



**Australian Government**  
**Anti-Dumping Commission**

Application for a  
review of  
anti-dumping measures

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**ANTI-DUMPING COMMISSION**  
**Form B602**  
July 2013

**PUBLIC RECORD**

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APPLICATION UNDER SECTION 269ZA OF THE *CUSTOMS ACT 1901*  
FOR A REVIEW OF ANTI-DUMPING MEASURES

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In accordance with section 269ZA of the *Customs Act 1901*, I request that the Anti-Dumping Commissioner initiate a review of anti-dumping measures in respect of the goods the subject of this application to:

1.  **revise the level of the measures** because one or more of the variable factors relevant to the taking of measures have changed (a variable factors review)

In this case the factors that I consider have changed are:

- normal value  
 export price  
 non injurious price  
 subsidy

The variable factors review is in relation to:

- a particular exporter (*if so provide name and country details*)  
 exporters generally *ALNAN ALUMINIUM CO LTD, CHINA*

or

2.  **revoke the measures** because the anti-dumping measures are no longer warranted (a revocation review)

In this case the measure I consider should be revoked is:

- the dumping duty notice  
 the countervailing duty notice  
 the undertaking

The revocation review is in relation to:

- a particular exporter (*if so provide name and country details*)  
 exporters generally

**NOTE**

Where seeking variable factors review as well as a revocation review, indicate this in both 1 and 2 above.

**DECLARATION**

I believe that the information contained in this application:

- provides reasonable grounds for review of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.

Signature: *Brian Lyngaae*

Name: *BRIAN LINGAAE*

Position: *GENERAL MANAGER*

Company: *ALUGLASS AUSTRALIA PTY LTD*

ABN: *46 115 085 571*

Date: *9 SEPTEMBER 2013*

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**Signature requirements**

Where the application is made:

*By a company* - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

*By a joint venture* - a director, servant, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

*On behalf of a trust* - a trustee of the trust must sign the application.

*By a sole trader* - the sole trader must sign the application.

*In any other case* - contact the Commission's client support section for advice.

**Assistance with the application**

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and Guidelines for applicants: Application for review or revocation of measures*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

**Phone:** 1300 884 159 or +61 2 6275 6066 (outside Australia)

**Fax:** 1300 882 506 or +61 2 6275 6888 (outside Australia)

**Email:** [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au)

Other information is available from the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

Small and medium enterprises (i.e., those with up to 200 employees) may obtain assistance, at no charge, from the International Trade Remedies Adviser, employed by Australian Industry Group and funded by the Australian government. To access this service, visit [www.aigroup.com.au/traderemedies](http://www.aigroup.com.au/traderemedies) or telephone (03) 9867 0267.

**Required information**

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.
2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.
3. Name other parties supporting this application.
4. Describe your interest as an affected party (eg are you concerned with the exportation of the goods, the importation of the goods, or part of the Australian industry, or acting on behalf of the Government of an exporting country).
5. Provide details of the current anti-dumping measure(s) the subject of this review application, including:
  - tariff classification
  - the countries or companies
  - specified date of publication of the measure

<b>Applications for review of variable factors</b>	<p>6. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters and/or users.</p> <p>If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:</p> <ul style="list-style-type: none"> <li>• the factor(s) you wish to have reviewed;</li> <li>• the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and</li> <li>• in your opinion the causes of the change and whether these causes are likely to persist.</li> </ul>
<b>Application for a revocation review</b>	<p>If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.</p> <p>Include evidence in support of your view that there are reasonable grounds for asserting that the measures are no longer warranted. Refer to the "Guidelines for Preparing an Application for Review of Measures" as part of preparing your response. If you consider anti-dumping measures are no longer warranted because of:</p> <ul style="list-style-type: none"> <li>• <i>no dumping or no subsidisation</i>: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.</li> <li>• <i>no injury</i>: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury if the measures were to be revoked.</li> </ul>
<b>Lodgement of the application</b>	<p>This application, together with the supporting evidence, should be lodged with:</p> <p style="padding-left: 40px;">The National Manager - Operations Anti-Dumping Commission Customs House 1010 Latrobe St Docklands VIC 3008</p> <p style="padding-left: 40px;">or</p> <p style="padding-left: 40px;">Sent by facsimile to 1300 882 506 or +61 2 6275 6888 (outside Australia)</p>
<b>Public Record</b>	<p>During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at <a href="http://www.adcommission.gov.au">www.adcommission.gov.au</a>.</p> <p>At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application <u>must</u> be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the review, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.</p>



