

SUPPLIER ASSESSMENT REPORT

供应商评估报告

Audited Company: 被审核公司	Hai Hong Chang Electronics Company Limited 深圳市海鸿昌电子有限公司	
Representative of Audited Company: 被审核公司代表	Foreign trading Director:Mr. Tony Lee 外贸主管:李克竞	
Audited Site: 被审核场所	3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen, Guangdong 深圳市宝安区西乡固戍红湾第三工业区 C 栋三楼	
Consigner of Assessment: 审核委托方	Made-in-China.com	 <p style="text-align: center;">Company View</p>
Audit Type: 审核类型	<input checked="" type="checkbox"/> Initial Audit 首次审核 <input type="checkbox"/> Follow-up Audit 跟进审核 <input type="checkbox"/> Re-audit 重新审核	
Valid date: 有效日期	From 4 Nov. 2008 to 3 Nov. 2009;	
Auditor 审核员:	Peter Li	
Reviewed by 审核:	Will Cheng	

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/> <<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

CONTENTS 目录

1. Company Profile 公司概况

2. Audit Checklist and result 审核检查表及结果

2.1 Business License 工商营业执照

2.2 Production Capacity 生产能力

2.3 Foreign Trade Capacity 外贸能力

2.4 Product Research & Development Capacity 产品设计开发能力

2.5 Quality Management System and Product Certification

品质管理系统与产品认证

2.6 Suppliers/ sub-contractors Control 供应商/ 外包商控制

2.7 Production Process Control 生产过程质量控制

2.8 Random Product Inspection and Continuous Improvement

随机的产品检验与持续改进

2.9 The Company Development Plan 公司发展计划

3. Attachments 附件

3.1 Documents 文件

3.2 Photos 图片




Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited
 Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
 SGS Job No. : QIP-AS082046
 Page No. : 3 of 17
 Revision No. : 05

1. Company Profile 公司概况

Name of the Audited Site 被审场所名称	Hai Hong Chang Electronics Company Limited 深圳市海鸿昌电子有限公司		
Date of Foundation 成立日期	19 Jul. 2006		
Registered capital in RMB 注册资金(人民币)	RMB:30,000		
Address 地址	3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen 深圳市宝安区西乡固戍红湾第三工业区 C 栋三楼		
Contact Person 联系人	Mr. Tony Lee		
Tel. 电话	0086-755-61525898/61525896		
Fax 传真	0086-755-61525893		
E-mail 电子邮箱	info@haihonggames.com ;		
Market Distribution 市场分布			
Main client 主要客户	<input type="checkbox"/> Africa	<input checked="" type="checkbox"/> Australia	<input checked="" type="checkbox"/> China
	<input type="checkbox"/> East Asia (Korea/ Japan)	<input checked="" type="checkbox"/> Europe	<input type="checkbox"/> North America
	<input checked="" type="checkbox"/> South America	<input type="checkbox"/> Other	
Main Operations 主要运作			
Products Manufactured/ Sold 生产/销售的产品	Joypad, Game accessoires ;		
Total floor size of the audited site 被审核场所的总面积	Total floor size : 1500 Square meters (Refer to the company representative and site observation)		

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 4 of 17
	Revision No. : 05

2. Audit Checklist and result 审核检查表及结果

2.1 Business License 工商营业执照

Item 项目	Content 内容	Yes/ No 是/ 否	Observations /Comments 发现 /注释
2.1.1	Does the company have valid business license (the company name, address, product/ business scope complied with actual situation or not)? 被审核公司持有有效的营业执照 (公司名字、地址、产品/业务范围是否符合实际情况) 吗 ?	Yes	Refer to the business license provided; it stated this company should be a combined unit of research center and trade company. The company name and address stated in business license were same as mentioned in the report. The business license was valid from 19 Jul. 2006 to 19 Jul. 2016. The business license indicated product scope of this company was researching and sales of electronic products.
2.1.2	Is the annual review done by local authority (Industrial & Commercial Bureau)? 有地方行政机关(工商局)的年度审核吗 ?	Yes	Refer the business license provided; it was reviewed in year 2008.
2.1.3	Who is the corporative representative? 法人代表是谁 ?	--	Mr. Huang Guosong / 黄国松
2.1.4	Conclusion: is it confirmed that the audited company is a real manufacturer, foreign trader or combined? 结论: 能否确认该公司是一个制造商、贸易商或两者兼备 ?	Yes	Based on the documentations provided and site observation; the company was a manufacturer.

