



## Trade Audit Report

*Presented to*

**Ningbo Newland Magnetics Co.,Ltd**

宁波新大陆磁制品有限公司

Gold Supplier & Audited Company Relationship	<input checked="" type="checkbox"/> Wholly Owned <input type="checkbox"/> Shareholder/Partner <input type="checkbox"/> Capacity Contract
Company Address:	Road 1272,Lugang Village, Gaoqiao Town, Yinzhou District, Ningbo City, Zhejiang Province, China
City / Country:	Ningbo/China
Consigner of Audit Report:	Alibaba
Gold Supplier Member ID:	cnnewmagnet
Gold Supplier Company Name:	Ningbo Newland Magnetics Co.,Ltd
Contact Person:	Mr.Frank Wang
Phone Number:	0086- 574-87502822
Fax Number:	0086- 574-87506311
Email:	frank.wang@neomax.cn, amily.wang@neomax.cn
Website Address (URL):	<a href="http://www.neomax.cn">http://www.neomax.cn</a> <a href="http://new-magnet.en.alibaba.com">http://new-magnet.en.alibaba.com</a>

*Service provided by Intertek*  
*Report No.:201102250004099-2-T*



Report Number:	201102250004099-2-T	Audit Report Type:	Trading Assessment
Date of Audit:	14 <sup>th</sup> Mar., 2011	Report Date:	15 <sup>th</sup> Mar.,2011
Audited By:	Angel Yang	Validity Period:	15 <sup>th</sup> Mar.,2011-14 <sup>th</sup> Mar.,2012
Reviewed By:	Antony Zhang	Online Report:	www.intertek-sha.com/certification

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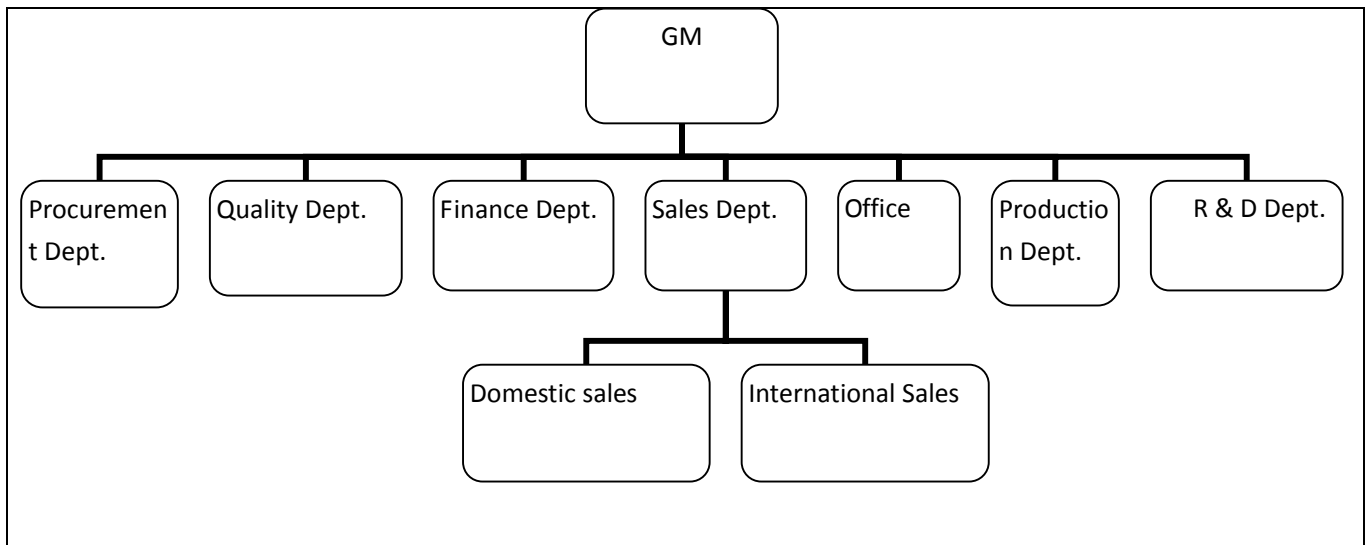
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## Section 1: Company Overview

