Dongguan Bonded Logistics Center Guidance Manual on Business Operations

Release date: February 20, 2013

Service provider: Dongguan Bairun Express Logistics Co. Ltd.

Address: Room 407, Bonded Building, Bonded Logistics Center, Jingang Road, Shatian town, Dongguan City

Nature of enterprise: Registered enterprise & agency of customs clearance and inspection at Dongguan Bonded Logistics Center

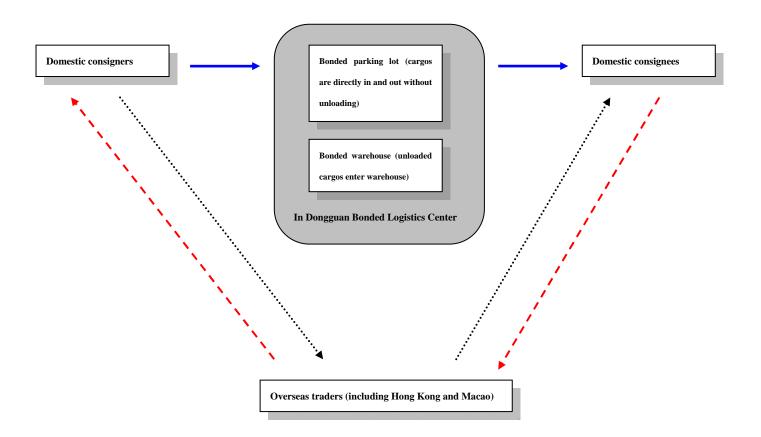
Customs No. of enterprises at Dongguan Bonded Logistics Center: (Pu) $GZXBQC\ Zi\ No.003$

Code of Class A agencies of customs clearance: PGFJ No. [2011] A0654 Code of Class A agencies of customs inspection: 4400910222

Customer service manager: Mr. Chen Weihui Tel: 0769-82795663

P/h: 13928883663

Structure diagram of business form of Dongguan Bonded Logistics Center:



Business flow (document):

Loan and capital flow:

Trade relation: Domestic consigners

Overseas traders

Domestic consignees

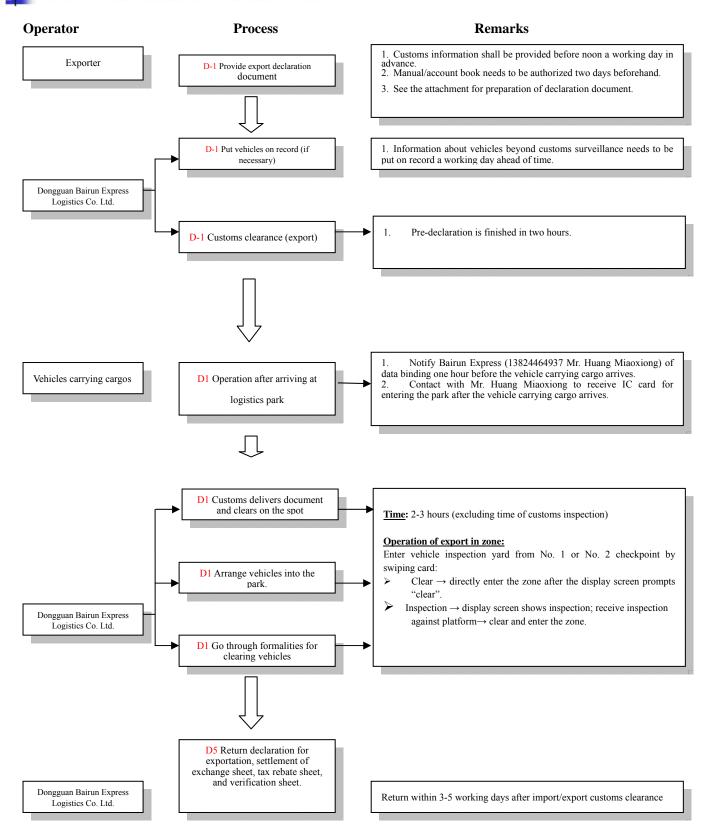
I. Business functions that can be operated now

