope specified in the business license.

- f) Describe any sanctions imposed on your business if you act outside the scope of your business license(s).

[Answer]:

New Star has never acted outside the scope of its business license.

- g) Describe and explain any rights or benefits conferred to your business under the license(s).

[Answer]:

New Star is authorized to operate within the business scope of its business license.

- h) Describe the circumstances under which your business license(s) can be revoked, and who has the authority to revoke the license(s).

[Answer]:

Only if a company seriously violates relevant laws, the business license can be revoked by the Industry and Commerce Administration Bureau.

4. Decision-making, planning and reporting

- a) Provide a description of your business' decision-making structure in general and in respect of steel products. This should identify the persons or bodies primarily responsible for deciding:
- (i) what goods are produced;
 - (ii) how the goods are produced;
 - (iii) how levels of inputs such as raw materials, labour and energy are set and secured;
 - (iv) how the use of your outputs, such as how your product mix is determined; and
 - (v) how your business' profit is distributed, etc., is determined.

[Answer]:

The production of goods is based on the purchase orders received by New Star. This also applies for the decision as to the inputs required for the production, etc. As explained above, Mr. [REDACTED] of New Star is in charge of purchase orders. The board of directors of New Star has the power to determine the profit distribution (i.e. payment of dividends). Profits are distributed to the shareholders based on the percentage of shares held by the shareholders.

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- b) Provide a description of any Government of China input into the decision-making process respecting your manufacture, marketing and sale of steel products.

[Answer]:

There is no government of China input into the decision-making process in respect of the manufacture, marketing and sales of steel products of New Star.

- c) Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of steel products.

[Answer]:

There are no government departments/offices that are involved, either directly or indirectly, in the manufacture, sale or purchase of steel product of New Star.

- d) List and describe all reports that must be submitted to the Government of China periodically by your company, and identify the government department/office where each report is filed.

[Answer]:

Please refer to our response to H-1-1.a.

- e) Provide a copy of the last two Provincial/City Five Year Plans (including the appendices) for the province/city in which your business is located, whichever is applicable. The copies should be fully translated including the appendices, along with the original Chinese version.

[Answer]:

New Star is not involved at all in the provincial/city five year plan. In order to respond to this question, New Star did internet research and found from public sources the requested last two five year plans of Guangdong Province and Jiangmen City. Please refer to Exhibit H1-4-e for the Chinese and English versions of the last two five year plans of Guangdong Province and Jiangmen City.

- f) Does your business develop any five-year plans or similar planning documents? If so, provide copies of these plans and advise whether these plans have been submitted, reviewed or approved by the Government of China (including the National Development and Reform Commission).

[Answer]:

New Star does not develop any five-year plan or similar planning documents.

- g) Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the investigation period.

[Answer]:

New Star is not a big or public company and there is no formal Board of Directors meeting minutes or Board of Shareholders' meeting minutes during the POI.

PUBLIC RECORD

- h) Provide copies of the notes to company meetings where pricing decisions on steel products have been made over the investigation period.

[Answer]:

The prices of steel products are determined by market forces and are subject to market fluctuation. Therefore, New Star does not hold company meetings to make pricing decisions on steel products.

PART H-2 GOVERNMENT OF CHINA MEASURES IN THE STEEL SECTOR

The information requested in this part will allow for a better understanding of the Government of China's measures in respect of steel in China, in addition to your response to each of the questions, all necessary supporting documentation is requested.

1. Are there any other Government of China opinions, directives, decrees, promulgations, measures, etc. concerning the steel industry/sector that were put in place or operating during the investigation period?

If yes, please provide a copy of that documentation and a translation as well. Also provide documentation concerning the Government of China or any association of the Government of China's notification of the measures concerning steel to your company over the investigation period.

[Answer]:

New Star is not a steel producer, but a processing company of steel products. New Star is not aware of any Government of China steel industry policy, directives or opinions in its normal business since it is not covered by such documents if there is any. New Star has conducted an internet research on this issue for the response to this question and did not find any such documents during the POI.

2. Provide information concerning the name of any Government of China departments, bureaus or agencies responsible for the administration of all Government of China measures concerning the steel industry in the regions, provinces or special economic zones where your company is located.

Ensure that your response includes contact information regarding the following areas:

- industrial policy and guidance on the steel industry sector;
- market entry criteria for the steel industry sector;
- environmental enforcement for the steel industry sector;
- management of land utilization;
- the China Banking Regulatory Commission for the steel industry sector;
- investigation and inspection of new steel expansion facilities;
- the section in the National Development and Reform Commission that is responsible for the steel industry sector; and
- import licensing for iron ore, steel and other steel raw materials.

[Answer]:

PUBLIC RECORD

Please refer to the response to question 1 above. New Star does not have such information.

3. National Steel Policy

the Commission is aware of the 2005 *National Steel Policy* (also referred to as the Steel and Iron Industry Development Policy, as well as by several other titles). The following questions relate to that policy.

- b) Explain in detail how the policy and any updates regarding the policy were communicated to your company.

[Answer]:

The policy and any updates have not been communicated to New Star at all in its normal business.

- c) Identify the government department, association, or company official that communicated this policy or any related measures, to your company as well as the government office or association and the names of the officials who are responsible for the administration of this policy.