Company Overview			
<b>1.1 Legal Validity</b>			
Does the company have a valid business license?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Business License Number:	330200400022131
Year Established:	22 <sup>nd</sup> Dec,2006	Validity Period:	22 <sup>nd</sup> Dec.,2006-21 <sup>st</sup> Dec.,2016
Registered Address:	Road 1272,Lugang Village, Gaoqiao Town, Yinzhou District, Ningbo City, Zhejiang Province, China		
Operation Address:	Suite A-808,Century Building,Niangjiu 10,Ningbo City,Zhejiang Province,China		
Annual review conducted by the Industrial & Commercial Bureau?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reviewed By:	Ningbo Industrial & Commercial Bureau
Registered Capital:	500,000USD		
Corporate Representative:	Mr.Haitao Wang		
Industry:	Electrical equipment production and sales.		
Business Type:	<input type="checkbox"/> Manufacturer	<input type="checkbox"/> Trading Company	<input checked="" type="checkbox"/> Combined
Type of Ownership:	<input type="checkbox"/> Private Owner	<input type="checkbox"/> Public Company	<input type="checkbox"/> Joint Venture
	<input type="checkbox"/> Stated Owned	<input checked="" type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other
Products Sold	Electrical Equipment, loudspeaker parts, pot magnet, motor parts		
<b>1.2 Company Building Information</b>			
Certification Type: <input checked="" type="checkbox"/> Land Certification <input checked="" type="checkbox"/> Real Estate Certification <input type="checkbox"/> Lease Agreement+ Actually Observed <input type="checkbox"/> Factory Officer Claimed			
Total Building Size(m2): <u>2485</u>			
Office Size(m2): <u>120</u>			

## Section 2: Human Resources

Section 2: Human Resources	
<b>2.1 Company Chart</b>	



### 2.2 Employee Headcount

Department Name	Full Time Employee(s)	Part-Time Employee(s)	Total
GM	1	0	1
Procurement Dept.	7	0	7
Quality Dept.	9	0	9
Finance Dept.	3	0	3
Sales Dept.	10	0	10
Office	2	0	2
Production Dept.	75	0	75
R & D Dept.	4	0	4
<b>Total Number:</b>	<b>111</b>	<b>0</b>	<b>111</b>

### 2.3 Management

Department	Name	Title	Education	Year(s) in Current Company
GM	Frank Wang	General Manager	Graduate	5
Procurement Dept.	GaoHui	Manager	Graduate	5
Quality Dept.	Yuling Li	Manager	Graduate	3
Finance Dept.	Yina Chen	Manager	Graduate	5
Sales Dept.	Amily Wang	Manager	Graduate	5
Office	Juanjuan Chen	Director	Graduate	1
Production Dept.	Zhao ye	Manager	Graduate	4
R & D Dept.	Guo binbin	Manager	Graduate	4

### Section 3: Current Export Situation

Current Export Situation					
There is/are <u>10</u> foreign trading employee(s) in the company.					
Education Level	Headcount	Working Experience	Headcount	English Level	Headcount
Doctorate	0	Over 30 Years	0	Native/TEM-8	0
Post-Graduate	0	21-30Years	0	Fluent/CET-6	4
Graduate	10	11-20 Years	0	Good/CET-4	6
Junior College	0	6-10 Years	2	Normal/CET-3	0
Technical School	0	2-5 Years	5	Other	0
High School	0	Less than 2 years	3		
Does the company have a valid export license?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Export License Registration no.:			Holding foreign investment certificate		
Total revenue (Previous year):			USD8,000,000		
Total export revenue (Previous year):			USD8,000,000		
Estimated export revenue (Current year):			USD30, 000, 000		
Trade agents employed overseas:			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Nearest port:			Ningbo		
Accepted payment terms			<input checked="" type="checkbox"/> FOB <input checked="" type="checkbox"/> CIF <input checked="" type="checkbox"/> EXW <input checked="" type="checkbox"/> CFR <input checked="" type="checkbox"/> L/C <input checked="" type="checkbox"/> T/T <input checked="" type="checkbox"/> Credit Card <input type="checkbox"/> Cash <input checked="" type="checkbox"/> West Union, MoneyGram <input checked="" type="checkbox"/> Paypal, Moneybooker etc		
Average lead time from Product Order confirmation to production delivery (products exiting the factory):			15-20days		

### Section 4: Export Business Capacity

Export Business Capacity (Previous Year)			
4.1 Market Distribution			
Market	Main Product(s)	Revenue	Total Revenue (%)
North America	Motor parts	USD800,000	10%
South America	Magnetic assembly	USD350,000	5%
Western Europe	Magnetic filter, motor parts	USD6,000,000	75%
Eastern Europe	Magnetic assembly	USD420,000	5%
Africa	N/A	0	0