- 1. In export into zone, tax rebate sheet of customs declaration is directly issued after customs clearance;
- 2. Tax rebate sheet of customs declaration can be issued twice in a week;
- 3. Value of import shall not be less than the value of export;
- 4. List can be downloaded from QP system for declaration;
- A vehicle in and out of the logistics center with more than one ticket; 5.
- 6. General operating vehicles carrying cargos can be used to pass in and out of the Bonded Logistics Center to be cleared by the customs;
- 7. Tax can be paid online for general trade import out of zone;
- 8. Tax can be paid online by Bairun Express as an agent for general trade import out of zone;
- 9. Customs clearance, inspection, and payment of import tax can be conducted in advance, and the vehicles will be cleared;
- 10. Customs transfer between the logistics center and other customs surveillance zones in China;
- 11. Direct customs transfer between the logistics center and first-tier ports to enter and leave the Customs territory;
- 12. Storage and sub-packaging of logistics center at room temperature;

II. Matters concerning operating time

- 1. Declare a day in advance;
- 2. The vehicles carrying cargos are permitted through after examination 2-4 hours after arriving the next day;
- III. Supportive policy (specific execution and adjustment of measures is subject to promulgation of relevant government departments)
- Dongguan government finance gives import and export business units (Dongguan enterprises) declaration number subsidy of RMB 120.00 (time of payment: 180 days as from the date of declaration).
- Imports and exports in and out of the center of logistics park in bulk shall be cargos subject to legal commodity inspection. The inspection and quarantine fees are charged for exports unilaterally, and imports are exempted from such fees.

Details of process of export in park at Dongguan Bonded Logistics Center



Instruction: D-1 represents a day in advance; D1 means the same day; D5 refers to the fifth day after customs clears;

Declaration documentation of export in park:

- 1. Customs proxy
- 2. Contract (provided for general trade, not for processing trade)
- 3. Invoice
- 4. Packing list (if the packing fails to specify details of cargo, it needs to attach: packing specification)
- **5.** Bonded warehousing contract (bonded agency Bairun Express signs with drawee company of export invoice, and see the following model for details: "Bonded Goods Warehousing Contract (Dongguan)"

II. Customs inspection documentation of export in park:

- 1. Power of attorney on the customs inspection (version in triplicate)
- 2. Customs clearance form (It is for legal cargos for commodity inspection, and applicable to local enterprises in Dongguan or Guangdong. It is advised to confirm specific entry and requirement with Bairun Express before customs clearance form is issued. See attachment guide for details): "Example of Commodity Inspection Declaration Form"



- 3. Certificate-change voucher in other places (It is for legal cargos for commodity inspection, and applicable to enterprises in other provinces. It is advised to confirm specific entry and requirement with Bairun Express before customs clearance form is issued.)
- 4. Declaration of conformity (not needed if customs clearance form is directly provided. See model for details)



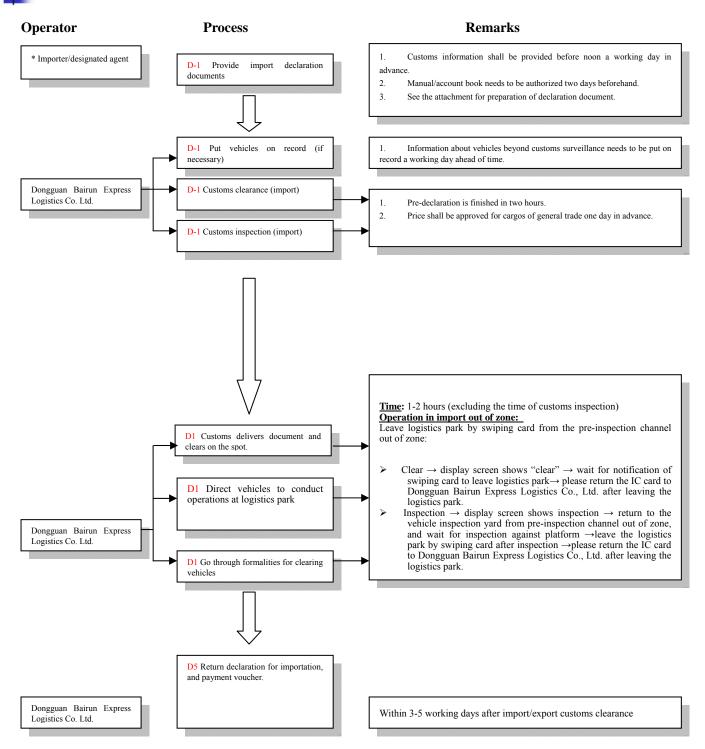
- 5."Declaration of Conformity"
- 6. Factory inspection sheet of manufacturer
- 7. Contract
- 8. Invoice
- 9. Packing List

Remarks:

1. The above customs inspection data are applicable to legal cargos for commodity inspection and full declaration of commodity inspection.