[Answer]:

As explained above, the policy or any related measures have not been communicated to New Star at all in its normal business and since those policies or measures are not relevant to New Star, New Star does not have information as to which government office or association or officials are responsible for the administration of the policy.

- d) Explain in detail the information that has been provided to you from official and unofficial channels concerning action to be taken by your company in relation to the policy.

[Answer]:

No information concerning the policy or any actions have been provided to New Star in its normal business at all and New Star has taken no action in relation to the policy.

- e) Do you have designated officials that have provided direction to your company regarding the Government of China's measures and how to proceed with your current project or future plans within the scope of the policy?

[Answer]:

In the normal business of New Star, since the policy is not relevant to New Star, there are no designated officials that have provided direction to New Star regarding the Government of China measures and how to proceed within the scope of the policy.

- f) Explain in detail if there are additional directives or measures from the Government of China that have been communicated to your company, since the inception of the policy.

[Answer]:

There are no additional directives or measures from the Government of China that have been communicated to New Star since the inception of the policy.

- g) Explain in detail whether the policy has ever impacted your company's investment plans. This may include reference to specific measures considered or taken by your company to address issues and/or objectives raised by the policy. Such items may include but are not limited to items such as project approval process, credit and loans (including discounted interest payments), the environment, the scale of production, energy use, raw material inputs etc.

[Answer]:

The policy has never impacted the investment plans, if any, of New Star.

- h) Explain the ongoing mechanism used by the Government of China to measure your company's compliance with the policy directives and/or guidelines.

[Answer]:

The policy is not relevant to New Star and New Star does not need to comply with the policy and therefore there is no ongoing mechanism used by Government of China to measure such compliance.

- i) The policy includes directives and/or guidelines that permit authorities to limit the supply of water, power, land and bank loans etc. to steel producers, which do not meet the objectives of the policy.
- Explain in detail whether your company's expansion or investment plans have ever been or may be impacted by these criteria.
 - Explain the procedure to be followed by a steel company in making a request for approval of a steel investment for an existing steel enterprise or new steel enterprise.
 - Identify any Government of China bodies at the regional or provincial level that have the responsibility to grant the approval, or refuse approval regarding an investment in the steel sector.
 - Are review and approval decisions regarding investments in the steel sector made by the central government or are they delegated to the regional or provincial level?

[Answer]:

PUBLIC RECORD

New Star is not a steel producer, but just a processing company of the steel products. New Star has not experienced any limitation of supplies of water, power, land or bank loans due to the objective of the steel policy, and has never experienced impact of the steel policy on its investment.

- j) Describe the role of the National Development and Reform Commission in terms of communicating, implementing and overseeing policies governing the steel sector, including but not limited to, China's National Steel Policy.

[Answer]:

New Star is not related to the steel policy in any way and therefore does not have information as to the role of the National Development and Reform Commission in relation to the steel policy.

4. Other government approvals

The below questions address the approvals that are necessary from various Government of China agencies, including the National Development and Reform Commission, in order to continue or initiate steel investments.

- a) Explain whether your company has undertaken an approval process through the Government of China for any steel investments in the last 10 years.

[Answer]:

New Star did not undertake approval process through the government of China for steel investments in the last 10 years and there is no relevance to New Star of the steel policies.

- b) Explain whether any applicable investments received the necessary approval and if so, provide documentation confirming this approval.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

- c) If your investment was not approved, provide the reasons given for the refusal.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

- d) Describe the process your company has to follow to obtain these approvals.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

PUBLIC RECORD

- e) Provide a translated copy of the application form along with the original Chinese version.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

- f) Identify the office that sent communication of these requirements to your company along with the office address, contact names, phone numbers and fax numbers.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

5. Steel industry rationalisation

The below questions address the efforts of the Government of China to rationalise the steel industry sector in China through a combination of closures and consolidations of steel making assets.

- a) Describe to what extent, if any, your company has been directed, encouraged or requested to merge or consolidate operations with one or several other steel in China either by the National Development and Reform Commission or any other entities.

[Answer]:

New Star has not been directed, encouraged or requested to merge or consolidate operations with others by any government agencies.

- b) Describe to what extent, if any, a facility owned by your company has ever been identified by the Government of China as a candidate for closure within the next two years.

[Answer]:

New Star's facility has not been identified by the Government of China as a candidate for closure within the next two years.

PART H-3 THE DEEP DRAWN STAINLESS STEEL SINKS SECTOR

The information requested in this part will assist in providing a better understanding of the Government of China measures and your business' sales and production of deep drawn stainless steel sinks.

In addition to your narrative response to each of the questions, all necessary supporting documentation is requested.

1. Export quotas and licensing

PUBLIC RECORD

- a) Are deep drawn stainless steel sinks sold by your company subject to any export quotas?

If so, explain why deep drawn stainless steel sinks are subject to quotas and the method by which the quotas are allocated.

Does this process involve any Government of China participation in determining the selling prices of the goods? If so, explain.

[Answer]:

The deep drawn stainless steel sinks sold by New Star is not subject to any export quotas.