55 TINGHONG ROAD, NANNING GUANGXI, NANNING CHINA  
TEL: +86-771-2193060 FAX: +86-771-2193018

### EXPORTER'S DECLARATION

I HEREBY DECLARE THAT ALNAN ALUMINIUM CO., LTD 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.

NAME: JIANJUN WANG

SIGNATURE:

POSITION IN

COMPANY: SALES MANAGER

DATE:

9.5/2013.

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FAL  
Consulting

FAL Consulting Pty Ltd

PO Box 123  
Jannali NSW 2226

Level 16, 366 Collins Street  
Melbourne Victoria 3000

t 61 2 9528 2228  
61 3 9642 2252  
f 61 2 9528 2229

e info@falconsulting.com.au

ABN 74 154 809 355

2 October 2013

Our ref: ALUGLASS VFR  
Email: susan.danks@falconsulting.com.au

Dear Sir

### Request for Variable Factors Review **PUBLIC**

This application is lodged by FAL Consulting on behalf of Aluglass Australia Pty. Ltd. 15 Campion Rd East Arm NT 0828 / PO Box 38295 Winnellie NT 0821 to seek review of the dumping duty notice and countervailing duty notice applying to aluminium extrusions imported by them and classified 7604.21.00 (stat codes 07 and 08) and 7604.29.00 (stat codes 09 and 10) that are exported to Australia from the People's Republic of China ("China") by the manufacturer / exporter Alnan Aluminium Co., Ltd ("Alnan"). Alnan is in the Residual Exporters (Group 1) category. Contact details are in Attachment A of the enclosed CD. **Please note that all information and documents on this CD contained in Sections A-G are regarded as commercial in confidence.**

The goods the subject of this request for a variable factors review are identified as *"Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1,2,3,5,6 or 7 (or proprietary or other certifying body equivalents), with the finish being as extruded (mill), mechanical, anodised or painted or otherwise coated, whether or not worked, having a wall thickness or diameter greater than 0.5mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421mm."*

Further description of the goods is included in ACDN 2009/20

This application has been lodged because it is considered that the variable factors relevant to the taking of these measures have changed since measures were imposed. This application is lodged more

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than 12 months after the publication of the last notice in accordance with the requirements of s.269ZA (2).

The Variable Factors that have varied are identified as follows:

- Export Prices (“EP”) determined having regard to all available information
- Normal Values (“NV”) determined having regard to all available information
- Assessment of identified Chinese government subsidy programmes 1 – 45 inclusive and the impact upon the export price of the subject goods and their production costs.
- Non-Injurious Price. The non-injurious selling price for aluminium extrusions was established by reference to an unsuppressed selling price (“USP”) calculated using the cost to make and sell that was established by reference to information supplied by Capral and not the Chinese supplier.
- The amount of the countervailable duty.

This review is lodged in order to demonstrate:

- These variable factors have changed; and
- The amount by which each such factor has changed; and
- Provide supporting information that supports the above and assist in establishing the changed amounts.

In order to assist Customs and Border Protection we have approached Alnan and obtained information together with supporting documentation and a statement from the supplier attesting that it is accurate. That information is included in CD format and is regarded as confidential.

## Variable Factors Review – Anti Dumping

### Like goods

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Like goods are defined in section 269T of the Act as goods to include goods that although not alike in all respects to the goods under consideration have characteristics closely resembling those goods.

s. 269TAC(1) of the Act states “the normal value of any goods exported to Australia is the price paid or payable for like goods sold in the ordinary course of trade for home consumption in the country of export...or, if like goods are not so sold by the exporter, by other sellers of like goods”.

The “like goods” identified in this matter were all types of aluminium extrusions, despite Capral producing a limited range and we understand not having tooling to produce extrusions such as balustrading. This extremely broad definition therefore encompasses products that the party initiating the complaint does not even produce. Their own products are clearly therefore not “like” products to the subject goods but their costings have been used to determine the anti-dumping duties payable.