The above document is original!

Details of process of import out of park at Dongguan Bonded Logistics Center



Instruction: D-1 represents a day in advance; D1 means the same day; D5 refers to the fifth day after customs clears;

I. Customs clearance documentation of import out of park:

- 1. Customs proxy
- 2. Contract (provided for general trade, not for processing trade)
- 3. Invoice
- 4. Packing list (if the packing fails to specify details of cargo, it needs to attach: Packing specification)
- 5. Bonded warehousing contract (bonded agency Bairun Express signs with drawer company of export invoice, see model for details: "Bonded Goods Warehousing Contract (Dongguan)"

II. Customs inspection documentation of import out of park:

保税货物仓储合同(东莞)

- 1. Power of attorney on the customs inspection (version in triplicate)
- 2. Declaration of conformity (see model for details: "Declaration of Conformity")



- 3. Self-inspection declaration (see model for details: "Declaration of Commodity Inspection and Self-inspection")
- 4. Contract



- 5. Invoice
- 6. Packing List

Remarks:

- 1. The above customs inspection data are applicable to legal cargos for commodity inspection and full declaration of commodity inspection.
- 2. Enterprises of Guangdong can be directly cleared after commodity inspection at applied ports without transfer to other places.
- 3. Enterprises in other places will issue "transfer sheet to other places", and the imported cargo is inspected and unsealed where the declaring enterprise is located.

The above document is original!

Memos for operation of Dongguan Bonded Logistics Center

1. Authorized agency of electronic account book:

- 1. Customs clearance and pre-entry: 4401780001
- 2. Electronic account book (manual account book) is applicable to import and export ports: 5200 (Huangpu customs) or 5220 (Dongguan logistics) or this column is filled as "blank".

Considerations:

- 1. If the electronic account book or manual has no record of this port, please apply for addition of this import and export port online.
- 2. If the manual paper account book has no record of this port, please apply for addition of this import and export port to department in charge of account books.
- 3. Documents declared by electronic account book need to provide "version number of electronic account book" of the cargo and "item No. of declared cargo".

3. Used vehicles (such as owned vehicles):

- 1. Vehicles under customs surveillance recorded in China can be directly applicable to transportation business at the center of logistics park;
- 2. Other general wagons in China need to be put on record at customs one day in advance, and the provided data are:
 - A. Photocopy of driving permit for freight vehicles (affixed with official seal of enterprise);
 - B. Photocopy of organization code certificate of enterprise of the freight vehicles (affixed with official seal of enterprise);
 - C. Certificate of body weight of freight vehicles (original of weight list affixed with official seal of enterprise that weighs);
 - D. Photocopy of operation certificate for freight vehicles (affixed with official seal of enterprise)

Note: The original of driving permit and operation certificate shall be provided for examination and verification;

4. Considerations:

"Original document" and "data needed for standard declaration" shall be provided for 1) declaration documents of import and export;

- 2) After electronic data are concluded at cargo declaration examination center, please arrange the vehicles to enter/leave the zone within 3 days (including the date of declaration). The document will be deleted after the time limit;
- 3) The expression of document follows the original form of overseas trade, namely the drawee of export invoice must be an overseas enterprise; the drawer of import invoice also must be an overseas enterprise;
- 4) The warehousing contract must be signed by an overseas enterprise and "Dongguan Bairun Express Logistics Co., Ltd.", and respectively signed in case of two overseas enterprises with riginal provided at a time;
- 5) Units operating import and export must inspect whether record of customs clearance and inspection is in the period of validity, whether processing trade contract (manual) is valid, overdue, oversized or being modified, or the standing book hasn't been examined and verified.
- 6) If "intellectual property protection" is reported for the brand of product at General Administration of Customs, please attach the original of "certificate of authorized production (sales)" when cleared by the customs.