End of this section, and continue with next page. 本节结束, 下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited
 Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
 SGS Job No. : QIP-AS082046
 Page No. : 5 of 17
 Revision No. : 05

2.2 Production Capacity 生产能力

Item 项目	Content 内容	Observations / Comments 发现 /注释																																																							
2.2.1	What is the annual revenue (export and /or import revenues) at the company based on the data of government annual review report/ documents or other reliable financial report? 根据政府部门的年度审核报告/文件或其它可靠的财务报告, 该公司年度营业额 (出口和/或出口额) 是多少?	No annual revenue report provided, and General manager claimed the monthly revenue was around: RMB 1,600,000/month.																																																							
2.2.2	If no financial report can be showed, to calculate the annual revenue based on production report, how much is the estimated annual revenue? 如果没有以上报告出示给审核员评估, 根据生产报告的计算, 估计的年度产量是多少?	Refer to above																																																							
2.2.3	What is the factory floor size? 工厂面积大小?	Refer to the company representative and site observation; the factory floor size was 1400 square meters.																																																							
2.2.4	Please describe the production flow involved at the factory. 请描述该工厂有关的生产流程。	Incoming material, inspection, jointing, assembly, testing, packing, Storing																																																							
2.2.5	Please describe the main facilities used at the factory. 请描述该工厂所使用的主要设施。	Refer to below Sheet.																																																							
	<table border="1"> <thead> <tr> <th>Facility name 设施名称</th> <th>Brand/Specification 品牌/规格</th> <th>Quantity 数量</th> <th>Number of years used 已使用的年限</th> <th>Status 状况</th> </tr> </thead> <tbody> <tr> <td>Air Compressor</td> <td>/</td> <td>1</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>High-frequency machine</td> <td>/</td> <td>2</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>Packing machine</td> <td>/</td> <td>1</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>Assemble line</td> <td>/</td> <td>3</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>Generator</td> <td>/</td> <td>2</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>Ultrasound</td> <td>/</td> <td>1</td> <td>5 years</td> <td>Good</td> </tr> <tr> <td>PS Series</td> <td>/</td> <td>7</td> <td>3 years</td> <td>Good</td> </tr> <tr> <td>NDS Lite</td> <td>/</td> <td>3</td> <td>3 years</td> <td>Good</td> </tr> <tr> <td>XBOX</td> <td>/</td> <td>3</td> <td>3 years</td> <td>Good</td> </tr> <tr> <td>Game Cube</td> <td>/</td> <td>1</td> <td>3 years</td> <td>Good</td> </tr> </tbody> </table>	Facility name 设施名称	Brand/Specification 品牌/规格	Quantity 数量	Number of years used 已使用的年限	Status 状况	Air Compressor	/	1	5 years	Good	High-frequency machine	/	2	5 years	Good	Packing machine	/	1	5 years	Good	Assemble line	/	3	5 years	Good	Generator	/	2	5 years	Good	Ultrasound	/	1	5 years	Good	PS Series	/	7	3 years	Good	NDS Lite	/	3	3 years	Good	XBOX	/	3	3 years	Good	Game Cube	/	1	3 years	Good	
Facility name 设施名称	Brand/Specification 品牌/规格	Quantity 数量	Number of years used 已使用的年限	Status 状况																																																					
Air Compressor	/	1	5 years	Good																																																					
High-frequency machine	/	2	5 years	Good																																																					
Packing machine	/	1	5 years	Good																																																					
Assemble line	/	3	5 years	Good																																																					
Generator	/	2	5 years	Good																																																					
Ultrasound	/	1	5 years	Good																																																					
PS Series	/	7	3 years	Good																																																					
NDS Lite	/	3	3 years	Good																																																					
XBOX	/	3	3 years	Good																																																					
Game Cube	/	1	3 years	Good																																																					
2.2.6	Please gather the employee details by department. 请收集各部门人员信息	Manager/Supervisor: 4 Sale Dept. 8 Include Foreign Trading staff 6																																																							