The principle of the WTO Anti-Dumping Agreement upon which our own legislation is based is that anti-dumping duties should be levied on individual exporters. Is therefore the current methodology used in determining Australian anti-dumping duty consistent with this Agreement?



We suggest that Alnan produce and sell on their domestic market sufficient quantities of “like goods” to be identified as such. Where two goods are not alike in all respects, Customs and Border Protection are required to assess whether they have characteristics closely resembling each other against the following considerations:

#### Physical likeness

Please refer to the Drawings attachment and Schedule C for the like goods manufactured by Alnan and sold on their domestic market.

Factors considered are physical characteristics that are similar, and those that are different. The like goods as manufactured by Alnan are classified to the same tariff item. The principal difference between the domestic and exported product is that the exported product contains more aluminium as it is thicker. The difference in cost of production however can be calculated by substituting the alternate figures in the spreadsheet provided and discussed again at G-6.

#### Commercial likeness

Commercial likeness refers to attributes identifiable from market behaviour. The like goods sold by Alnan are of the same type and end use and sold within the same market sectors in the domestic market.

#### Functional likeness

Functional likeness refers to end-use. While this in itself does not establish like goods, it provides support to the assessment of physical and commercial likeness above and as discussed in Schedule C. As per that Schedule the extruded goods identified as manufactured by Alnan and sold in their domestic market have similar applications.

#### Production likeness

The production process is the same for domestic and exported goods.

Please refer to the process and costing information provided in the attached Schedules

### Export Price

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Customs Act s.269TAB sets out the criteria for determining Export Price.

S. 269TAB (1) (a) identifies the export price as the price in the sale between the importer and exporter where the importer did not export the goods and the sale is an arm’s length transaction and not including post exportation charges.

Given that these criteria are met it is submitted that the export price is the invoice price payable by the importer to the seller less overseas freight where the invoices are on a CFR basis.

### Normal Value

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S.269TAC (1) provides that Normal Value is the price paid or payable for like goods sold for home consumption in the ordinary course of trade in the country of export provided that they are arm’s

length transactions. This is the default basis for establishing NV. In this regard it should be noted that Alnan's domestic sales of like goods in the ordinary course of trade in their domestic market are significant. This is further discussed in the attachments.

S.269TAC (2) (a) qualifies the above and gives guidance on what domestic sales may be unsuitable for use in determining NV under that section because of a factor in the market. These factors identify domestic sales as unsuitable where there is a "situation" in the market of the country of export. The legislation does not however define what market situations would render domestic sales as unsuitable. The finding in the enquiry was that a particular market situation does exist in China for aluminium extrusions.

S.269TAC (2) (c) provides that where NV cannot then be established under s.269TAC (1) the NV can be constructed. The costs incurred in a constructed NV must be those incurred the exporter, must reasonably reflect the costs of those goods and must have been determined in accordance with generally accepted accounting principles in the country of origin.

The key elements in constructing a NV are:

1. Costs of Production ("COP") of the exported good ;
2. Administration, Selling and General Costs ("ASG") that are incurred on the assumption that the exported good is sold on the domestic market;
3. Profit – at levels as in domestic market.

Customs Regulation 180 and 181 provides guidance at ss.2 specifies:

*"(a) an exporter or producer of like goods keeps records relating to the like goods; and*

*(b) the records:*

*(i) are in accordance with generally accepted accounting principles in the country of export; and*

*(ii) reasonably reflect competitive market costs associated with the production or manufacture (administrative, general and selling costs) of like goods;*

*the Minister must work out the amount by using the information set out in the records."*

The current measures were imposed based on Capral's costs to make and sell. If the market situation is still deemed to exist and domestic prices in accordance with s.269TAC 91) considered unsuitable then the suggested approach for exports to Australia by Alnan following this review is to establish a "constructed" Normal Value ("NV") based upon information supplied in the attachments to this request for review from Alnan Aluminium Co Ltd as the exporter and manufacturer. Section 269TAC (2) (c) requires that the cost of production be determined for the exported goods rather than the like goods identified. Alnan's record keeping is in accordance with accepted accounting principles in China and reflect the market costs associated in producing and selling the like goods.

We submit that from the attached information and such other enquiries as may be required that Customs and Border Protection can determine normal values under s.269TAC (2) (c) by summing:

- the revised monthly cost of production for the exported goods;
- the actual selling, general and administration costs incurred on domestic sales of like goods, and
- a reasonable amount for profit by reference to the profit achieved on domestic sales of like goods after comparing domestic ordinary course of trade selling prices to the revised cost to make and sell during the investigation period.

The attached information provides extracts for sample products from Alnan’s accounting records. Adjustments may be required to ensure a proper comparison between the constructed price of goods in the domestic market and the export price. The methodology and calculation is the same for both exported goods and the like goods sold on the domestic market at the same level of trade but the exported goods are thicker and therefore use more raw material. The attached spreadsheets in Section G allow the adjustment calculation to account for this.

The constructed normal values will require the following adjustments the authority for which is s. 269TAC (9) to ensure they were fairly comparable to export prices:

- Downward adjustment for ocean freight;
- Upward adjustment for VAT liability on exports (understood to be 13% as against 17% domestic sales); and
- Upward adjustment for difference in theoretical and actual weights.

## Subsidies – Countervailing Duty

Under s.269TDA (2) of the Act, if the Chief Executive Officer of Customs (CEO) is satisfied that there has been no or negligible level of countervailable subsidy received by an exporter, the CEO must terminate the investigation so far as it relates to the exporter. We submit that the countervailable duty imposed is not appropriate in the case of exports of aluminium extrusions from China by Alnan.

### VAT refund on export sales

Alnan advise that for H.S. code 7604210000 and 7604299000 the VAT rate for domestic sales in China is 17%, however, export sales are subject to a 4% VAT rate. They pass on the 4% VAT in their pricing in overseas sales.

This information is provided for the purpose of full disclosure only as given that export sales from Australia are GST free while the substantive rate of GST for sales within Australia is 10%. Most countries provide an exemption or reduction in tax for export sales. W would suggest therefore that this should not be regarded as a countervailable subsidy.

### Programmes 1, 10, 16, 17, and 35 for “Foreign Invested Entity”

Alnan is not a “foreign invested entity” and therefore programmes 1, 10, 16, 17, and 35 do not apply.

### Program 2 - One-time Awards to Enterprises Whose Products Qualify for ‘Well-Known Trademarks of China’ and ‘Famous Brands of China’

Alnan does not receive this subsidy/grant. The following logos on the Alnan website were referred to them for comment.





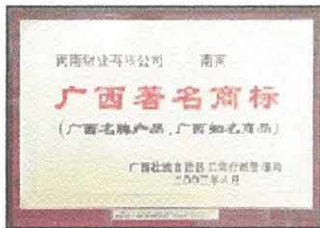
ten salable brands in China market



State credit enterprise in contract



State licence of industry produce



Alnan brand/ famous brand in Guangxi

Alnan confirm that they do not get any subsidy for “ISO9000, ISO9001-2000” and further that Alnan do not get any subsidy for “well known mark”, and “top-ten sales brand” and the “contracted enterprise”

**Program 3 - Provincial Scientific Development Plan Fund**

Alnan **does** receive a benefit. Please refer attachment “Subsidies”.

**Program 4 - Export Brand Development Fund**

Alnan does not receive this subsidy/grant.

**Program 5 - Matching Funds for International Market Development for SMEs**

Alnan does not receive this subsidy/grant.

**Program 6 - Superstar Enterprise Grant**

Alnan does not receive this subsidy/grant.

**Program 7 - Research & Development (R&D) Assistance Grant**

Alnan **does** receive a benefit. Please refer attachment. Alnan’s R&D department advise that if they apply for an R&D grant from government that it has many requirements and they are eligible only if they meet all of them. It is available for newly set-up of workshops, development of new technology, etc.

The Australian government also provides tax incentives for such purposes.

**Program 8 - Patent Award of Guangdong Province**

Alnan does not receive this subsidy/grant and are in Guangxi Province.

**Program 9 – Training program for rural surplus labour force transfer employment**

Alnan does not receive this subsidy/grant.

