

## Company inspection report

Note: there are Five(5) sections to this inspection report. Please carefully review each section prior to making any decision or taking any action regarding the importance of your purchasing.

### 1-Document Reference

Customer :	Mr.Gordon Spence	Company to verify:	Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司)
Customer company:	Harvest Fertilizer (Pty) Ltd	China location:	Factory Add: Room 1003, No.2 door, 5 building, Madison Square,Yingshui Road and Guiyuanlu Junction, Nankai District, Tianjin, China.
Service:	Company verification	Date inspected:	2012-05-11
Order Ref:	DTC-11-155	Inspector:	Mr. Zhang

### 2- Goals of Verification

- a. to verify whether Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司) is real and legitimate company;
- b. to verify whether Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司) is manufacturer or trade company;

### 3-Inspection Result

a. The supplier informed us that their trading company is in Tianjin city, but the registered address is in Dalian city of Liaoning province, and they have a factory in Dezhou city of Shandong province.

So our Tianjin-based inspector visited their address in Tianjin at Room 1003, No.2 door, 5 building, Madison Square,Yingshui Road and Guiyuanlu Junction, Nankai District, Tianjin, China. on May 11th, 2012, The company does locate at this address.

b. According to the inspector, the factory covers about 146 square meter, the estimated rental rate for this office is 51,600RMB.



*Factory Building*



*Office building entrance*



*Office Corridor*



*Office Door*

- c. They has around 8 staff works in the office.
- d. The inspector has checked their business license, and other certificates.



Business license



Tax license

### 对外贸易经营者备案登记表

备案登记表编号: 00657040      进出口企业代码: 2102576069262

经营者中文名称	大连百纳融通化工有限公司		
经营者英文名称	Dalian Binarongtong chemical co.,LTD		
组织机构代码	576069262	经营者类型 (由备案登记机关填写)	有限责任公司
住 所	大连市沙河口区西南路931号29-36号		
经营场所 (中文)	大连市沙河口区西南路931号29-36号		
经营场所 (英文)	36-29, NO.931, Southwest Road, Shaheko Dalian City, China		
联系电话	18622608223	联系传真	0411-82649706
邮政编码	116000	电子邮箱	zoushoumei@163.com
工商登记注册日期	2011-7-1	工商登记注册号	210200000446053

依法办理工商登记的企业还须填写以下内容

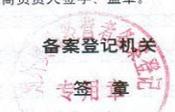
企业法定代表人姓名	胡书光	有效证件号	372526198203126918
注册资金	壹佰万元		(折美元)

依法办理工商登记的外国 (地区) 企业或个体工商户 (独资经营者) 还须填写以下内容

企业法定代表人 / 个体工商户负责人姓名		有效证件号	
企业资产 / 个人财产			(折美元)