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.




Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited
 Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
 SGS Job No. : QIP-AS082046
 Page No. : 6 of 17
 Revision No. : 05

Item 项目	Content 内容	Observations / Comments 发现 / 注释
		R&D Staff: 2 Quality Control Staff: 4 Admin. staff 3 Workers: 45 Financial Staff: 2 Purchase Staff: 2 Storage Staff: 2 Number in total: 72

End of this section, and continue with next page. 本节结束，下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 7 of 17
	Revision No. : 05

2.3 Foreign Trade Capacity 外贸能力

Item 项目	Content 内容	Observations /Comments 发现 /注释
2.3.1	How many foreign trading staffs in the company ? and what are their education level/ working experience? 该公司有多少有外贸人员? 他们的教育水平和工作经验怎样 ?	Refer to the company representative and resumes reviewed. There were 6 foreign trading staffs on the factory site, 2 staffs were bachelor's degree, had around 1 year's working experience; another 4 staffs were junior college's degree, had 1to 3 years' working experience.
2.3.2	How about the English level (reading, writing and speaking) and foreign trading experiences based on interview question and education certificate (e.g.: do they know what the LC and FOB are)? 根据面谈和教育证书, 外贸人员的英语水平及外贸经验怎样 ?	Refer to the company representative and resumes reviewed, 2 foreign trade staffs passed TEM-4, another staffs' English level were from CET-4 to CET-6. Based on site observation, auditor noted the foreign trading representative had ability to communicate with oral or written English freely, and formed successful foreign trading experience.
2.3.3	Does the trading staff clearly know the responsibilities of trading jobs? 外贸人员清晰地知道其工作职责吗 ?	Based on interview, they knew clearly their responsibilities.
2.3.4	Does the trading staff clearly know the product and relevant technical information? 外贸人员清晰地知道有关产品的知识和技术信息吗 ?	Yes. Based on interview, they knew the knowledge of the product and relevant technical information.
2.3.5	Does the company have successful experience of global cooperation? If Yes, please list out the oversea clients' names. 该公司具有成功的全球业务合作经验吗? 如果有, 请列出海外客户的清单。	Yes. Refer to the documentations provided and site interview; auditor noted this company had successful experiences of global cooperation. Sample clients as: PSX, Warehouse, TOPGAME, P&R Gross Handel, etc.
2.3.6	Does the company have oversea agency? 该公司在海外有代理处吗 ?	N/A
2.3.7	Please mark the annual export capacity. 请备注该公司的年度出口能力。	Refer the company representative, 90% of its products were exported by trading agency.
2.3.8	Conclusion: do you think the company has foreign trading experiences and competent staffs? 结论: 你认为该公司是否具有外贸经验和有能力的外贸人员 ?	Refer to the documentations of the company and interview with the employees and management, auditor noted foreign trading experiences of the company and competent staffs in the company.
2.3.9	Please describe: what does the audited company have to do before getting contract from the oversea client based on the past experience?	The company representative claimed they would have following actions: - Collect special requirements of the products for client

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.




Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited
Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
SGS Job No. : QIP-AS082046
Page No. : 8 of 17
Revision No. : 05

Item 项目	Content 内容	Observations /Comments 发现 /注释
	请描述：根据过去的经验，该公司在获得海外客户订单之前需要做些什么？	<ul style="list-style-type: none">- Submit related information to client- client approval for the sample- confirm contract details, e.g. quotation, quantity, delivery date

End of this section, and continue with next page. 本节结束，下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.