**Program 10 – Preferential Tax Policies for Foreign Invested Enterprises – reduced tax rate for productive FIE’s scheduled to operate for a period of not less than 10 years**

Alnan does not receive this subsidy/grant. Alnan is not a foreign invested enterprise.

**Program 15 – Goods provided at less than adequate remuneration**

Alnan does not receive this subsidy/grant and does not purchase ingot at subsidised prices.

Alnan purchases ingot at market prices that are not subsidised and in the great majority from privately owned enterprises. Please refer information on raw materials suppliers and purchases provided at G-9.

**Program 16 - Preferential tax policies for enterprises with foreign investment established in Special Economic Zones (excluding Shanghai Pudong area)**

Alnan does not receive this subsidy/grant. Alnan is not a foreign invested enterprise.

**Program 17 - Preferential tax policies for enterprises with foreign investment established in Pudong area of Shanghai**

Alnan does not receive this subsidy/grant. Alnan is not a foreign invested enterprise.

**Program 18 – Preferential Tax Policies in the Western regions**

Alnan advises it receives government support but not a subsidy.

**Program 21 – Tariff and VAT Exemptions on Imported Materials and Equipment**

Alnan does not receive this subsidy/grant.

**Program 26 – Innovative Experimental Enterprise Grant**

Alnan **does** receive a benefit. Please refer attachment.

**Program 29 – Special Support Fund for Non-State-Owned Enterprises**

Alnan does not receive this subsidy/grant.

**Program 32 - Venture Investment Fund of Hi-Tech Industry**

Alnan advise that this is not an investment fund. This Programme provides a preferential tax policy for business income tax. The normal rate is 25%. Alnan pay 15%.

**Program 35 - Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment**

Alnan does not receive this subsidy/grant. Alnan is not a foreign invested enterprise.

## PUBLIC VERSION

### Information supplied by Alnan Aluminium

The following are the information requests made to Alnan. While answers are included below much of the information required is in the documents attached under each section.

#### A Company Structure and Operations

##### A1-A2 Company Information

1. **What is the legal name of your company?**

ALNAN ALUMINIUM CO., LTD.

2. **Please provide details of any other company names that you use to supply goods (including brand names):**

NONE

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

**Head Office:**

Name: Wang Jian Jun

Position in the company: Sales Manager

Department Address: 55 Tinghong Road, Nanning, Guangxi, China, 530031

Telephone: +86-771-2193 060

Facsimile number: +86-771-2193 018

E-mail address of contact person: market\_hu@alnan.com

**Factory:**

Address: 55 Tinghong Road, Nanning, Guangxi, China, 530031

Telephone: +86-771-2193 033

Facsimile number: +86-771-2193 035

**Address where financial and accounting records of the company are held:**

Address: 55 Tinghong Road, Nanning, Guangxi, China, 530031

Telephone: +86-771-2193 033

Facsimile number: +86-771-2193 035

**Representative of the company for the purpose of this investigation**

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

Name: Susan Danks

Address: PO Box 123 Jannali NSW 2226 Australia

Telephone: +61-407-128-378

Facsimile: +61-2-9528-2229

E-mail address of contact person: [susan.danks@falconsulting.com.au](mailto:susan.danks@falconsulting.com.au) OR [suedanks@bigpond.com](mailto:suedanks@bigpond.com)

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

5. **Did your company supply, either as a manufacturer, distributor, trading company or other enterprise, aluminium extrusions to Australia during the investigation period?**

yes - please proceed to question 6.

6. **Is your company a manufacturer of aluminium extrusions?**

Yes - please proceed to Question 8

7. **N/A**

8. **Is your company's factory manufacturing aluminium extrusions also at the address provided at Question 4?**

yes - please proceed to question 9.

9. **Does your company export aluminium extrusions to Australia using a trader/sales intermediary?**

No - please proceed to question 10.

10. **Does your business sell aluminium extrusions domestically (within China)?**

Yes

11. **Are you categorised as a Foreign Invested Enterprise (FIE)?**

No

12. **Are you categorised as a small to medium-sized enterprise (SME)?**

No

13. **Please answer the following questions concerning your inputs of aluminium raw material.**

(a) Please complete the following table relating to your purchases of aluminium during the investigation period:

(b) Please complete Attachment A to this form for purchases of aluminium from your top 10 suppliers during the investigation period.

