

Factory Audit



| | | | |
|--|---|--|------------|
| Report No. | : | SMA00000013A | Re - Audit |
| Client Name | : | SMA | |
| Product Description | : | Toaster & Egg cooker | |
| Base Supplier Information from Client Side: | | | |
| Supplier Name | : | Huijun Technology Group | |
| Supplier Location | : | Meizhou Wuhua County, Guangdong County Industrial Zone No. two | |
| Participants Supplier | : | Mr.Tang | |
| Telephone & Fax | : | / | |
| Website | : | / | |
| Email | : | / | |
| Inspector(s) Name | : | Chuck Shi | |
| Inspection Date | : | 2015-04-14 | |
| Actual Visit Location | : | Meizhou City, Guangdong ,China | |

FACTORY AUDIT DETAIL ITEMS

| | | | | |
|----|---|---|---|-------|
| A) | QUALITY CONTROL SYSTEM SCORING STANDARD | : | Please Check Next Page About Scoring Standard | |
| 1) | VERIFICATION OF BUSINESS LICENSE | : | Not Conform ,Refer to Special Attention:1 | |
| 2) | VERIFICATION OTHERS QUALIFICATION | : | Conform | |
| 3) | QUALITY CONTROL SYSTEM | : | 79 | Score |
| 4) | PRODUCTION ABILITY | : | Conform / Not Conform, Refer to Special Attentions: | |

| | | |
|---------------------------------|---|---------------------|
| ADUIT OVERALL CONCLUSION | : | Good Factory |
|---------------------------------|---|---------------------|

SPECIAL ATTENTION

| | |
|---|--|
| 1 | Factory business license no English version. |
|---|--|

| | | | | | |
|-------------------------|-----------|-----------|------------------|--------------|-----------|
| Name(s) of Inspector(s) | | | Name of Reviewer | | |
| 2015-04-14 | Chuck Shi | | 2015-04-15 | Victor Zhang | |
| Date | Name | Signature | Date | Name | Signature |

The inspection report reflects our findings at the time and place of inspection. This report does not relieve the seller/manufacturer of their contractual liabilities or prejudice from the buyer's right for compensation for any apparent and/or hidden defects not detected during our random inspection or occurring thereafter.

| | | | |
|---|--|--|--|
| Page 1 of 25 | | | |
| HONOR INSPECTION INTERNATIONAL LTD. NINGBO REPRESENTATIVE OFFICE. | Rm.604,10th,Building,RongAnHeYuan No.306,SongJiangDong-Road,YinZhou Distric,NingBo City,China. | Tel: +86-574-88197698 Fax: +86-574-88197638-8 | Email: report@honorinspection.com Web: www.honorinspection.com Report Version:20150330 |

A) Quality Control System Scoring Standard 评分方法

5 Points 5分 Excellent 优秀

This element was set up and well implemented in Factory Quality Management System, the control and performance meets or exceeds SI and SI customer requirement. The Factory's control to this element is in a lead/advantage degree of this industry, couldn't require higher demand.

工厂的质量管理体系已涵盖这一要素，管控的方式方法及实施情况达到或超过 SI 及其客户的要求，所有要求已被完整实施，工厂在这个要素的管控上处于行业内的领先地位，在行业内已不可能再提出更高的要求。

4 Points 4分 Good 较好

This element was set up and well implemented in Factory Quality Management System, the overall control is good, but still have some minor problem in plan and execution.

工厂的质量管理体系已涵盖这一要素，总体运行良好，但计划和实施仍存在一些小的缺失。

3 Points 3分 General 一般

This element was set up in Factory Quality Management System, the overall control is good, but still have some major problem in plan and execution.

Factory didn't set up documented procedure to control this element, but the process are well known for operation team and consistently executed.

工厂的质量管理体系已涵盖这一要素，总体运行良好，但计划和实施仍存在一些主要 (Major)的缺失。

工厂未建立文件化的程序以规定这一要素的运作，但不同员工进行同一项目的作业时，作业程序基本一致。

2 Points 2分 Bad 差

This element was set up in Factory Quality Management System, but the overall control is poor, have many major problem in execution.

Factory didn't set up documented procedure to control this element, inconsistent procedure executed for same process, have many major problems.