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East Asia (Japan/ Korea)	Magnetic assembly	USD100,000	1%
South Asia (India, Pakistan etc.)	Magnetic assembly	USD60,000	0.75%
Southeast Asia	Magnetic assembly	USD80,000	1%
Australia	Magnetic assembly	USD70,000	0.93%
Middle East	Magnetic assembly	USD80,000	1%
Hongkong/Taiwan/Macau	Pot magnets	USD40,000	0.32%

#### 4.2 Main Clients

Client Name	Main Product(s)	Total Revenue (%)
Thyssenkrupp	Sintered NdFe B Magnetic assemblies	30%
KTR	Sintered NdFeB Magnetic assemblies	20%

## Section 5: Quality Assurance

### Quality Management System and Product Certification

#### 5.1 Quality Management System Certification

Certification	Certified By	Certificate No.	Business Scope	Available Date	Expired Date
ISO9001:2008	SGS with UKAS logo	CN08/20026	Design and assembly of permanent magnetic products for magnetic filter&separator, magnetic toys, magnetic sensors, speakers and motors	7 <sup>th</sup> Jan,2011	6 <sup>th</sup> Jan., 2014

#### 5.2 Product Certification

Certification	Certified By	Certificate No.	Product Name & Model No.	Available Date	Expired Date
None					

#### 5.3 Supplier Management

Item	Content	Observations /Comments
5.3.1	Does the company have an supplier assessment procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5.3.2	Does the company have an updated list of approved suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

5.3.3	Does the company establish and implement a standard procedure for purchasing contract review and approval?	<input checked="" type="checkbox"/> Yes, with written standard procedures <input type="checkbox"/> Yes, with written procedure but lack of consistent standard <input type="checkbox"/> No, lack of written procedure but lack of consistent standard
5.3.4	Does the company keep its Supplier Assessment Report?	<input type="checkbox"/> Yes, Assessment Reports are available for the previous 3 years <input checked="" type="checkbox"/> Yes, Assessment Reports are available for the last 1-3 years <input type="checkbox"/> Yes, Assessment Reports are available for the previous 12 months <input type="checkbox"/> No
5.3.5	Are the company's purchasing documents sufficient to ensure product safety control and their customers' requirements?	<input checked="" type="checkbox"/> Yes, the purchasing document includes all the information required <input type="checkbox"/> Yes, however the purchasing document includes incomplete information <input type="checkbox"/> No
5.3.6	Is there a procedure to conduct random product inspections after final packaging?	<input checked="" type="checkbox"/> Yes, with clear standard and written inspection records <input type="checkbox"/> Yes, with inspection records but no procedures <input type="checkbox"/> Yes, with procedures but no inspection records <input type="checkbox"/> No, inspections are not necessary

**5.4 After Sales Service**

Item	Content	Observations /Comments
5.4.1	Is customer feedback, including complaints, clearly recorded and maintained?	<input checked="" type="checkbox"/> Yes, with a standard feedback form and records <input type="checkbox"/> Yes, with a standard feedback form but no records <input type="checkbox"/> Yes, with records but no standard feedback form <input type="checkbox"/> No
5.4.2	Are there any clear procedures for handling customer complaints?	<input checked="" type="checkbox"/> Yes, with clear procedures and written records <input type="checkbox"/> Yes, with clear procedures but no written records <input type="checkbox"/> Yes, with written records but no clear procedures <input type="checkbox"/> No
5.4.3	Is there a closed-loop corrective action system in place?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5.4.4	Can finished/packaged products be traced by lot identification to the appropriate raw material test reports?	<input checked="" type="checkbox"/> Yes, with procedures to trace raw materials <input type="checkbox"/> Yes, main raw material can be traced <input type="checkbox"/> No, only the production date can be traced <input type="checkbox"/> No
5.4.5	Is there a product alert and recall procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## Section 6: Company Development / Expansion Plans

**Company Development / Expansion Plans**

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Item	Company Development Action	Timeframe
1	To develop wind power machine	2011
2	To focus on Europe and America market	Long term
3	To build offices in America and Germany	1 year