备注

填表前请认真阅读背面的条款, 并由企业法定代表人或个体工商户负责人签字、盖章。



备案登记机关  
专 章

2011 年 07 月 15 日

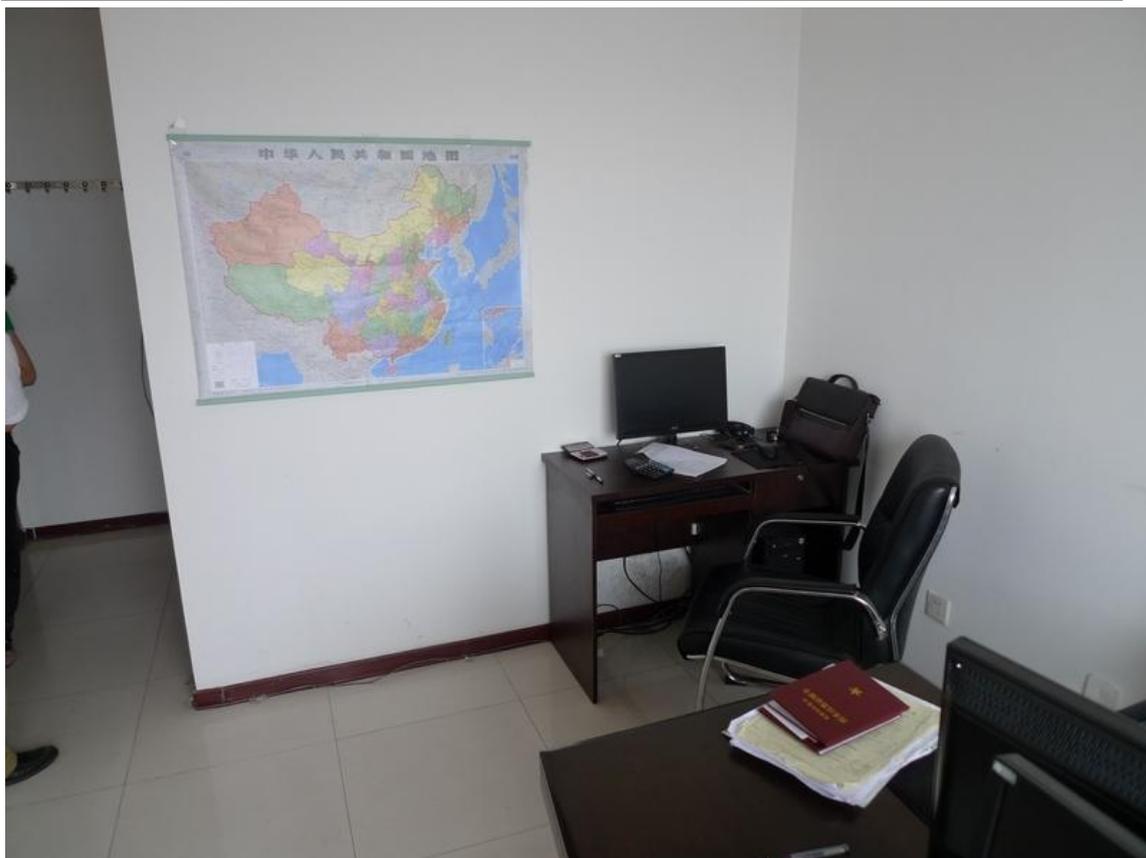
### Import and Export License

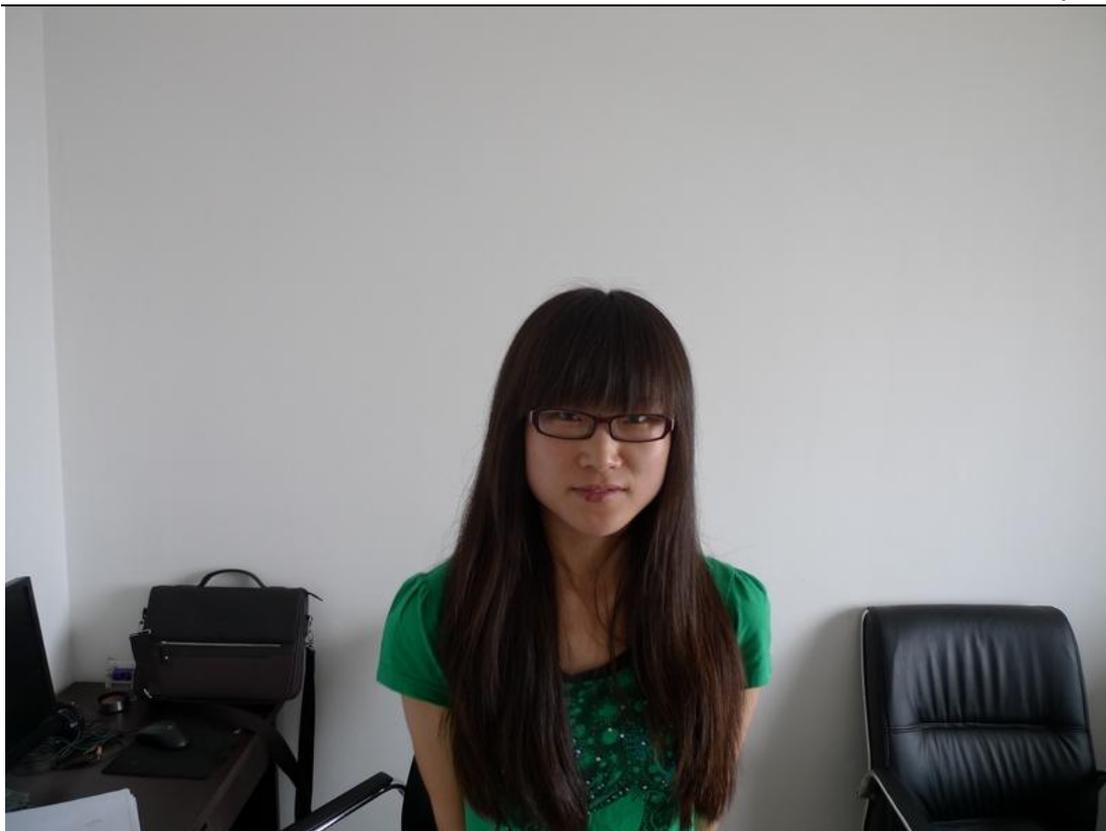
The inspector also took a video of the verification:



e. The company office







Contact person: Serena



Business card

f. We visited the official website of Dalian Administration of Industry and

Commerce,(the government department that is in charge of company formation), found the information listed on business license and company registration system of local administration of industry and commerce are the same:

Company name: Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司)

Registered capital: 1 million RMB

Company incorporation date: July 1st,2011

Business term:10 years

Legal representative: Hu Shuguang

Business type: private

Business scope: industrial chemical, hardware, import and export.

**Note: The inspector is a Tianjin-based experienced inspector for Chinawhy.**

### **Conclusion:**

Based on the information the inspector found and provided, we hereby make the following observations:

1. Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司) is a legitimate and real trading company.
2. According to China's legal system and business practice, the registered address of Dalian Baina Rongtong Chemical Co,Ltd is Dalian city, Liaoning province, while now they are operating in Tianjin city, in another province. Their office in Dalian is not functional. This situation is fishy, the possible affect it might has to your transaction is that when dispute happens, the government in Dalian won't find them and the government in Tianjin will take no reaction as this company is not registered in their region.
3. This company allows us to visit their associate factory in Pingyuan County, Dezhou City, Shandong province. This suggests they are positive, cooperative and trying to win your business. If after visiting, we find that their associate factory is real and in the business of your products, then I would suggest to do some trial order with the supplier to further test if they are reliable.
4. For payment, please send to their company account only with the beneficiary name - Dalian Baina Rongtong Chemical Co,Ltd.
5. For T/T payment, deposit payment is often asked by Chinese companies, but balance should be paid against copy of B/L(after they send the products), this is most frequently used T/T payment methods, please insist on that. A few supplier do ask the buyer to pay the balance before shipment, this will put you at risk if they didn't send the products, so if possible, insist on the payment term we suggested. Either L/C at sight or T/T(30 deposit, balance against copy of B/L).
6. We suggest to sign a properly negotiated and drafted contract with the supplier, given the potential risk listed in the article 2 of conclusion part.
7. We suggest to do a strict QC inspection with this supplier, especially at the first few orders.

#### **4-Other Methods of Verification**

- a. we did an internet research, we found there is no negative comment towards this company.
- b. We found this company is recruiting on a job site, the contact information in the job ad is from Dalian, the city where they originally registered.
- c. We found Serena's blog on a public website, Serena wrote 5 articles, discussing how to develop clients, there is one article she was frustrated she didn't get many replies from clients recently. Serena's blog can be found on [http://www.tradesns.com/blog\\_home\\_user.php?uid=102490](http://www.tradesns.com/blog_home_user.php?uid=102490)

#### **5- Overall Evaluations and Suggestions**

##### **We hereby verify that:**

1. Dalian Baina Rongtong Chemical Co,Ltd. (Chinese name:大连百纳融通化工有限公司) is a legitimate and real trading company. But there is concern of their business operation. So we would suggest to do some trial order with this company to further test if this company is reliable.

##### **We suggest that:**

**A contract should be negotiated properly with clauses covering quality standard, liability for breach of contract, a proper follow-up is a must in any circumstance, and always send money to company account only.**

Report written by:

**Steven Chow**

**Managing Director**

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