工厂的质量管理体系已涵盖这一要素，但实施存在较多主要 (Major)的缺失，体系基本不能有效运行。

工厂未建立文件化的程序以规定这一要素的运作，不同员工进行同一项目的作业时，作业程序不一致，存在较多的主要 (Major)缺失。

0 Points 0分 No Control 无控制

Factory didn't set up control to this element.

工厂没有对这一要素进行管控

Final Score=(Sum of the individual evaluation/Number of evaluated elements)x20
总分 = (评分的合计/评分项目数) X 20

Factory classification 供应商分类:

| | |
|---|--------------------------------|
| A: more than 80 Points 80 分以上 | Excellent Factory 优秀 |
| B: 70 Points to 79 Points 70~79 分 | Good Factory 较好 |
| C: 60 Points to 69 Points 60~69 分 | General Factory 一般 |
| D: less than 60 Points 60 分以下 | Bad Factory 差 |

Factory Audit



The Audit details were found as follows:

1) VERIFICATION OF BUSINESS LICENSE

Result: Conform / Not Conform, Refer to Special Attentions:

Actual Factory Information:

| | |
|-------------------------------|--|
| Factory Name | : Huijun Technology Group |
| Factory Business License Code | : 66504504-3 |
| Factory Location | : Meizhou Wuhua County, Guangdong County Industrial Zone No. two |
| Participants Factory | : / |
| Telephone& Fax | : / |
| Website | : / |
| Email | : / |

1) VERIFICATION OF BUSINESS LICENSE REFER PHOTOS



2) VERIFICATION OTHERS QUALIFICATION

Result: Conform

QUALIFICATION DETAIL

2)VERIFICATION OTHERS QUALIFICATION REFER PHOTOS



Certificate



Certificate



Certificate



Certificate

Factory Audit

HONOR INSPECTION



Certificate



Certificate



Certificate



Certificate



3) QUALITY CONTROL SYSTEM

| Items 审核项目 | No | Item Description 审核内容 | Score 评分 | Remark 备注 |
|--|----|--|-------------|--------------|
| QMS 质量管理体系 | 1 | Is there a quality control system set up and implemented based on ISO9000 or other similar standard? 是否依据 ISO9000 等标准建立并实施质量保证体系 | 5 | |
| | 2 | Are documents approved before issuing? 文件发行前是否得到批准? | 4 | |
| Management Responsibility 管理职责 | 1 | Are the quality policies & objectives established & followed to push continuous improvement? 是否建立并应用质量方针, 质量目标以推动持续改善? | 4 | |
| | 2 | Are individual QC Inspector assigned for product quality inspection? 是否有专职的检验员负责产品检验? | 4 | |
| | 3 | Is there a supervisor/manager on all shifts? 所有的班次是否都有主管/经理? | 4 | |
| | 4 | Are specific authoritative person assigned to release shipment? 是否指明有权放行产品的人员? | 3 | |
| Resource Management 资源管理 | 1 | Are training program exist to make sure operators are well trained and qualified for their job? 是否建立运行培训体系, 使员工得到充分培训以胜任他们的工作? | 3 | |
| | 2 | How is 5S on site? 作业现场的环境是否良好 (5S)? | 5 | |
| | 3 | Is there an clean/organized inspection area include adequate lighting, temperature, humidity, noise, ventilated exist in the factory? 是否有干净整洁的, 合适光照度、温度、湿度、噪声、通风等条件的检验区域? | 4 | |
| Product Realization 产品实现 | 1 | Is there a order review system set up and implemented? 是否建立并实施合同评审制度? | 4 | |
| | 2 | Is there a criteria set up and implement to select supplier? 是否建立并实施供应商选择的准则? | 4 | |
| | 3 | Are the purchase requests delivered to suppliers clearly? 采购要求是否明确地传达给供应商? | 3 | |
| | 4 | Is there a supplier performance evaluation system set up and implemented? 是否建立并实施供应商绩效考核体系? | 3 | |
| | 5 | Are customer property include samples/materials/drawing/machine/ toolings well maintained? 是否对客户供产品 (包括样品、材料、图纸、机器、模具、工具) 进行适当的维护管理? | 4 | |
| | 6 | Is there an adequate engineer team to support engineering issues? 是否有适当的技术人员以处理工程技术问题? | 5 | |
| | 7 | Is there an engineering change control system set up and implemented? 是否建立并实施工程变更管理制度? | 5 | |
| | 8 | Are the record for design&change&approval well kept? 对设计开发、更改、确认的记录是否保存? | 4 | |
| | 9 | Is there a pre-production meeting set up to review the product specification, sample, clear all major problem before mass production, and record in meeting notes? 是否召开产前会议以在量产前评审产品规格、样品、澄清主要问题, 并记录到产前会议记录中? | 3 | |
| | 10 | Is there a Sample Approval procedure set up and implemented to approve sample prior to production? 是否建立度实施样品批准程序, 只有当样品批准后才可以开始量产? | 4 | |
| | 11 | Are material/product well labeled and stored in the warehouse to prevent miss use? 是否对材料/产品进行适当的标识和储存以防止误用? | 4 | |
| | 12 | Are material/product proper protected to prevent damage? 是否对材料/产品进行适当的防护以防止损坏? | 4 | |
| | 13 | Is there an inventory control system with incoming / outgoing materials monitored and documented (location, quantity, etc)? 是否有存货控制系统以控制材料/产品的进出和存放(地点/数量等)? | 3 | |
| Product Realization (Cont.) 产品实现(续) | 14 | How is FIFO? "先进, 先出"的处置情况如何? | 4 | |
| | 15 | Are the bath of materials/products specific and traceable? 批量的构成是否明确, 可具追溯性? | 4 | |
| | 16 | Does the factory set up & implement procedure to make sure that incoming raw materials, components, and or sub-assemblies conform to specifications, quality standards and US Safety requirements? 工厂是否建立并实施体系, 以确保购入的原材料、零部件、或半成品符合相关规格, 质量标准和美国的安全要求? | 4 | |