- b) If deep drawn stainless steel sinks are not presently subject to export quotas, indicate if quotas existed during the investigation period and when and why they were removed.

[Answer]:

No quota system existed during the investigation period.

- c) Identify which Government of China agency legislates and monitors any such quotas.

[Answer]:

Please see answers above and therefore this question is not applicable.

- d) Has the Government of China set any targets or limits regarding the quantity of deep drawn stainless steel sinks that you may sell on the domestic or export markets? If so, provide details.

[Answer]:

There are no targets or limits regarding the quantity of deep drawn stainless steel sinks that New Star may sell on the domestic or export market.

- e) Are there any export licence requirements for deep drawn stainless steel sinks? If so, provide details.

[Answer]:

There is no export licence requirement for deep drawn stainless steel sinks.

2. Taxation

- a) Were there any export taxes on the exports of deep drawn stainless steel sinks during the investigation period?

[Answer]:

There is no export tax on the exports of deep drawn stainless steel sinks during the investigation period.

- b) What was the VAT rebate applicable to deep drawn stainless steel sinks exports during the investigation period?

[Answer]:

The VAT rebate applicable to deep drawn stainless steel sinks exports during the POI is 9%.

- c) Have there been any changes to the value-added tax rebate applicable to steel exports in the last 5 years? If yes, provide:
- i. a detailed chronological history of the value-added tax rebate rates;
 - ii. products affected;
 - iii. the effective dates of the rate changes;
 - iv. fully translated copies of any Government of China notices regarding these changes, including the relevant appendices.

[Answer]:

The VAT rebate applicable to stainless steel sinks export has been 9% in the past five years. The effective date of the current VAT export rebate rate was June 3rd, 2009. Please refer to Exhibit Part H-3-2-c for the government notice regarding the change.

- d) Are you aware of any tax changes being planned that would impact the deep drawn stainless steel sinks sector?

[Answer]:

New Star is not aware of any tax changes being planned that would impact the deep drawn stainless steel sinks sector.

3. Sales terms

- a) Identify the person who authorises the sales terms, prices and other contract provisions for the sale of deep drawn stainless steel sinks by your business.

[Answer]:

Mr. [REDACTED] of New Star authorises the sales terms, prices and other provisions for the sale of deep drawn stainless steel sinks by New Star.

- b) Explain how the selling prices of deep drawn stainless steel sinks by your business are determined, including any Government of China involvement in your business' pricing decisions, and indicate if the goods are subject to Government of China direct or indirect pricing or government guidance pricing.

[Answer]:

There is no Government of China involvement in the prices setting of New Star. The prices are determined by New Star itself based on market conditions.

- c) Does your business coordinate the selling prices or supply of deep drawn stainless steel sinks with other domestic steel and steel product producers, any Government of China departments, or the China Iron and Steel Association? If so, provide details.

[Answer]:

New Star does not coordinate the selling prices or supply of deep drawn stainless steel sinks with other domestic steel and steel product producers, any Government of China departments, or the China Iron and Steel Association.

- d) Explain whether your business provides deep drawn stainless steel sinks price information/data to the Government of China, the China Iron and Steel Association (CISA), other government officials or commercial/industry organisations, including those outside of China, which report on the steel sector.

[Answer]:

New Star does not provide deep drawn stainless steel sinks price information/data to the Government of China, the China Iron and Steel Association (CISA), other government officials or commercial/industry organisations, including those outside of China, which report on the steel sector.

- e) Explain whether your business provides deep drawn stainless steel sinks price data to any other person at the provincial, regional or special economic zone level of government.

[Answer]:

New Star does not provide deep drawn stainless steel sinks price data to any other person at the provincial, regional or special economic zone level of government.

4. Involvement with CISA

- a) Is your business a member of CISA or regional Iron & Steel Associations? If so, explain your business' relationship with the association and the involvement of the Government of China with the CISA.

[Answer]:

New Star is not a member of CISA or a regional Iron & Steel Association.

- b) If your business is a member of the CISA, indicate whether this membership is voluntary or compulsory. Explain the functions that the CISA provides for your business. Explain in detail the role of the CISA with respect to the directives as provided by the Government of China concerning the steel industry.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

5. Other industry associations

- a) Is your business a member of any other industry associations? If so, explain your business' relationship with the association and the involvement of the Government of China with the association.

[Answer]:

New Star is not a member of any other industry associations.

- b) If your business is a member of another industry association, indicate whether this membership is voluntary or compulsory. Explain the functions that the association provides for your business. Explain in detail the role of the association with respect to the directives as provided by the Government of China concerning the steel industry.

[Answer]:

Please refer to response to question a) above and therefore this question is not applicable.

6. Statistics submission/recording

- a) Indicate if your business makes submissions³ to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

[Answer]:

New Star is reporting on a monthly basis to the Bureau of Statistics. The purpose of the submissions, to the understanding of New Star, is for statistics collection only. The type of information submitted includes operation data, energy consumption, employment, etc.

- b) Provide a recent example of a submission that has been made to the Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.

[Answer]:

Please refer to Confidential Exhibit H-3-6-b for an example of submission made to the statistics bureau for the recent month of February 2014.

- c) Do the organisations approve or assess your submission? If yes, provide a detailed explanation.