5. Routine arrangement for operation:

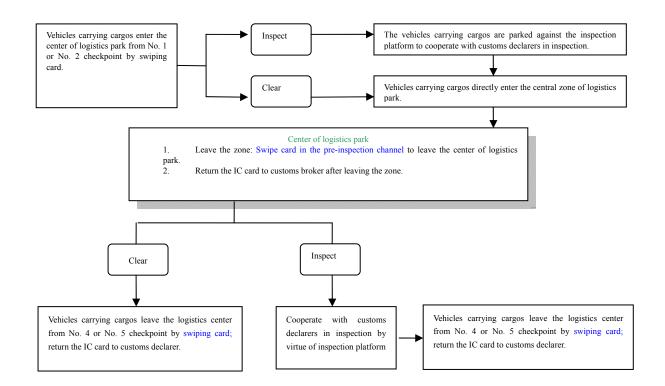
- Import and export declaration documents are submitted to "Dongguan Bairun Express" before
 12:00 of the day before the cargo enters the zone;
- 2. "Dongguan Bairun Express" finishes import and export declaration in the afternoon of the day before:
- 3. Vehicles carrying cargos arrive at the vehicle inspection yard of logistics park before 10:00 in the morning of the next day to handle field clearance formalities. Normally, the vehicles will be cleared before 12:00 or 16:00;

6. Flow of vehicles in and out of logistics park:

- 1. After the vehicles arrive at Dongguan Bonded Logistics Center, please contact with customer service supervisor of Bairun Express (special line: 13824464937, Mr. Huang Miaoxiong) to indicate the license plate number of carrying vehicle and name of consigner.
- 2. Ask designated customs declarer for IC card with data bound to enter the logistics center.



7. Roadmap of vehicles





Considerations in declaration, inspection documents of Dongguan Bonded Logistics Center

I. Declaration documentation and considerations:

Document name	Document instructions	Remarks
1. Customs proxy	A customs proxy must be provided for a declaration number, and data related to consignor must be filled in.	Official seal of business unit must be affixed.
2. Handwriting customs declaration	The client provides item No. of the processing manual (in case of electronic account book export, please indicate version number of each item). 3. Duty paragraph and other information of customs declaration are provided for general trade.	2. Try to provide declared customs declarations for reference.
3. Contract (processing manual, warehousing manual), table of tax collection and exemption	 Foreign trade or processing contract (manual) Warehousing contract (it must be signed by overseas consignee and "Bairun Express", an enterprise in bonded area). 	3. For import and export of electronic manuals, the following codes of our company must be authorized beforehand: 4401780001; 4. For electronic account book, the account book number must be first provided for our company to inquire whether the manual data can be automatically extracted, if the data can not be extracted, business entity card must be provided to download. Generally authorization is not needed (but authorization is needed if list of customs declarations entered by enterprise is called by our company). 5. Version number of each commodity must be indicated for export of electronic account book. 6. Whether import and export ports have been put on record (Dongguan logistics 5220)
4. Proforma invoice used in customs clearance	 6. Indicate currency system, method of payment and trading terms. 7. Indicate "country of origin". 8. Trading modes: Export FOB Dongguan or import CIF Dongguan. 	7. Signature and seal of import and export drawers.
5. Packing list	 9. List single and total gross, net weight, quantity, and specific situation of packaging. 10. Indicate type of packaging, whether there is wooden packaging, or IPPC logo shall be indicated on the document. 	8. Signature and seal of import and export drawers.
6. Import and export license and drug customs clearance	11. Issued by relevant functional organization of the country (must be with the same port of entry)	9. With the relevant supervision conditions, the name of product, import entry, country of origin, product code, and amount of money on the certificates must be checked to see if they meet the requirements of customs declaration.
7. Customs clearance	12. Issued by the inspection and quarantine institute, the inspection and quarantine of import products is generally conducted by the customs broker company in Shatian port, while that of the export products is conducted by the inspection and quarantine organization of the local competent customs office or in the Shatian port.	10. The data must be sent to the Shatian office of Dongguan Entry-Export Inspection and Quarantine.
8. Data on the goods information (specified elements of declaration)	13. The import and export companies shall provide the following contents: product code, specification, type, brand, chemical component, contents, use, processing method, manufacturer, contact person, and telephone, etc., and for the mechanical products, the information on the working principle shall also be indicated (refer to the specified requirements of declaration; consult: http://www.nbedi.com/NBCPCAM/ClassifyQuery.aspx).	11. Declare and provide the declared information of the goods in accordance with the customs declaration specification.