| | | | | |
|---|----|--|-----------|--|
| | 17 | Are material passed IQC Inspection before pulling in warehouse? 材料是否经进料检验合格后才入库? | 3 | |
| | 18 | Is there a WI or drawings available to guide the material inspection? 是否按照图纸, 指导书的要求等进行进料检验? | 4 | |
| | 19 | Is a sampling plan base on AQL or similar standard set up and implemented? 是否依据 AQL 等类似标准实施抽样检验? | 5 | |
| | 20 | Are DCL's (Defect Classification List) or similar being used to guide quality control? 是否有使用质量缺陷等级清单或者相似的文件以指导质量管控? | 5 | |
| | 21 | Are proper IQC inspection criteria set up and implement? 进料检验的项目是否充分? | 3 | |
| | 22 | Are IQC inspection report well kept? 是否有进料检验记录? | 4 | |
| | 23 | Are adequate measurement equipments available? 是否具备必要的检测仪器? | 5 | |
| | 24 | Are measurement equipments well controlled and calibrated according to national or industrial standard? 是否建立计测仪器的管理制度, 并按国际或行业标准进行定期校准? | 5 | |
| | 25 | Are machines, equipment, fixtures and tools suitable to produce clients product? 机器, 设备, 工具是否适用于客户产品的生产? | 5 | |
| | 26 | Are there an equipment maintenance and protection standards set up & implemented? 是否建立并实施合适的机器设备保养检修标准? | 4 | |
| | 27 | Are there a tooling maintenance and protection standards set up & implemented? 是否建立并实施合适的模具维护保养标准? | 3 | |
| | 28 | Are adequate production capacity available for SI order? 是否具备必要的生产能力以生产松实公司的产品? | 4 | |
| | 29 | Are WI proper prepared and show in production line to guide the production run? 是否编制并在生产线展示必要的作业指导书以指导产品生产? | 5 | |
| | 30 | Are the working standards specific? 是否明确作业应达到的标准? | 5 | |
| | 31 | Does the factory use defect samples in the production area to show examples of common defects? 是否在产品生产区域展示缺陷样品来说明产品的常有缺陷? | 4 | |
| | 32 | Are there quality notification boards on the production floor to bring notice to potential issues? 是否在生产现场用公告板等形式警示潜在的不良现象? | 5 | |
| | 33 | Is there a FPA (First Product Approval) or silimar system set up for daily production run? 是否建立首样检验制度? | 3 | |
| | 34 | Are products passed IPQC Inspection before pulling in warehouse? 产品是否经制程检验合格后才入库? | 3 | |
| | 35 | Are proper IPQC inspection criteria set up and implement? 制程检验的项目是否充分? | 3 | |
| | 36 | Are IPQC inspection report well kept? 是否有制程检验记录? | 3 | |
| Product Realization (Cont.) 产品实现(续) | 37 | Are products passed PSI Inspection before shipment? 产品是否经出货检验合格后才出货? | 4 | |
| | 38 | Are proper PSI inspection criteria set up and implement? 出货检验的项目是否充分? | 4 | |
| | 39 | Are PSI inspection report well kept? 是否有出货检验记录? | 4 | |
| Measurement, Analysis & Continual Improvement 测量, 分析与持续改进 | 1 | Are non-conforming raw materials, in-process product and finished product properly segregated and identified at all stages? 不合格的原材料、半成品和成品是否都已经被适当隔离和标识? | 3 | |
| | 2 | If non-conforming materials or product are reworked, do records show that they have been re-inspected and confirmed to comply with specifications? 如果不合格品被返工, 是否有记录以证明它们有经过重检并符合相关规格? | 4 | |
| | 3 | Are there any corrective and preventive actions for non-conforming products? 对不合格品是否实施纠正和预防措施? | 3 | |
| | 4 | Is there a period performance review system set up and implemented to push the continuous improvement? 是否建立并实施定期的绩效评审体系以推动持续改善? | 4 | |
| Final Score=(Sum of the individual evaluation/Number of evaluated elements)x20 总分= (评分的合计/评分项目数) X 20 | | | 79 | |