[Answer]:

The statistics bureau does not approve or assess the submission made by New Star since it is only for statistics purposes.

- d) Do the organisations provide feedback on your submission? If yes, provide a detailed explanation.

[Answer]:

The statistics bureau does not provide feedback on the submission of New Star since it is only for the statistics purposes.

7. Raw material supply

³ For example, monthly data relating to sales, production and costs.

PUBLIC RECORD

- a) Is there a price difference in purchase price for raw materials (i.e. cold-rolled stainless steel or any other raw material) between your suppliers?

[Answer]:

There is no apparent price difference in the purchase price for raw materials between the suppliers of New Star. This is because New Star purchased stainless steel from different suppliers with fairly consistent quality, and the prices of the steel of similar quality in the market are similar due to market competition and demand and supply principles.

- b) Is there a price difference between purchase price of raw materials from SIEs and non-SIEs? Provide explanation.

[Answer]:

In the normal business of New Star, the ownership structure of the suppliers is never a factor taken into account by New Star, and ownership structure of the suppliers never affect the prices obtained by New Star because regardless of whether the suppliers are SIEs or not, the prices for New Star are fully subject to negotiations based on market principle, i.e., supply and demand. Based on the data compiled for submission in Confidential Exhibit I-3-4, the average prices of IP purchase of steel from SIEs and non-SIEs by New Star [REDACTED] [confidential pricing information]

Note: the applicant alleges that producers in China of deep drawn stainless steel sinks have benefited from the provision of cold-rolled stainless steel by the Government of China at less than fair market value (see Program 1 in Section I of this questionnaire).

Further questions regarding cold-rolled stainless steel supply and pricing are asked in Section I of this questionnaire. Your responses to these questions are relevant to the assessment of whether a market situation exists. Ensure responses to these questions are complete.

8. Regional differences

- a) If you have production facilities in more than one region/province, are the laws and regulations in each region the same with respect to pricing? Provide details on any regional differences.

[Answer]:

New Star does not have production facilities in more than one region/province and therefore this question is not applicable.

9. Deep drawn stainless steel sinks production/output during the investigation period

- a) Is any part of your production of deep drawn stainless steel sinks subject to any national/regional industrial policy or guidance? If so, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance.

[Answer]:

None of the production of deep drawn stainless steel sinks by New Star is subject to any national/regional industrial policy or guidance.

- b) To what extent are any of the policies/guidelines identified in a) applicable to your business?

[Answer]:

Please refer to answer to question a) and therefore this question is not applicable.

- c) Where applicable, how did your business respond to the policies/guidelines?

[Answer]:

Please refer to answer to question a) and therefore this question is not applicable.

- d) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of deep drawn stainless steel sinks that may be imposed by the Government of China.

[Answer]:

There are no restrictions to the sale of deep drawn stainless steel sinks that are imposed by the Government of China.

10. Sales price during the investigation period

- a) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the investigation period, with respect to domestic steel prices.

[Answer]:

New Star has not been subject to any direct or indirect price guidance or controls by the Government of China during the investigation period with respect to domestic steel prices.

- b) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the investigation period, with respect to raw material inputs (i.e. iron ore, coal, billet, cold-rolled stainless steel, etc.).

[Answer]:

New Star has not been subject to any direct or indirect price guidance or controls by the Government of China during the investigation period with respect to raw materials inputs.

- c) Explain whether your business has encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

[Answer]:

PUBLIC RECORD

New Star has not encountered any price guidance or controls established by regional, provincial or special economic zone officials or organizations.

11. Adding capacity and/or joint ventures

- a) Provide a detailed explanation with respect to the government approval process on adding capacity and/or joint ventures in relation to your business.

[Answer]:

There is no government approval needed for New Star to add capacity. New Star has not established any joint ventures for the production of the subject merchandise.

- b) Does the government have the right to request modifications in the terms of adding capacity and/or joint ventures? If yes, provide a detailed explanation.

[Answer]:

Please refer to the answer to question a) and therefore this question is not applicable.

SECTION I - COUNTERVAILING (SUBSIDISATION)

The applicant alleges that producers in China of deep drawn stainless steel sinks have benefited from a number of subsidies granted by the Government of China (meaning any level of government – refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

INVESTIGATED PROGRAMS

The following are programs that the Commission is currently investigating:

Program Number	Program Name	Program Type
Program 1	Raw Materials Provided by the Government at Less than Fair Market Value	Provision of goods
Program 2	Research & Development (R&D) Assistance Grant	Grant
Program 3	Grants for Export Activities	Grant
Program 4	Allowance to pay loan interest	Grant
Program 5	International Market Fund for Export Companies	Grant
Program 6	International Market Fund for Small and Medium-sized Export Companies	Grant
Program 7	Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years	Income Tax
Program 8	Tax preference available to companies that operate at a small profit	Income Tax

Please answer the questions within parts I-1 to I-3 in relation to these programs.

PART I-1 PREFERENTIAL INCOME TAX PROGRAMS (PROGRAMS 7 AND 8)

1. Did your business or any company/entity related to your business receive any benefit⁴ under the following two programs during the investigation period (1 January to 31 December 2013):
 - **Program 7** - Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years
 - **Program 8** - Tax preference available to companies that operate at a small profit

[Answer]:

New Star did not receive any benefit from the above-mentioned programs and did not enjoy income tax exemption or reduction, and paid normal income tax rate of 25% during the POI.