II. Considerations for customs clearance:

- 1. Indicate whether the products originating in the nations or regions that signed bilateral agreement with China such as the ASEAN, the Asian-Pacific, New Zealand, Taiwan, Hong Kong, and Macao, request to enjoy preferential tariff.
- 2. Indicate the online tax payment or post-release duty payment operation.
- 3. If due to the reason of the owner of goods, the document (for customs declaration or commodity inspection) shall be cancelled or changed, the owner is required to provide the document cancellation and change report at the first time.
- 4. In the case of price verification by the customs, the detailed goods information, such as original invoice, currency payment voucher, photos of goods, working principle, goods sample, customs declaration form from previous import, and whether earnest money is required to pick up the goods (earnest money payment report), etc. shall be provided.



III. Documentations and considerations for customs inspection:

Document name	Document instructions	Remarks
Power of attorney on the customs inspection	For the legal inspection that amounts to above USD 50,000, food inspection (or inspection of food additives), or in the case that the same batch of goods need legal inspection and non-legal inspection, two copies of power of attorney on the customs inspection shall be provided, which shall be filled in with the relevant data on the attorney. 2. Foreign trade contract or manual (contract)	Indicate the commodity inspection invoice title. Whether the quality certificate is provided, and whether the goods are a complete plant. If for the non-statutory products requiring commodity inspection, a hygiene certificate from the competent commodity inspection organization is required to be provided, please indicate it. 4. For the goods that are imported and
2. Contract	for processing), warehousing contract (provided in accordance with the service requirements of the bonded zone). 3. Indicate currency system, method of	exported based on the manual for processing trade, copies of both foreign trade contract and manual shall be provided.
3. Invoice	payment and trading terms. 4. Indicate the country of origin. 5. Trade modes: Export FOB Dongguan or import CIF Dongguan.	Signature and seal of the drawer of the exporter and importer.
4. Packing list	 List the unit weight, total gross weight, net weight, quantity, specific packing and the signatures and seals of the exporter and importer. Whether wood is used for the packing. Whether there is IPPC logo, which shall be indicated on the documents. 	Signature and seals of the drawer of the exporter and importer.
5. Hygiene certificate, animals and plants inspection and quarantine certificate and free sales certificate	8. Issued by the official institutes of the exporting country; the originals of these certificates are required.	7. With the relevant supervision conditions, these certificates must be provided, for example, for the foodstuffs.
6. Commodity information filing form, compulsory authentication certificate	9. Issued by the inspection and quarantine organizations of China.	These certificates must be provided for foods, cosmetics, and products in CCC catalog.
7. Customs clearance	10. Handle the customs clearance form to the local competent commodity inspection authority.	9. Data are sent to: 5200 (Huangpu customs). 10. Commodity inspection for export: For the goods that have come into the Bonded Logistics Center (for export), add the "Dongguan bonded regulation section/bonded center goods" in the column of "Special requirement" and fill in "Dongguan Bonded Logistics Center" in the column of "Goods storage place". 11. Commodity inspection for import: For the goods that have left the Bonded Logistics Center (for import), add the "Dongguan bonded regulation section/bonded center goods" in the column of "Special requirement" and fill in "Dongguan Bonded Logistics Center" in the column of "Goods storage place".
8. Certificate-change deposit slip (The enterprises in Guangdong province can directly submit the customs clearance form in the local territory.)	11. The basis for processing customs clearance form at the port after passing the inspection in the competent territory.	12. Certificate-change data are sent to: Shatian office, Dongguan (441950)

Brief introduction to Dongguan Bonded Logistics Center and service provider:

On May 21, 2010, Dongguan Bonded Logistics Center officially came into operation. Dongguan Bonded Logistics Center, located in the Datan Logistics Park to the west of Shatian Town, Donguan, is a core logistics project of Dongguan and key construction project of Guangdong province, covering a total planning area of 1.18 km². Only by "center-based tax rebate" policy and solution of enterprises" "one-day tour abroad" issues, every year, it will be able to save about RMB 1 billion for enterprises in Dongguan. The Dongguan Bonded Logistics Center (Type B) was officially sealed for operation on May 11, 2010.

The PSA Humen port, a short distance (1km) away from the Dongguan Bonded Logistics Center, possesses a shoreline of 678m and covers an area of 485,000m², owning berth of the scale of two 50,000t specialized container and the design throughput of 1 million TEU/year. It not only can undertake



reefer container but also the hazardous articles container. In June 2011, Dongguan Bonded Logistics Center officially came into joint actions with the PSA Humen port, realizing that one declaration and one inspection for the mutual transfer of goods in these two supervision areas, fully expanding the entry-exit channels of the logistics center, and bringing convenient and comprehensive logistics schemes with multi-channels for consignors.