3) QUALITY CONTROL SYSTEM REFER PHOTOS



Quality Control



Quality Control



Quality Control



Quality Control



Quality Control



Quality Control

Factory Audit



4) PRODUCTION ABILITY

Result: Conform

Factory Production Capacity Assessment Profile

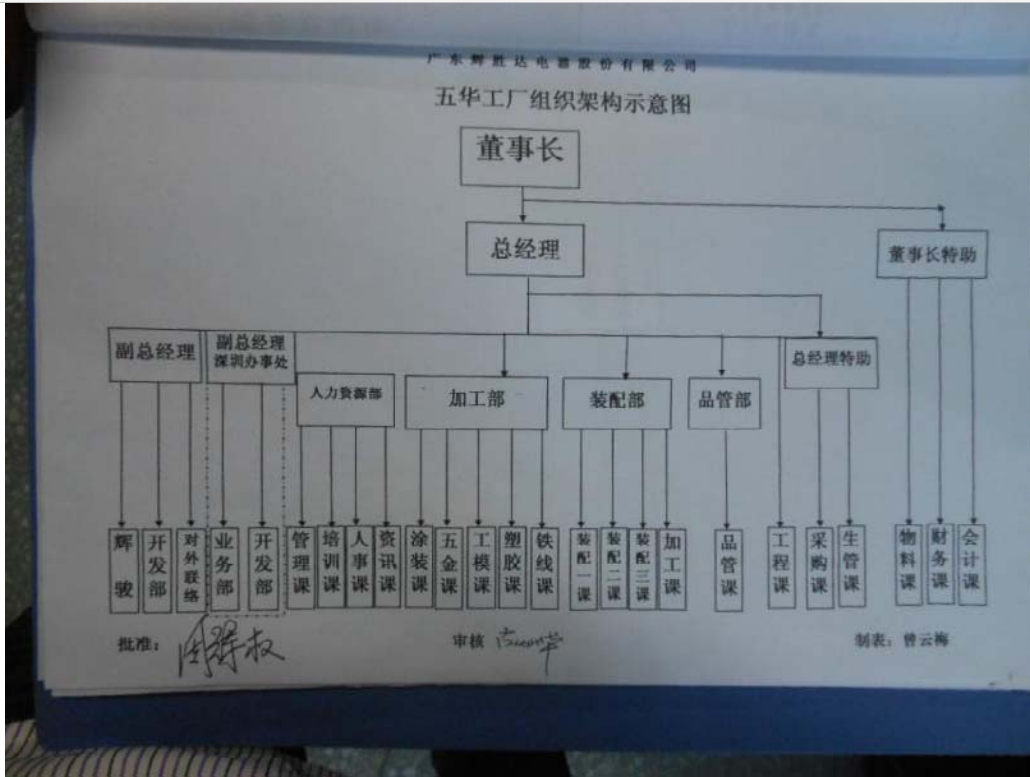
工厂生产能力评估表

Off Site Survey 远程调查

√ On Site Confirmation 现场确认

| | | | | |
|---|---------------------------|----------------|---|---------------------------------------|
| Ownership 所有制: | Joint stock system | | Date of establishment 建厂日期: | 1998 |
| Bank Reference 银行征信 | / | | Factory Area(m ²) 工厂占地面积 | 20Million square meters |
| Major Customers (Per Country/Area) 主要客户 | Toshiba Most Tiger | | | |
| Order Completion Lead Time(Days) 生产周期(天) | 30days | | Sample Completion Lead time (Days) 样品周期(天) | 7days |
| Production Capacity (Monthly) 月产量 | 250000 | | Minimum Order Quantity Requirement 最小订购量要求 | 40HQ |
| Annual Volume (US\$) 年营业额 | 2.2YI | | | |
| Product 产品类别 | Sales volume 年销售量 | Capacity 产能 | Domestic rate 内销比例 | Export rate 出口比例 |
| Electric oven | 120,000,000pcs | 800,000pcs | 10% | 90% |
| Juicer | 80,000,000pcs | 400,000pcs | 8% | 92% |
| Others | 20,000,000pcs | 200,000pcs | 20% | 80% |
| Major Manufacture Equipment & Process 主要生产设备和工艺过程 | | | | |