 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 9 of 17
	Revision No. : 05

2.4 Product Research & Development Capacity 产品设计开发能力

Item 项目	Content 内容	Observations /Comments 发现 /注释
2.4.1	How many R&D staff at the company? and what are their education level/ working experience? 该公司有多少有设计开发人员? 他们的教育水平和工作经验怎样?	Refer to the company representative; there were 2 R&D Engineers with junior college's degree, they had about 2-4 years working experiences.
2.4.2	List the successful project(s), if have. 如果该公司有成功的产品项目, 请列出。	Refer to the company representative; they manufactured products according the samples and requirement provided by clients.
2.4.3	Is there the relevant design input, output, review, verification and validation documentation available to auditor for review? 有相应的设计输入、输出、评审、验证与确认文件记录给审核员评审吗?	Procedure and documentations on controlling design process provided to review.
2.4.4	Are the R&D staffs equipped with adequate instruments /apparatus based on the on-site observation? If Yes, please list out all the key facilities provided, such as equipments, software and etc. 有配备适当的仪器/ 设备给设计开发人员吗? 例如设备、软件等。	They had computers with the design software, such as AutoCAD, Pro/E.
2.4.5	Does the company have an effective design change control procedure in place? 该公司有有效的设计更改控制程序吗?	No relative document provided.

End of this section, and continue with next page. 本节结束, 下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.


 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 10 of 17
	Revision No. : 05

2.5 Quality Management System and Product Certification 品质管理系统与产品认证

Item 项目	Content 内容	Yes/ No 是/ 否	Observations /Comments 发现 /注释
2.5.1	Has the company obtained the valid certificate for their quality management system? Such as ISO9001, QC080000 and etc. 该公司是否有为其质量管理体系获得有效的认证证书？例如 ISO9001, QC080000 等。	No	N/A
2.5.2	Is product certification done in terms of selling designation (UL for US, CCC for China, CE for Europe ...) at the company? I) Product certification list? if have II) Sample of product certification, if have (at least one of key products) ? III) Copy of product certification sample (1-5 key products, if have) ? 在该公司，有针对性的销售要求做了相应的产品质量认证吗？ I) 如果有，产品质量认证证书清单？ II) 如果有，获产品质量认证的产品样品？(至少 1 个产品) III) 产品质量认证证书副本 (如果有，1 ~ 5 个产品) ？	Yes	CE certificate noted; Issued on 14 Dec. 2006 by Bontek Compliance Laboratory. Its certificate No. was BCT06LC-150E, and the product was Game Controller.

End of this section, and continue with next page. 本节结束，下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.


 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 11 of 17
	Revision No. : 05

2.6 Suppliers/ sub-contractors Control 供应商/ 外包商控制

Item 项目	Content 内容	Yes/ No 是/ 否	Observations /Comments 发现 /注释
2.6.1	Does the company establish and implement an effective suppliers/ sub-contractors assessment procedure (which covers the acceptable criteria of supplier/ sub-contractor)? 该公司是否建立及执行有效的供应商/ 外包商评估程序(包括可接受的供应商/ 外包商标准)?	Yes	Auditor noted the company established procedures for the assessment of its suppliers and approval supplier list was provided.
2.6.2	Does the company use the results of the assessments to determine acceptable/non acceptable sources? 该公司是否根据评估的结果来决定是否采用此供应商/ 外包商?	Yes	Auditor noted the assessment reports were evaluated by the company.
2.6.3	Does the company keep the assessment report? 该公司是否保存评估报告?	No	No such report provided.
2.6.4	Does the company retain an updated list of approved suppliers/ sub-contractors? 该公司是否有更新的合格供应商/ 外包商一览表?	Yes	Supplier list was updated in 2008.
2.6.5	Are written instructions available for incoming material inspections /testing? 有文件化的来料检验 /测试指引?	Yes	Auditor noted the company established quality procedures for incoming material inspections /testing.
2.6.6	Are raw materials inspection status clearly identified? 物料检验状态有清楚地标识吗?	--	Auditor noted storage of conforming materials in the factory, and rejected non-conforming materials.
2.6.7	Is inspection and testing result recorded and maintained? 检验与测试结果有记录并保存吗?	Yes	Auditor noted the testing result recorded and maintained.
2.6.8	Are procedures of the control and release for material adequate? 控制和发放物料的程序适当吗?	Yes	Refer to the observation and material release record, the factory has a material control and release procedure.
2.6.9	Is non-conforming material adequately identified and controlled? 不合格的物料有适当的标识和控制吗?	--	No non-conforming materials found on site.
2.6.10	Are storage facilities and handling methods appropriate? 储存设施和搬运方法适当吗?	Yes	Refer to site observation; warehouse condition was appropriate.