2. It is our understanding that the general tax rate for enterprises in China from 1 July 2010 was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China from 1 July 2010, indicating any changes in the taxation rate over the period July 2010 – December 2103.

[Answer]:

New Star confirms the understanding of the Commission regarding the tax rate is correct and there was no change of the general tax rate over the period July 2010-December 2013.

3. If your business currently pays corporate income tax at a rate less than 25% (or whatever the rate of general tax is as discussed above) , or paid at a rate less than that during the investigation period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.

[Answer]:

As explained above, New Star paid the normal income tax rate of 25% now and during the POI, and therefore this question and the following questions until question 16 are not applicable.

4. If the income tax rate of less than the general rate does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions in Part I-1 above in relation to the income tax rate reduction.

[Answer]:

Not applicable.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

⁴ Refer to the Glossary of Terms for a definition of benefit in this context.

5. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.

Not applicable.

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).

Not applicable.

7. Describe the application and approval procedures for obtaining a benefit under the program.

Not applicable.

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.

Not applicable.

9. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Not applicable.

10. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Not applicable.

11. State whether your eligibility for the program was conditional on one or more of the following criteria:

- a) whether or not your business exports or has increased its exports;
- b) the use of domestic rather than imported inputs;
- c) the industry to which your business belongs; or
- d) the region in which your business is located.

Not applicable.

12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Not applicable.

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13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

Not applicable.

14. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
15. To your knowledge, does the program still operate or has it been terminated?

Not applicable.

16. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

Not applicable.

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.

17. For each taxation year from 2011 to 2013, complete the "Income Tax" spreadsheet in the **Exporter Questionnaire spreadsheets – sinks** workbook.

[Answer]:

Please refer to Confidential Exhibit Part I-1-17 the income tax spreadsheet.

18. Provide a copy, bearing the official stamp of the appropriate level of the Government of China of all
- corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the 2011, 2012 and 2013 tax years; and
 - income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2011, 2012 and 2013 tax years.

[Answer]:

Please refer to Confidential Exhibit Part I-1-18-1 for New Star's income tax returns for 2011, 2012 and 2013. Please refer to Confidential Exhibit Part I-1-18-2 for New Star's quarterly income tax forms and payment receipt for 2011, 2012 and 2013. The annual income tax return for 2013 is not available yet. Since the formats are the same for annual income tax returns, quarterly income tax returns and instalment payment respectively, New Star provides a translation of the formats respectively.

Note: If your company did not file an income tax return in any of the tax years indicated, provide an explanation stating the reasons why you

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were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.

PART I-2 GRANTS (PROGRAMS 2, 3, 4, 5 AND 6)

It is the Commission 's understanding that the Government of China may be providing grants to enterprises in China including the following identified programs:

- **Program 2** - Research & Development (R&D) Assistance Grant
- **Program 3** - Grants for Export Activities
- **Program 4** - Allowance to pay loan interest
- **Program 5** - International Market Fund for Export Companies
- **Program 6** - International Market Fund for Small and Medium-sized Export Companies

[Answer]:

New Star did not receive any of the above-mentioned programs or any other grants from the Government of China during the POI and therefore the remaining questions under this Part are not applicable.

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 January to 31 December 2013**?
2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period 1 January to 31 December 2013?

For each program identified in your answer to I-2.1 and I-2.2 above, answer the following.

3. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.
4. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).
5. Describe the application and approval procedures for obtaining a benefit under the program.
6. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
7. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

PUBLIC RECORD

8. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
9. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
10. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
11. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
13. To your knowledge, does the program still operate or has it been terminated?
14. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.
15. Identify the body responsible for administering the grant.
16. Identify the date of approval of the grant and the date the grant was received.
17. Indicate where the grant was accounted for on your business' financial statements.

PART I-3 PROVISION OF COLD-ROLLED STAINLESS STEEL (PROGRAM 1)

The applicant claims that public bodies (in the form of state-owned or invested enterprises (SIEs)) are supplying cold-rolled stainless steel, directly or indirectly, to manufacturers of deep drawn stainless steel sinks at less than fair value.

In this questionnaire, the term cold-rolled stainless steel refers to both coil or sheets.

PUBLIC RECORD

The term SIE is defined in the glossary of this questionnaire.

In relation to this program, provide the following information.

1. Did your business or any company/entity related to your business receive any benefit under the above program during the period **1 January to 31 December 2013**.

[Answer]:

The cold-rolled steel purchased by New Star during the POI was all based on market principles and New Star did not receive any benefit under the alleged program.

2. Does your business purchase any goods/services from SIEs, e.g., raw materials (including cold-rolled stainless steel), energy, water, other utilities, etc?

[Answer]:

Some of the cold-rolled stainless steel New Star purchased during the POI was produced by SOEs. New Star purchased water from Jiangmen Water Supply Co., Ltd and electricity from Guangdong Power Grid Corporation Jiangmen Power Supply Bureau, both state-owned suppliers.