| Type | Supplier or Brand | | Quantity | Capacity |
| Punch | Wide section | | 140 | 4Million / day |
| Mash welder | | | 40 | 1.5Million / day |
| Automatic spraying line | Powerise | | 1 | 1Million / day |
| Assembly line | | | 9 | 35Million / month |
| Testing Equipment 测试设备 | | | | |
| Type 设备类型 | Supplier or Brand 设备品牌 | | Quantity 数量 | Testing range/ Standard 测试范围/标准 |
| Dielectric withstanding voltage tester | The Yangtze | | 32 | 100-1000KV |
| Power meter | Instrument. | | 37 | P=VxlxCOS |
| Ground resistance tester | The Yangtze | | 10 | 0.01-20 |
| Leakage current tester | Blu ray | | 8 | 0-2MA/2MA-20MA |
| Employee Count 员工数量 | | | | |
| Position 岗位 | Quantity 数量 | | Position 岗位 | Quantity 数量 |
| Engineering Staff 技术人员 | 50 | | Management 管理人员 | 35 |
| QA/QC Staff 质检人员 | 40 | | Workers 工人 | 1000 |
| Sales 销售人员 | 20 | | Total 总人数 | 1145 |

Factory Organization Chart (Could show the picture)
组织架构图 (可以用照片显示)



4) PRODUCTION ABILITY REFER PHOTOS



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view



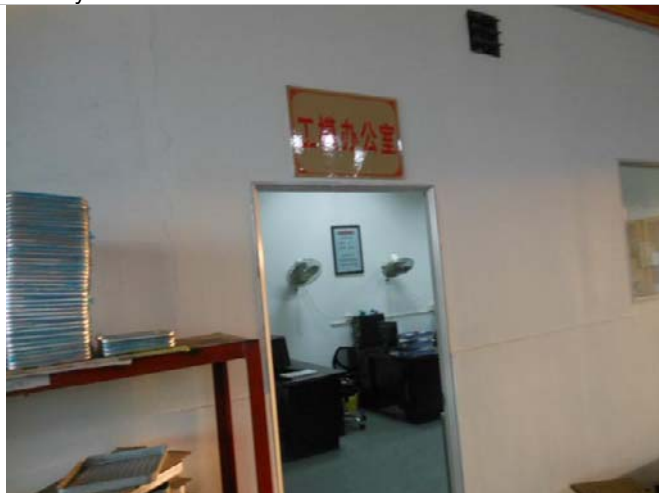
Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



Factory view



Factory view

Factory Audit



Factory view



Factory view



Factory view



Factory view



-This is end of Report-