

NON-CONFIDENTIAL VERSION

PART I-2 GRANTS (PROGRAMS 2-9 AND 15-19)

It is Customs and Border Protection 's understanding that the GOC may be providing grants to enterprises in China including the following identified programs:

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

Program 3: Provincial Scientific Development Plan Fund

Program 4: Export Brand Development Fund

Program 5: Matching Funds for International Market Development for Small and Medium Enterprises

Program 6: Superstar Enterprise Grant

Program 7: Research & Development (R&D) Assistance Grant

Program 8: Patent Award of Guangdong Province

Program 9: Training Program for Rural Surplus Labour Force Transfer Employment

Program 15: Innovative Experimental Enterprise Grant

Program 16: Special Support Fund for Non State-Owned Enterprises

Program 17: Venture Investment Fund of Hi-Tech Industry

Program 18: Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment.

Program 19: Grant for key enterprises in equipment manufacturing industry of Zhongshan

1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 July 2011 to 30 June 2011**.

Yes. [CONFIDENTIAL TEXT DELETED – details of applicable program]

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period 1 July 2011 to 30 June 2011?

Dalian Steelforce has not received benefits under any other grant during the POI.

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.

Dalian Steelforce received:
[CONFIDENTIAL TEXT DELETED –financial information]

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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).

Not applicable. The grant has not benefited any goods specifically.

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

[CONFIDENTIAL TEXT DELETED – details of applicable 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 GOC in relation to the program.

[CONFIDENTIAL TEXT DELETED – details of applicable program]

Dalian Steelforce will review what records it has, and provide them at Customs' request during the exporter verification.

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

Dalian Steelforce incurred no fees or expenses for receiving this program.

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

To meet the eligibility criteria for this program, Dalian Steelforce was required to:

[CONFIDENTIAL TEXT DELETED – details of applicable 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;

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b) the use of domestic rather than imported inputs;

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Not applicable.

c) the industry to which your business belongs; or

Not applicable.

d) the region in which your business is located.

Not applicable.

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.

[CONFIDENTIAL TEXT DELETED – details of applicable program]

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.

Dalian Steelforce will review what documents it has, and provide them at Customs request during the exporter verification.

12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

[CONFIDENTIAL TEXT DELETED – information about internal reporting system]

13. To your knowledge, does the program still operate or has it been terminated?

The award is still in operation.

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.

Not applicable.

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15. Identify the body responsible for administering the grant.

Dalian Foreign Trade and Economic Cooperation Bureau

16. Identify the date of approval of the grant and the date the grant was received.

There was no formal announcement of the approval of the grant. As noted above, [CONFIDENTIAL TEXT DELETED – details of applicable program]

17. Indicate where the grant was accounted for on your business' financial statements.

[CONFIDENTIAL TEXT DELETED – information about internal reporting system]