End of this section, and continue with next page. 本节结束, 下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.


 <p>Supplier Assessment Report</p>	Company name	: Hai Hong Chang Electronics Company Limited
	Audited site	: 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No.	: QIP-AS082046
	Page No.	: 12 of 17
	Revision No.	: 05

2.7 Production Process control 过程质量控制

Item 项目	Content 内容	Yes/ No 是/ 否	Observations /Comments 发现 /注释
2.7.1	<p>Are the following items /documents provided at appropriate location and under control when necessary?</p> <ul style="list-style-type: none"> - Work Instructions /procedures - Workmanship standard /acceptance - Golden sample /Approval sample <p>若有必要，在适当的区域有提供下面的项目 /文件？</p> <ul style="list-style-type: none"> - 工作指引 /程序 - 工艺标准 /可接受标准 - 批准的样品 	Yes	<p>The company had made the relevant work instruction.</p> <p>Refer to site observation, there were documented work instructions provided in the workshops.</p>
2.7.2	<p>Are the environmental conditions such as tidiness and cleanliness being controlled and suitable for the operation performed? 环境条件，整齐清洁在受控状态之下并适合生产运作吗？</p>	Yes	Yes, the environmental condition was suitable for the operation performed.
2.7.3	<p>Is corrective action documented and followed-up? 纠正措施有记录并有跟进吗？</p>	--	Refer to the QC, they would solve the quality problem at once but there were not relevant records provided to review.
2.7.4	<p>Are written inspections /testing instructions available? 有文件化的检验 /测试指引吗？</p>	Yes	The documented inspection and testing instructions were available on site.
2.7.5	<p>Are appropriate inspection /testing equipments available? 有适当的检验 /测试设备吗？</p>	Yes	Refer to site observation; the company had appropriate inspection / testing equipment.
2.7.6	<p>Does the company carry out a 100% function and visual inspection? 公司有执行 100% 功能及外观检验吗？</p>	Yes	Based on site observation; products were 100% visual and function inspected inspection.
2.7.7	<p>Are non-conforming units clearly marked/ segregated to prevent accidental dispatch? 不合格产品有清晰地标识/ 隔离以预防非逾期的使用吗？</p>	--	Refer to site observation; the rejected units were segregated, but not marked.
2.7.8	<p>Is inspection and test result recorded and maintained? 检验与测试结果有记录和保持吗？</p>	Yes	Refer to site observation, auditor found the inspection and test result recorded and maintained.