## Section 7: Certification & Photos

### Certification

#### Business License (original)



#### Business License (copy)



#### Tax Registration Certificate(original)

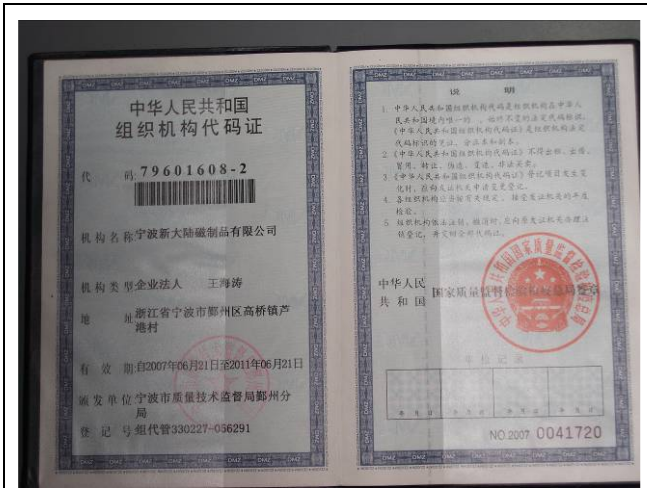


#### Tax Registration Certificate(Copy)



#### Organization Code Certificate

#### Permit for Opening Bank Account



**Self inspection Registration Form**



**Social insurance registration**



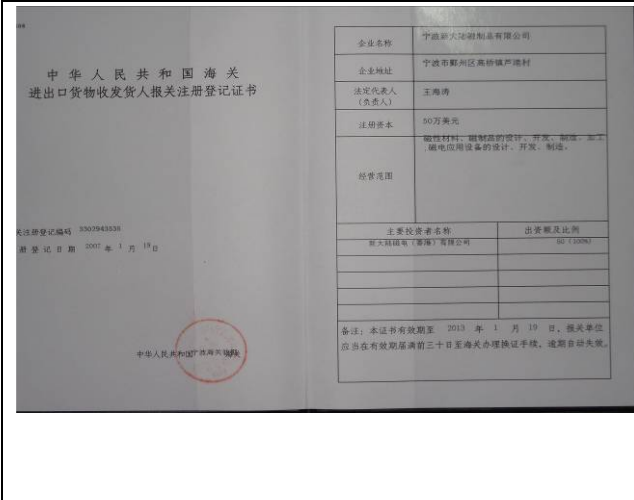
**Certificate of approval**



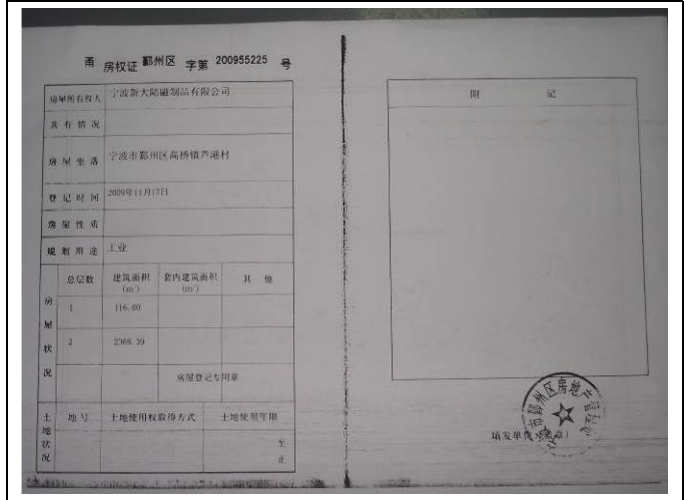
**Financial registration certificate of foreign investment**



Registration certificate import and export goods



Real Estate Certification



Section 8: Company and Product Samples

Company and Product Samples

Company Gate



Workshop

Office



Product Sample



**Product Sample**



**Product Sample**



**Product Sample**



**Product Sample**



**Product Sample**



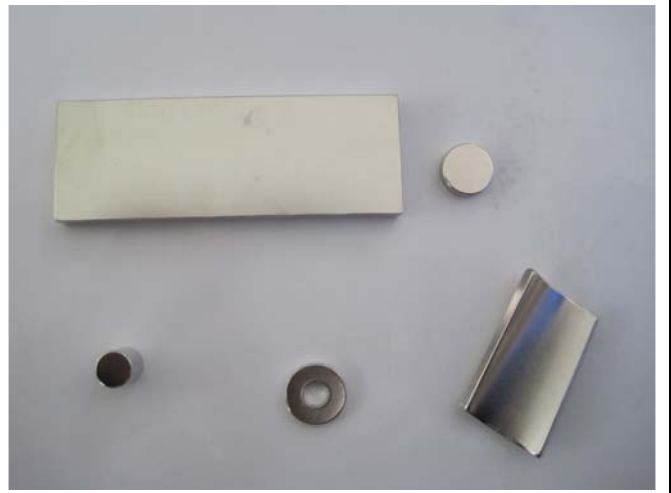
**Product Sample**



**Product Sample**



**Product Sample**



-- End of Report --