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- 14. Do you have any other information that you consider relevant to Customs and Border Protection in selecting certain exporters for further investigation? If so, please provide details:** NONE

### **A3 Company information**

Part 1

**1.1 What is the legal name of your business and what kind of entity is it?**

- Legal name of business: Alnan Aluminium Co., LTD
- Type of business entity: Co., Ltd

**1.2 List of other business names used to export and/or sell goods**

- Alnan Aluminium CO., LTD
- Hong Kong A Er Industry & Trade company (Hong Kong) - Note this business has not been used in the sales to Australia and has since been closed

Part 2

**2.1 Who are the owners and/or principal shareholders?**

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Part 3

**3.1 If your company is a subsidiary of another company list the principal shareholders of that company**

Not applicable, Alnan is not a subsidiary of another company.

Part 4

**4.1 If your parent company is a subsidiary of another company, list the principal shareholders of that company**

Not applicable, Alnan has no parent company.

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

Part 5

Refer attached spreadsheet

### **A-4 General accounting/administration information**

Part 1

**Indicate your accounting period**

1st of January - 31st December

Part 2

**Indicate the address where the accounting records are held**



55 Ting Hong Road, Nanning, Guangxi, China

Part 3

**Financial documents for the two most recently completed financial years in addition to all subsequent monthly, quarterly or half yearly statements**

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Section 4

Alnan Aluminium Co Ltd accounts are audited by an external party, therefore taxation returns are not required.

Section 5

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

Alnan Aluminium Co Ltd.'s accounting practices do not differ from generally accepted accounting practices in the People's Republic of China.

Section 6

**Describe the significant accounting policies that govern your system of accounting**

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Section 7

There has been no change in accounting methods over the last 2 years.

**A-5 Income Statement**

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**A-6 Turnover**

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**B Sales to Australia (Export Price)**

**B-1 Australian Customer List**

**List of each Australian customer to whom Alnan shipped GUC in the investigation period**

Alnan's only Australian client is Aluglass Australia Pty Ltd  
15 Campion Road, East Arm, Northern Territory, Australia 0822  
Ctc: Brian Lyngaae  
Ph: 61889445700 / 61457736399  
Fx: 61 8 89445710

**For each customer identified in B-1:**

- 1 Detail the nature of the relationship.**  
Trade Level: Customer, not a related company.
- 2 Describe how the goods are sent to each customer including a diagram if required**

The finished products are packed and consolidated at Alnan's Nanning factory. The shipping company will send a shipping container by truck to the factory, where the container is packed and then loaded on the truck. The truck will then take the full shipping container (FCL) to Fang Cheng Port to be loaded on a ship for delivery to Port of Darwin.

**3 Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate if this is a pre or post exportation expense**

The distribution chain consists solely of Alnan aluminum CO., LTD & Aluglass Australia Pty Ltd. There are no commissions paid.

**4 Who retains ownership at each stage of the distribution chain? For any DDP sales, explain who retains ownership when the goods enter Australia**

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**5 Agency, distributor or other agreements entered into for the Australian market (supply a copy where possible)**

No agency, distribution, or other agreements have been negotiated for the Australian market.

**6 Explain in detail the process whereby price is negotiated, receive orders, deliver, invoice and receive payment**

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**7 Aluminium Product Pricing**

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**8 Is the firm related to any Australian customers?**

No.

**9 Details of forward orders under consideration**

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**B-2 Aluminium Client Pricing**

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**B-3 Export Selling Prices (to Australia)**

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**B-4 Australian Sales**

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**B-5 If there are any other costs, charges or expenses incurred in respect to the exports listed above which have not been identified in the table above, add a column for each item.**

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**B-6 Discounts, Rebates and allowances**

For each type of discount, rebate, allowance offered on export sales to Australia

1. Provide a description
2. Explain the terms and conditions that must be met by the importer to obtain the discount

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### **B-7 Credit notes**

Direct or indirect credit notes

If credit notes have been issued in relation to a transaction listed in B4, please explain how B4 amount was calculated