In July 2010, Dongguan Bairun Express Logistics Co., Ltd., a wholly-owned subsidiary of Guangzhou Bairun Express Logistics Co., Ltd., officially settled in Dongguan Bonded Logistics Center as one of the first enterprises approved for operation in the park by the customs, and had a successful trial operation, marking the official launching of Barirun Express's business operation in Dongguan area.



In July 2011, the high standard bonded warehouse (phase I) of Bairun Express in Dongguan Bonded Logistics Center was officially put into use. The warehouse adopts a brand-new high standard design, outer wall and high

speed sectional doors with high performance anti-high temperature material, wholly movable lifting and loading platform, 24hr security system and the newest fire fighting system. The net height inside the warehouse is 10.5m.

The Dongguan Bairun Express Logistics Co., Ltd. owns an excellent professional service team, and its operation team consists of senior personnel directly assigned from Guangzhou Bairun Express, who have multiple years' experiences in the business operations in bonded logistics park.

Dongguan Bairun Express is equipped with QP special-line document preparation and declaration system in terms of agency customs declaration services (which, in the meantime, also has the function of list and data downloading functions), and with the document preparation and declaration system for the commodity inspection in nine cities in the aspect of commodity inspection. In the meantime, as an enterprise settled in the park, the Bairun Express also provides a "Dongguan Bonded Logistics Center Management System" in Huangpu Customs, which can directly bind the park entry-exit data and make declaration.

On July 1, 2011, approved by the Huangpu Customs, Bairun Express officially became a Class A customs agency enterprise, enjoying the convenient facilities provided for Class A customs agency enterprises by all the customs territories under Huangpu Customs. Bairun Express will provide better professional services and choices for the customs declaration, inspection and logistics and delivery needs for a wide range of customers in Dongguan Bonded Logistics Center.

Bairun Express bears in mind the service concept of "excellent service, perfect experience", and will constantly keep improving and surpass your expectations for us, providing more professional, comprehensive, fast and safe bonded logistic services for consignors.



Address of Dongguan Bonded Logistics Center:

Prompts:

- 1. Searching for the address with a GPS navigator: Dongguan Shatian Town Humen Port Administrative Committee.
- 2. Houjie Exit of Guangzhou-Shenzhen Expressway or Shatian 2# Port Area Exit of Yanjiang Expressway



东莞百润捷物流有限公司•交通指引图	Dongguan Bairun Express Logistics Co., Ltd. • Guidance map for traffic
电话: 0769 82795661	Tel: 0769 82795661
0769 82795662	0769 82795662
0769 82795663	0769 82795663
地址:东莞沙田镇港口大道	Address: Gangkou Road, Dongguan Shatian Town
东莞保税物流中心 406 室	Room 406, Dongguan Bonded Logistics Center
港口大道(沙田段)	Gangkou Road (Shatian Section)
虎门港管委会	Humen Port Administrative Committee
虎门港保税大厦 406 室	Room 406, Humen Port Bonded Building
东莞百润捷物流有限公司	Dongguan Bairun Express Logistics Co. Ltd.
虎门大桥	Humen Bridge
沿江高速公路	Yanjiang Expressway
联检大楼	Lianjian Building
兆康酒店	Zhaokang Hotel
虎门渡口	Humen Ferry
横流南路	Hengliu South Road
沙田大道	Shatian Road



DongGuan BaiRun Express Logistics Co. Ltd

沙田镇政府	Shatian Town Government
鸿湖酒家	Honghu Restaurant
沙田镇标	Shatian Town Landmark
港口大道	Gangkou Road
轮渡路	Lundu Road
厚街汽车站	Houjie Bus Station
厚沙路	Housha Road
嘉华酒店	Regal Palace Hotel
家具大道	Jiaju Road
广东现代国际展览中心	Guangdong Modern International Exhibition Center
虎门镇标	Humen Town Landmark
往东莞	To Dongguan
往广东	To Guangdong
莞太路	Wantai Road
广深高速公路	Guangzhou-Shenzhen Expressway
往深圳	To Shenhzen
虎门高速公路	Humen Expressway