

**Public Record**

**REQUEST FOR FURTHER INFORMATION – JIANGSU YAOZHONG**

1. Jiangsu Yaozhong noted in its recent provision of further information that:

*Shanghai Aruis operates as a distributor/exporter of the goods from China. Jiangsu Yaozhong negotiates and determines the price. Shanghai Aruis plays the role in generating invoices and arranging shipments.*

Recognising that Shanghai Arius plays a role in exporting the goods, please advise:

- a. Does Jiangsu Yaozhong pay Shanghai Arius for its services in exporting the goods to Australia?

Response: No. Jiangsu Yaozhong doesn't pay Shanghai Aruis for its services in exporting the goods to Australia, [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

- b. If so, can Jiangsu Yaozhong provide costs for commission per unit?

Response: Not applicable. There are no commissions.

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### REQUEST FOR INFORMATION

- A-3: Please clarify the relationship between Jiangsu Yaozhong Aluminium Wheels Co. Ltd. and Shanghai Aruis Motor Co. Ltd. In doing so, please explain:
  - o whether Shanghai Aruis is a subsidiary of Jiangsu Yaozhong; and
  - o whether Shanghai operates as a distributor/exporter of the goods from China.
    - If Shanghai Arius does operate as a distributor of the goods, please explain whether the company plays any role in determining pricing, generating invoices, etc. for the goods.

#### Response:

- 1、 No, Shanghai Aruis is not a subsidiary of Jiangsu Yaozhong, [REDACTED]
- 2、 Yes, Shanghai Aruis operates as a distributor/exporter of the goods from China. Jiangsu Yaozhong negotiates and determines the price. Shanghai Aruis plays the role in generating invoices and arranging shipments.

- B-4: There have been 5 Australian sales claimed to have been made within the review period. However, they were all invoiced after the review period finished. Were these the only sales made in the review period?

#### Response:

Yes, these were the only sales made in the review period, although the invoice date was after the review period, but the contract date (June 10, 2014) was in the review period, and there was nothing conditions changed after the contract date until the transaction finished.

Under the paragraph 14.3 of the [Exhibit B4: Instructions and Guidelines of Dumping and Subside Manual](#). It indicated that:

#### **Establishing the date of sale**

***In establishing the date of sale, Customs and Border Protection will normally use the date of invoice as it best reflects the material terms of sale. For the goods exported, the date of invoice also usually approximates the shipment date. Where a claim is made that an exporter claims a date other than the date of invoice better reflects the date of sale, Customs and Border Protection will examine the evidence provided.***

***For such a claim to succeed it would first be necessary to demonstrate that the material terms of sale were, in fact, established by this other date. In doing so, the evidence would have to address whether price and quantity were subject to any continuing negotiation between the buyer and the seller after the claimed contract date.***

***This arises because there can be circumstances where an exporter and importer agree on price and quantity and make a sales agreement to that effect, but this may not establish the date on which terms were finally agreed upon because an element of informality continues, and conditions can be changed.***

From the [【 Exhibit B9: Australia Sales Document 】](#), it sufficient demonstrated that the price and quantity were not subject to any continuing negotiation between the buyer and the seller after the contract date, there was nothing conditions changed after the contract date until the transaction finished.

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So, Jiangsu Yaozhong claimed and reported the date of sales according to the contract date in the Australia Sales spreadsheet.

**【Information contained in the above exhibit B9 cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.】**

- B-9: There is some discrepancy between the invoices provided with the EQ, and with the Australian Sales spreadsheet. Could you please ensure you resubmit the documentation relating to those selected Australian sales, with English translations of all documents that explain what aspects of the documents can be matched to the spreadsheet and how.

Response:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

- C-4: It is mentioned that Jiangsu Yaozhong does not have any technical or illustrative material to identify and classify the goods sold domestically. Can you please reconfirm whether a brochure exists that includes information regarding the products sold domestically? Or other documents that we might be able to use to verify the product codes and associated information (such as rim sizes and weight) listed in the domestic sales spreadsheet?

Response: Please refer to the [Exhibit C4: Business brochure of Jiangsu Yaozhong](#)

- D-1: It is stated that “Generally speaking, Jiangsu Yaozhong engages in the production of the goods” – we need more clarification on this. In which instances does Jiangsu Yaozhong actually manufacture the goods? Who manufactures instead? Under what circumstances does this arrangement occur – i.e. is this only when the Jiangsu Yaozhong doesn’t have sufficient production capacity etc.?
  - o In instances where Jiangsu Yaozhong purchases the goods for on-selling to domestic customers, please confirm:
    - Whether the manufacturer is aware of the final destination of the goods; and
    - The role (if any) that the manufacturer plays in the delivery of the goods to domestic customers.