3. Provide a list, including a contact name and address, of all your suppliers of cold-rolled stainless steel. Indicate whether the supplier is a SIE.

[Answer]:

Please refer to Confidential Exhibit Part I-3-3 the requested information concerning New Star's suppliers of cold-rolled stainless steel during the POI.

4. Complete the '**Steel purchases**' spreadsheet in the *Exporter Questionnaire spreadsheets – sinks*.

Provide this data on a **transaction-by-transaction basis, for all purchases of cold-rolled stainless steel** during the period **1 January to 31 December 2013**. This data should be provided for all purchases, not only those of Chinese origin (i.e. include imported materials as well).

Please add more space for additional suppliers and categories of product as required.

[Answer]:

Please refer to Confidential Exhibit Part I-3-4 the requested information concerning New Star's purchases of cold-rolled stainless steel during the POI.

5. Did your business receive any reduction/reduced price for the purchase of these goods/services during the investigation period? If so, describe the eligibility criteria that your business had to meet in order to qualify for any reduction in the price paid for the goods/services.

[Answer]:

New Star did not receive any reduction/reduced price for the purchase of these goods/services during the POI. Purchases by New Star were based on market value.

6. Provide copies of all contractual agreements that detail the obligations of the SIE and your business with reference to the granting and receipt of the assistance/benefits.

[Answer]:

As explained above, New Star did not receive any assistance/benefits under this program and there are no contractual agreements that detail the obligation with reference to assistance/benefits.

7. If your business purchased imported cold-rolled stainless steel, explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

[Answer]:

New Star did not purchase imported cold-rolled stainless steel during the POI.

PART I-4 ANY OTHER PROGRAMS

If the Government of China, any of its agencies or any other authorised body has provided any other benefit⁵ under any other assistance programs to your entity not previously addressed, identify the program(s).

This may have included:

- the provision of grants, awards or prizes;
- the provision of goods or services at a reduced price (e.g. electricity, gas, raw materials (including, for example, zinc), transport);
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans from Policy Banks at below-market rates; or
- any other form of assistance.

[Answer]:

New Star did not receive any benefit under any other assistance programs and therefore the remaining questions in this Part do not apply.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

1. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).

⁵ Refer to the Glossary of Terms for a definition of benefit in this context.

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2. Describe the application and approval procedures for obtaining a benefit under the program.
3. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.
4. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
5. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
6. State whether your eligibility for the program was conditional on one or more of the following criteria:
 - a) whether or not your business exports or has increased its exports;
 - b) the use of domestic rather than imported inputs;
 - c) the industry to which your business belongs; or
 - d) the region in which your business is located.
7. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
8. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.
9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
10. To your knowledge, does the program still operate or has it been terminated?
11. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.

SECTION J - EXPORTER'S DECLARATION



I hereby declare that.....(company)
did, during the period of investigation export the goods under consideration
and have completed the attached questionnaire and, having made due
inquiry, certify that the information contained in this submission is complete
and correct to the best of my knowledge and belief.



I hereby declare that.....(company)
did not, during the period of investigation, export the goods under
consideration and therefore have not completed the attached questionnaire.

Name :

Signature :

Position in

Company :

Date :

SECTION K - CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – general information	<input type="checkbox"/>
Section B – export price	<input type="checkbox"/>
Section C – like goods	<input type="checkbox"/>
Section D – domestic price	<input type="checkbox"/>
Section E – fair comparison	<input type="checkbox"/>
Section F – exports to third countries	<input type="checkbox"/>
Section G – costing information	<input type="checkbox"/>
Section H – particular market situation	<input type="checkbox"/>
Section I – countervailing (subsidisation)	<input type="checkbox"/>
Section J - declaration	<input type="checkbox"/>

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input type="checkbox"/>
TURNOVER – sales summary	<input type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input type="checkbox"/>
THIRD COUNTRY – third country sales	<input type="checkbox"/>
PRODUCTION – production figures	<input type="checkbox"/>
DOMESTIC CTMS – costs of goods sold domestically	<input type="checkbox"/>
AUSTRALIAN CTMS – costs of goods sold to Australia	<input type="checkbox"/>
INCOME TAX – tax paid by your business for tax years 2011 to 2013	<input type="checkbox"/>
STEEL PURCHASES – data for all cold-rolled stainless steel purchased during the investigation period	<input type="checkbox"/>

APPENDIX 1 - GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences*; *packaging*; *taxes*; *level of trade*; *advertising*; *servicing/warranty*; *inland freight*; *warehousing*; *export charges*; *credit terms*; *duty drawback*; *commissions*.

Adjustments may also be required where the normal value is based upon costs to make and sell.

Arms length

Sales are not considered to be at "arms length" on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Associated Companies

Persons shall be deemed to be associates of each other if, and only if:

(a) both being natural [persons](#):

- (i) they are connected by a blood relationship or by marriage or by adoption; or
- (ii) one of them is an [officer](#) or director of a body corporate controlled, directly or indirectly, by the other;

(b) both being bodies corporate:

- (i) both of them are controlled, directly or indirectly, by a third [person](#) (whether or not a body corporate); or
- (ii) both of them together control, directly or indirectly, a third body corporate; or

(iii) the same person (whether or not a body corporate) is in a position to cast, or control the casting of, 5% or more of the maximum number of votes that might be cast at a general meeting of each of them; or

(c) one of them, being a body corporate, is, directly or indirectly, controlled by the other (whether or not a body corporate); or

(d) one of them, being a natural person, is an employee, officer or director of the other (whether or not a body corporate); or

(e) they are members of the same partnership.

Benefit

As further defined in relation to the definition of the term 'subsidy' below, 'benefit' may include:

- a direct transfer of funds;
- the acceptance of liabilities (e.g debts or other liabilities), whether actual or potential, of your enterprise;
- the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) that was otherwise due (e.g. reduced rate of income tax, waiving certain other taxes);
- the provision of goods or services otherwise than in the course of providing normal infrastructure; or
- the purchase of goods

by the Government of China (GOC) (at any level), a public body of the GOC, or a private body entrusted by the GOC to carry out GOC functions.

Constructed value

In cases where domestic prices paid for the goods under consideration in the country of export cannot be used for the determination of normal value, ie. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell (CTMS)

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, ie. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Enterprise

"Enterprise" includes a group of enterprises, an industry and/or a group of industries

Factory overheads

Factory overheads consist of variable costs eg. power, supplies, indirect labour and fixed costs eg. factory rent, factory insurance, factory depreciation etc.

Foreign Invested Enterprise (FIE)

An FIE may be:

1. Chinese-foreign equity joint venture:

Joint venture between a Chinese company, enterprise, or other business organisation and a foreign company, enterprise, business organisation or individual set up in the form of a Chinese limited liability company.

The characteristics of a Chinese-foreign equity joint venture are joint investment, joint operation, and the participants share profits, risks and losses in proportion to their respective contributions to the registered capital of the joint venture.

The proportion of the investment by the foreign party is no less than 25% in the registered capital of equity joint venture.

2. Chinese-foreign contractual joint venture:

A joint venture established between foreign enterprises and other economic organisations or individuals, and Chinese enterprises or other economic organisations within the territory of China. The rights and obligations of each party are determined in accordance with the agreement specified in the contractual joint venture contract. The investment or conditions for cooperation contributed by the Chinese and foreign parties may be provided in cash or in kind, or may include the right to the use of land, industrial property rights, non-patent technology or other property rights.

3. Wholly foreign owned enterprises:

A wholly foreign owned enterprise is established by foreign enterprises and other economic organisations or by individuals pursuant to the Chinese laws within the territory of China. All of the wholly foreign owned enterprise's capital is invested by foreign investors. It may also be referred to as a Foreign Enterprise (FE).

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
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PUBLIC RECORD

FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance) the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customers disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc incurred upon importation)

Investigation period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods under consideration or that, although not alike in all respects have characteristics closely resembling those of the goods under consideration. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based upon all costs to make and sell the goods. Profit may also be included if the sales on the domestic market are profitable. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Particular market situation

Refers to a situation within the domestic market of exported goods that renders sales within that market of those goods unsuitable for determining normal values under s.269TAC(1) of the Act.

Program(s)

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The term “program”, as used throughout this questionnaire in reference to alleged subsidies, refers to broad categories of subsidies that Customs and Border Protection has reason to believe may be available to exporters of the goods.

In this regard, the term “program” as used in this questionnaire should not be taken to necessarily refer to formal programs maintained by the GOC, nor should it be taken to refer to one specific subsidy. Rather, “program” as used in this questionnaire can refer to informal subsidies provided by the GOC, and can also refer to multiple individual, albeit similar, subsidies.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- domestic sales of like goods;
- sale of goods of the same general category by the exporter; or
- sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director’s fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.

Throughout this questionnaire, there are certain words and terminology used that require some clarification. The following are their definitions for purposes of this investigation.

State-owned or state-invested enterprise (SIE)

For the purposes of this questionnaire, SOE refers to any company or enterprise that is wholly or partially owned by the GOC as defined above (either through direct ownership or through association).

In previous investigations and correspondence, the GOC has advised that the use of the term ‘SOE’ is declining in China, and that these enterprises are now referred to with terms such as:

- ‘enterprises with state investment’
- ‘state-owned assets’
- ‘state-invested enterprises’
- ‘enterprises under the supervision of SASAC’

of which there are several types.

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For the purposes of this questionnaire, SOE refers to any and all of the above types of enterprises.

Subsidy

In respect of goods exported to [Australia](#), means:

(a) a financial contribution:

(i) by a government of the [country of export](#) or [country of origin](#) of the goods;
or

(ii) by a public body of that [country](#) or a public body of which that government is a member; or

(iii) by a private body entrusted or directed by that government or public body to [carry](#) out a governmental function;

that involves:

(iv) a direct transfer of funds from that government or body; or

(v) the acceptance of liabilities, whether actual or potential, by that government or body; or

(vi) the forgoing, or non-collection, of revenue (other than an [allowable exemption or remission](#)) due to that government or body; or

(vii) the provision by that government or body of goods or services otherwise than in the course of providing normal infrastructure; or

(viii) the purchase by that government or body of goods or services; or

(b) any form of income or price support as referred to in Article XVI of the General Agreement on Tariffs and Trade 1994 that is received from such a government or body;

if that financial contribution or income or price support confers a benefit (whether directly or indirectly) in relation to the goods exported to [Australia](#).

Square Range



5417

Single bowl sink
Finish: Satin



5412

Double bowl sink
Finish: Satin



5163

1 3/4 bowl sink
Finish: Satin
Reversible



5161

Single bowl with drainer sink
Finish: Satin
Reversible



5155

Single bowl with drainer sink
Finish: Satin
Reversible



5156

1 1/2 bowl with drainer sink
Finish: Satin
Reversible



www.newstar-sink.com

Round Range

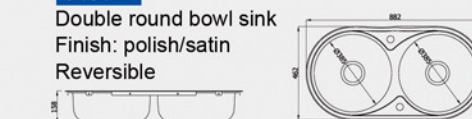


645Y+J101-NA



645Y

Double round bowl sink
Finish: polish/satin
Reversible



J101-NA

Drainer tray
Finish: polish/satin
Reversible



233Y

Single round bowl with drainer sink
Finish: polish/satin
Reversible



234Y

Single round bowl with drainer sink
Finish: polish/satin
Reversible



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E-mail: mail@newstar-sink.com

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E-mail: mail@newstar-sink.com

www.newstar-sink.com

Newstar
Leading sink manufacturer



2011
JIANGMEN NEW STAR
Hi-Tech Enterprise Ltd.

Linen Range



150-H2
1 1/4 bowl with drainer sink
Finish: linen/satin
Reversible



151-H2
Double bowl with drainer sink
Finish: linen/satin
Reversible



227-H2
Single bowl with drainer sink
Finish: linen/satin
Reversible

One Piece Range



231
Single bowl with drainer sink
Finish: polish
Reversible



204
Single bowl with drainer sink
Finish: polish
Reversible

Classics Range



155Y
1 1/4 bowl with drainer sink
Finish: polish/satin
Reversible



236Y
Single bowl with drainer sink
Finish: polish/satin
Reversible



669Y
Double bowl
corner sink
Finish: polish/satin
Reversible



229
Single bowl with drainer sink
Finish: polish/satin
Reversible

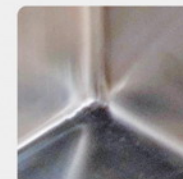
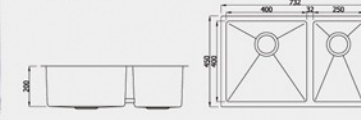
Square Range



5418
Single bowl sink
Finish: Satin



713L
Undermount 1 1/2 bowl sink
Finish: Satin



Pencil radius corner



712
Undermount double bowl sink
Finish: Satin



552
Inset/Undermount
single bowl sink
Finish: Satin



710RY
Inset/Undermount 1 1/2 bowl sink
Finish: Satin



Sharp square corner



708
Inset/Undermount double bowl sink
Finish: Satin



5158L
Undermount 1 3/4 bowl sink
Finish: Satin



5159
Undermount double bowl sink
Finish: Satin



5406
Undermount Single bowl with drainer sink
Finish: Satin



Business License for Legal Entity

(Duplicate)

Registration No. 440700400000170

(Duplicate Number: 1-1)

Name: Jiangmen New Star Hi-tech Enterprise Ltd

Domicile: Building 1 and 2, No.25 of Duruan Northern Third Street, Duruan County, Pengjiang District, Jiangmen City

Legal Representative: Zhang Baoji

Registered capital: 31.85 million yuan

Paid-in-capital: 31.85 million yuan

Type of the Enterprise: Limited Liability Company (Joint venture among Chinese mainland, Taiwan, Hong Kong and Macao)

Business Scope: produce and sales: stainless steel products, kitchenware, top grade construction hardware, bathroom accessories and water heating equipment.

Shareholders (Sponsors): Jiangmen Jianghai Fuxing Trading Co.,Ltd, SAM LEE YUE WOO Co., Ltd.

Operation Period: From July 4, 2001 to July 3, 2021

Date of Foundation: July 4, 2001

Need-To-Know

1. «Business License for Enterprises as Legal Persons» is the credence with which the enterprise has obtained its legal personality and lawful operations.
2. «Business License for Enterprises as Legal Persons» have its original and duplicates and both have equal force of law.
3. The original of«Business License for Enterprises as Legal Persons» shall be put in the eye-catching place in the domicile of the legal person.
4. The business license shall not be forged, altered, rented or assigned.
5. Legal person of the enterprise shall apply for registration alteration with the original registration organ and apply for a new license upon occurrence of changes in its registered items.
6. From March 1 to June 30 every year, the registration organ shall carry out annual survey to the legal persons of enterprises.
7. In case the business license is withdrawn, the company shall not run any activity except liquidation.
8. The enterprise shall return the original and duplicates of the license upon cancellation of registration by the company.
9. In case the business license is destroyed or lost, the enterprise shall declare cancellation on the appointed press and apply for new one.

The annual inspection of the legal entity:

Stamp 2012 June 14, 2013			
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Registration Organ: Industry and Commerce Administration Bureau of Jiangmen City (Sealed)

March 20, 2013