### **B-8 Delivery Terms**

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### **B-9 Complete documentation for 2 shipments, during the review period, of the GUC.**

**Provide a complete set of documentation related to the export sale.**

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## **C Exported Goods and Like Goods**

### **C-1 Exported Goods**

**Fully describe all of the goods Alnan has exported to Australia during the investigation period**

1. Aluminium extrusions - mill finish, painted, powder coated, anodised, or otherwise coated aluminium extrusions.
2. Aluminium extrusions with minor working - Precision cut, machined, punched or drilled aluminium extrusions.
3. Products intended for use in intermediate or finished products - Aluminium extrusions designed for use in a door or window.
4. Aluminium products that are themselves finished products

### **C-2 Model/Type**

List each model/type of the good exported to Australia (should include all models included in section B 'Australian Sales').

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### **C-3 Like Goods on the Domestic Market**

**How were the products divided into groups?**

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**List the most comparable goods sold domestically to those exported to Australia.**

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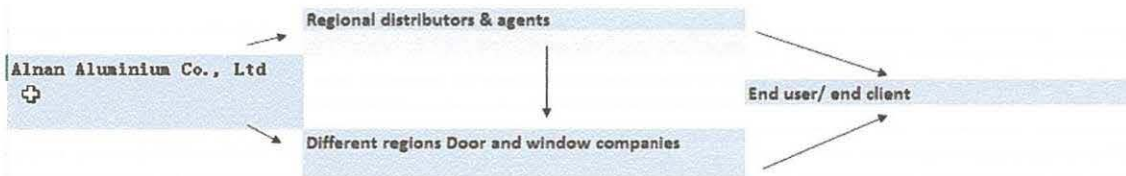
### **C-4 Descriptive and illustrative material**

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## D Domestic Sales

### D-1 Domestic channels to market, information concerning functions/activities performed by all parties.

Alnan Aluminium Co., Ltd sells both directly to door and window companies, and to distributors and agents around the country.



End users and retail clients will normally contact the distributor/agent/intermediary for after sales service and ordering needs. Depending on the issue, the distributor/agent can then discuss this matter directly with Alnan Aluminium.

Alnan is responsible for all sales, promotions, relationship management and after sales support for project clients, distributors & agents. These roles are assumed by distributors/agents/project clients when dealing with retail clients.

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### D-2 Do domestic selling prices vary according to the distribution channel?

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### D-3 Explain in detail the Sales process

- 1 Alnan Aluminium and the other party (client or distributor/agent) negotiate price and terms
- 2 The contract is agreed upon and signed
- 3 Client faxes the order list to Alnan Aluminium
- 4 The list is confirmed by Alnan Aluminium
- 5 The client pays the deposit
- 6 Production begins at Alnan Aluminium
- 7 The products are finished and are warehoused
- 8 Client pays the remaining balance of their account
- 9 Shipment is weighed and checked
- 10 Depending on the agreement, the client either collects from Alnan Aluminium's factory or is responsible for arranging and paying for freight, or Alnan Aluminium will arrange for freight and delivery, which is included on the invoice to the client.

### D-4 Domestic Sales (like goods) during investigation period

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**D-5 Additional Costs, Charges & expenses**

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**D-6 Commissions, Discounts, Rebates & Allowances**

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**D-7 Two Domestic Sales in different quarters of the investigation period**

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**E Fair Comparison**

**E-1 Costs Associated with export sales**

1. Transportation
2. Handling, loading and ancillary expenses
3. Credit
4. Packing costs
5. Commissions
6. Warranties, guarantees and after sales service
7. Other factors
8. Currency conversions

Rate of exchange used is the monthly rate as advised by the Bank of China.

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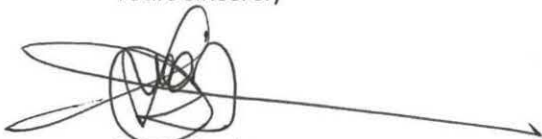
**F Export Sales to Countries Other Than Australia (Third Country Sales)**

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**G Costing Information and Constructed Value**

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Yours sincerely

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

**Susan Danks**  
**Director Consulting**  
**FAL Consulting Pty Ltd**