Response:

- 1、 Please refer to the [Exhibit D1: AQA Certificate for Jiangsu Yaozhong](#), this Certificate was granted by an international organization, only aluminium wheels manufacturers are eligible to acquire it, it sufficient demonstrates that Jiangsu Yaozhong engages in the production of the goods.
- 2、 Jiangsu Yaozhong has a sufficient production capacity. So all the goods were manufactured by Jiangsu Yaozhong itself, and Jiangsu Yaozhong didn’t purchase the goods for on-selling to domestic customers.

- D-3: Could you please provide a more detailed description of the domestic sales process? There are some major discrepancies in unit price as paid by different customers that need clarification.

Response:

- 1、 Domestic sales process:

[REDACTED]

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[REDACTED]

3、 [REDACTED]

- D-7: Please supply invoices, proof of payment, inland transport receipts (if available), and a full description of the separate line-items for the following domestic sales:

Customer name	Invoice number
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Response: Please refer to the [【 Exhibit D7.1 Sales Documents of invoice 04768156 】](#) , and [【 Exhibit D7.2 Sales Documents of invoice 31977110-11 】](#) .

[REDACTED]

[REDACTED]

**【 Information contained in the above exhibit D7.1 and D7.2 cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position. 】**

In addition, there is some discrepancy in relation to the proof of payment documentation for domestic sales that was provided. It appears that the amount for some payments includes multiple-transactions as it is substantially more than what has been invoiced. Is this the case for transaction 69499081 (CNY 800000.00) Exhibit 16? For this transaction, please provide all relevant invoices that pertain to that proof of payment, linked to that transaction are supplied.

Response:

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Please refer to the [【Exhibit D7.3: Payment and invoice reconciliation】](#) , [【Exhibit D7.4: Invoice Documents】](#) , and [【Exhibit D7.5: Payment documents】](#) .



**【Information contained in the above exhibit D7.3, D7.4 and D7.5 cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.】**

Also, is it possible to send in documentation to verify the separate line items for one invoice (Invoice No.: 04752464)?

Response:

Please refer to the [【Exhibit D7.6: Invoice listing of 04752464】](#) . From the exhibit, it can be verified the separate line items for the invoice, and it is matched to the Domestic Sales spreadsheet.

**【Information contained in the above exhibit D7.6 cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.】**

- G-1: Only the Aruis Wheels brochure has been provided so it is not clear on what other products are manufactured at the facility. Could you please provide details of all products produced at the Jiangsu Yaozhong facility? If a brochure is available, please submit one.

Response:

Please refer to the [Exhibit C4: Business brochure of Jiangsu Yaozhong](#)

In addition to the above could you please clarify the following:

- Is it the case that for all sales in the domestic sales spreadsheet, the first two numbers in the product codes always represent the wheel diameter / rim size, and the last two numbers always indicate wheel width?

Response: Yes, it's correct. For example, the product code "1775" means the diameter is 17 inch, width is 7.5 inch.

- Does Jiangsu Yaozhong have any specific requirements as to how adjustments are allocated?

Response: No. Jiangsu Yaozhong don't have such requirements.

- Could Jiangsu Yaozhong provide more specific information about how items for domestic / export sales are packed – and information as to how packing costs were allocated in the domestic CTMS spreadsheet?

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Response:

- 1、 The packing of export sales and domestic sales are same , please refer to the [【Exhibit E.1: Comparison for the packing of Export and Domestic sales】](#) , and please refer to the [【Exhibit E.2: Packing process】](#) and [【Exhibit E.3: Packing Materials】](#) , from the exhibits, that shows the materials used to pack, and how to pack.
- 2、 Jiangsu Yaozhong allocated the packing cost to each product by product weight, it can be verified in the [【Exhibit 21.2: CTM worksheet】](#) submitted on 14 December 2014 following the EQ, and the packing cost reported in the domestic CTMS spreadsheet can be traced to the exhibit 21.2 too.

**【Information contained in the above exhibit E.1, E.2, E.3 and 21.2 cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.】**