End of this section, and continue with next page. 本节结束，下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 13 of 17
	Revision No. : 05

2.8 Random Product Inspection and Continuous Improvement 产品随机检验与持续改进

Item 项目	Content 内容	Yes/ No 是/ 否	Observations /Comments 发现 /注释
2.8.1	Is there a procedure to conduct random product inspection after final packaging in place? 在最后包装工序之后, 是否有随机产品抽样检验程序?	--	Refer to the QC; they finished all testing before package, and did not conduct random inspection after final packing.
2.8.2	Is there any clear procedure for handling customer complaint? 是否有清晰的程序处理客户投诉?	--	Auditor noted the company had established a procedure for handling customer complaint, but no records provided for auditor to review.
2.8.3	Are corrective & preventive actions mechanism established and implemented effectively (including the suppliers/ sub-contractors control, incoming inspection, process control, final inspection and customer complaint)? 是否建立并有效执行纠正及预防措施机制 (包括供应商/外包商控制、来料/过程/最后检验及客户投诉)?	--	Refer to site observation and documentations reviewed; auditor noted the company had proper methods to make sure product quality; While still need to perfect quality control procedure and maintain relevant records properly.
2.8.4	Can the finished/packaged product be traced by lot identification to the appropriate raw materials test reports? 最后的完成品能否追溯到原材料的批次?	Yes	Refer to site observation; auditor noted that the company had records to trace raw materials for finished products.

End of this section, and continue with next page. 本节结束, 下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.


	Company name	: Hai Hong Chang Electronics Company Limited
	Audited site	: 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No.	: QIP-AS082046
	Page No.	: 14 of 17
	Revision No.	: 05

2.9 The Company Development Plan 企业发展计划

Item 项目	Company Development Action(s) 公司发展行动	Timeframe 期限
1	The company claimed that they will expand oversea market.	2009
2	The company will expand the workshop building to 6800 square meters, and increase the number of employees	2009
3	The company claimed that they will research and development new products and create their own brand.	2010

End of this section, and continue with next page. 本节结束，下一页继续。

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/><<http://www.sgs.com/>>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

 <p>Supplier Assessment Report</p>	Company name : Hai Hong Chang Electronics Company Limited
	Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
	SGS Job No. : QIP-AS082046
	Page No. : 15 of 17
	Revision No. : 05

3. Attachments 附件

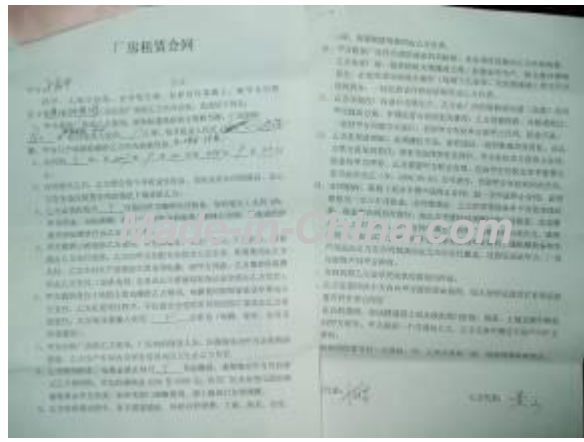
3.1 Documents 文件



Description: Business License



Description: Tax registration certificate



Description: Lease contract



Description: CE certificate

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited
Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen
SGS Job No. : QIP-AS082046
Page No. : 16 of 17
Revision No. : 05

3.2 Photos 图片



Description: The Front door of the Company



Description: Office room



Description: Test station



Description: Test station



Description: Workshop



Description: Workshop

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.

Supplier Assessment Report

Company name : Hai Hong Chang Electronics Company Limited

Audited site : 3F, Building C, 3rd. Industrial Area Of Hongwan, Bao'an District, Shenzhen

SGS Job No. : QIP-AS082046

Page No. : 17 of 17

Revision No. : 05



Description: Workshop



Description: re-work products station



Description: Incoming warehouse



Description: Finished product Warehouse



Description: Showroom



Description: Showroom

-- End of the Report --

This document is issued by SGS subject to its General Conditions of Service printed overleaf or available on request and accessible at www.sgs.com <<http://www.sgs.com/>> <<http://www.sgs.com/>>. Attention is drawn to the limitations of liability, indemnification and jurisdictional issues defined therein. Any other holder of this document is advised that information contained hereon reflects SGS's findings at the time of its intervention only and within the limits of Client's instructions, if any. SGS's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents.