TUTAMEN

MANAGEMENT MANUAL

2019

Table of Contents

MANAGEMENT MANUAL

VERSION	1
TOTAL PAGES	71 Pages
DOCUMENT NUMBER	CM-MA-00
EFFECTIVE DATE	June 2019

This document is our company's confidential document and shall not be lent or copied privately without permission!

INTRODUCTION

In order to promote the quality and the market influence of our company's product, this Management Manual is prepared by our company according to:

- ISO9001: 2008
- ISO14001: 2004
- Related national product laws and standards
- Current circumstances of our company.

This manual, elaborating on the quality/environmental policies and goals of our company, serves as the programmatic document for expressing the company's management system, the basis for the operation and review of the management system and the proof of company's quality assurance ability.

Adopted as the operating and reviewing basis for the company's management system, this Management Manual provides enough credit for customers and related parties. Units and the staff involved in the manual must strictly implement it after issuance so as to realize the company's management policies and goals.

APPOINTMENT SHEET

In accordance with the certification requirements specified in ISO9001:2008, ISO14001:2004 and the current circumstances of our company, in order to enable the company's management system to effectively identify, plan, establish, implement, maintain and improve, the company has decided to appoint:

Sun Yanfang

as the management representative of the company's quality and environment management system. The original position of the management representative is finance & HR administration manager, and he/she shall perform all those duties from now on; except for the primary duties, the management representative must perform the following duties:

A. Identify, plan, establish, implement, maintain and improve the quality/environment management system according to requirements specified in ISO9001:2008, ISO14001:2004 and the company's current circumstances;

B. Report the performances of the quality and environment management system to the company's top management, and provide the basis for improving the quality/environment management system;

C. Make sure that the related personnel at all levels of the company understand and strictly implement the system according to laws, regulations, requirements of customers and requirements of related parties;

D. Communicate the issues relative to the quality/environment management system with relative organizations.

We trust that all the members of the company will comply and submit to the rules and coordination of the management representative and share these duties to ensure that the quality/environment management system can be effectively implemented.

Issuing Department	Copy Number	Remarks
General Manager		
Management Representative		
Project Department		
Management Department		
Production Department		
Engineering Department		
Document Control/Quality Assurance Department		

APPROVED BY:

_____

APPROVAL DATE:

_____

CONTROL OF MANAGEMENT MANUAL

1. Responsibilities

1.1 This Management Manual is prepared and reviewed by the management representative and approved by the general manager.

1.2 Manual holder is responsible for safekeeping the manual, transferring various requirements of the manual content and guaranteeing the normal operation in the company.

1.3 The Document Control Centre is responsible for safekeeping the legitimate Management Manual, issuing and controlling the copies.

2. State Control of Management Manual

The issuing state of this manual is controlled by the version number of the manual and the numbers of the controlled copies.

3. Issuing Control of Copies of Manual

3.1 This manual shall have controlled or reference document sealed when issued.

3.2 The copies with controlled seals are controlled, but the copies with reference document seals are not controlled.

3.3 When this manual is modified, the copies are issued to the controlled units only for replacement.

3.4 The Document Control Centre issues the manual according to the requirements specified in the document issuing table.

3.5 When the manual holder leaves the company for certain reasons, this manual shall be submitted to the Document Control Centre.

4. Control of Modification of Manual

4.1 When any department proposes the requirements, international standards are modified or company's operation and product structures are changed, modification application can be raised in written form.

4.2 When this manual is needed to be modified, the modification content must be reviewed by the management representative and implemented after approved by the general manager.

4.3 The Document Control Centre modifies the manual.

4.4 If the version number of the manual is not changed, the Document Control Centre issues the modified sections to the controlled unit holder only for replacement, recycles the cancelled section copies, and handles them according to the related procedures.

4.5 When the modified content exceeds 2/3, the manual is symmetrically modified, the system is adjusted, or the standards are updated, the version of the manual shall be modified, and the whole manual shall be reissued.

The management system described in the document is the quality/environment management system.

COMPANY OVERVIEW

CHINESE NAME	Dongguan Tutamen Metalwork Co., Ltd.
ENGLISH NAME	Dongguan Tutamen Metalwork Co., Ltd.
GENERAL MANGER	Jin Xiaoli
ADDRESS	No.2 HuangGuo Tang Rd., ShaHu, Tangxia Town (P.O. 523725)
POSTCODE	523723
TEL	0769-86955383
FAX	0769-86955382
WEBSITE	www.tutamen.net
MAIN PRODUCTS	Certification application: Plastic &Hardware Product Company
HISTORY	Established with registered capital of 100,000 RMB on Dec. 14, 2012 after approved by Dongguan Administrative Bureau for Industry and Commerce. Covering area 6500m2 and started with production in December 2012.

ORGANOGRAM

Organization chart:

- **CEO** — Stephen Prior
  - **Director Operations** — Chris Prior
    - **Project Manager** — Sky Zhao
      - Project Department NPI
      - Purchasing
      - Production planning
    - **Production Management**
      - CNC Machining Director — Chris Prior
      - Plastic Injection — Willem Gerber
      - Assembly — Rocky Chan
      - Printing Shop — Ping
    - **Quality Manager** — Spencer.Jiang
      - IQC
      - Production QC
      - OQC
      - Quality Assurance
    - **Engineering Manager** — Hyman Mu
      - R&D
      - Engineering Department
      - Technical Department
  - **GM Finance / Admin/Contracts Rena Jin**
    - Contract — Grace Wang
    - HR — Jack.Zhang
    - Facility /IT — Aidan Xu
    - Finance — Cynthia sun
      - Warehouse

MANAGEMENT RESPONSIBILITY DISTRIBUTION TABLE

章 节 号 Section No.	标题 Title	相关标准条款对照 Related Standards and Codes in Contrast		总经理 General Manager	管理代表 Management Representative	品质部 Quality Department	管理部 Management Department	生产部 Product Department	项目部 Project Department	工程部 Engineering Department
		ISO9001	ISO14001							
0.1	引言 Introduction	------	------		●					
0.2	管理者代表任命书 Appointment Sheet of Management Representative	------	------	●						
0.3	受控副本发放清单 Issuing List of Controlled copies	------	------		●					
0.4	管理手册的控制 Control of Management Manual	------	------		●					
0.5	公司简介与组织结构图 Company Profile and Organizational Chart	------	------	●						
0.6	职能分配表 Responsibility Distribution Table	------	------	●						
0.7	质量/环境方针发布令 Release of Quality/Environmental Policies	5.1 5.3	4.2	●						
1.0	绪言 Preface	1	1	●						
2.0	引用标准 Quoted Standards	2	2		●					
3.0	术语和定义 Terms and Definitions	3	3		●					
4	质量体系 Quality System	4								
4.1	总要求 General Requirements	4.1	4.1	●	○	○	○	○	○	○
4.2.2	管理手册 Management Manual	4.2.2	4.4.4	○	●	○	○	○	○	○
4.2.3	文件控制 Document Control	4.2.3	4.4.5	○	○	●	○	○	○	○
4.2.4	记录控制 Record Control	4.2.4	4.5.4	○	○	●	○	○	○	○

5	管理职责 Management Responsibilities	5								
5.1	管理承诺 Management Commitment	5.1	4.2　4.4.1	●	○	○	○	○	○	○
5.2	以顾客和相关方为关注焦点 Key Focus on Customers and Related Parties	5.2	4.3.1 4.3.2	○	○	○	●	○	●	○
5.2.1	以顾客为关注焦点 Key Focus on Customers	5.2	------	●	○	○	●	○	●	○
5.2.2	环境因素 Environmental Factors	------	4.3.1	○	●	●	●	●	●	●
5.2.3	法律法规及其他要求 Laws, Regulations and Other Requirements	5.2	4.3.2	●	●	●	●	●	●	●
5.3	质量/环境方针 Quality/Environmental Policies	5.3	4.2	●	●	●	●	●	●	●
5.4	策划 Plan	5.4	4.3	●	○	○	○	○	○	○
5.4.1	质量/环境目标和指标 Quality/Environment Goals and Indexes	5.4.1	4.3.3	●	●	●	●	●	●	●
5.4.2	质量体系策划 Quality System Plan	5.4.2	4.3.3	●	○	○	○	○	○	○
5.4.3	环境管理方案 Environment Management Scheme	5.4.2	4.3.3	○	●	○	○	○	○	○
5.5	职责权限与沟通 Responsibilities, Authorization and Communication	5.5	4.4.1	●	○	○	○	○	○	○
5.5.1	职责和权限 Responsibilities and Authorization	5.5.1	4.4.1	●	○	○	○	○	○	○
5.5.2	管理者代表 Management Representative	5.5.2	4.4.1	●	○	○	○	○	○	○
5.5.3	信息沟通 Information Communication	5.5.3	4.4.3	○	●	○	○	○	○	○
5.6	管理评审 Management Review	5.6	4.6	●	○	○	○	○	○	○

章节号 Section No.	标题 Title	相关标准条款对照 Related Standards and Codes in Contrast		总经理 General Manager	管理代表 Management Representative	品质部 Quality Department	管理部 Management Department	生产部 Product Department	项目部 Project Department	工程部 Engineering Department		
		ISO9001	ISO14001									
6	资源管理 Resource Management	6										
6.1	资源提供 Resource Providing	6.1	4.4.2	●	○	○	○	○	○	○		
6.2	人力资源 Human Resource	6.2		○	○	○	●	○	○	○		
6.2.1	总 则 General Provisions	6.2.1	4.4.2	○	○	○	●	○	○	○		
6.2.2	能力、意识和培训 Ability, Awareness and Training	6.2.2	4.4.2	○	○	○	●	○	○	○		
6.3	设备设施 Equipment and Facilities	6.3	4.4.1	○	○	○	○	○	○	●		
6.4	工作环境 Working Environment	6.4		○	○	○	○	●	○	○		
7	产品实现与运行控制 Product Realization and Operation Control	7	4.4									
7.1	产品实现的策划 Plan of Product Realization	7.1	4.4	○	○	○	○	●	○	○		
7.2	与顾客有关的过程 Process Related to Customers	7.2		○	○	○	○	○	●	○		

7.2.1	与产品有关的要求的确定 Confirmation Related to Product Requirements	7.2.1	4.3.1～2 4.4.6	○	○	○	○	○	●	○		
7.2.2	与产品有关的要求的评审 Review Related to Product Requirements	7.2.2	4.3.1 4.4.6	○	○	○	○	○	●	○		
7.2.3	顾客沟通 Customer Communication	7.2.3	4.4.3	○	○	○	○	○	●	○		
7.3	采购 Purchase	7.4	4.4.6	○	○	●	○	○	●	○		
7.4	生产和服务提供 Production and Service Providing	7.5	4.4.6	○	○	●	○	●	●	○		
7.5	监视与测量设备的控制 Monitoring and Control of Measurement Equipment	7.6	1	○	○	○	○	○	○	●		
7.6	环境运行与应急响应 Environment Operation and Emergency Response		4.5	○	○	○	●	○	○	○		
8	测量、分析和改进 Measurement, Analysis and Improvement	8	4.5									
8.1	总 则 General Provisions	8.1	4.5.1	●	○	○	○	○	○	○		
8.2.1	顾客满意 Customer Satisfaction	8.2.1		○	○	○	○	○	●	○		
8.2.2	内部审核 Inner Review	8.2.2	4.5.5	●	●	●	●	●	●	●		
8.2.3	过程的监视和测量 Monitoring and Measurement of Process	8.2.3	4.5.1 4.5.2	○	●	○	○	○	○	○		
8.2.4	产品的监视和测量 Monitoring and Measurement of Product	8.2.4	4.5.1 4.5.2	○	○	●	○	○	○	○		
8.3	不合格品控制 Control of Non-conforming Product	8.3	4.5.3 4.4.7	○	○	●	○	○	○	○		
8.4	数据分析 Data Analysis	8.4	4.5.1	○	○	●	○	○	○	○		
8.5	改 进 Improvement	8.5		○	○	●	○	○	○	○		
8.5.1	持续改进 Continuous Improvement	8.5.1	4.2 4.6 4.3.3	○	○	●	○	○	○	○		
8.5.2	纠正措施 Correction Measures	8.5.2	4.5.3	○	○	●	○	○	○	○		
8.5.3	预防措施 Prevention Measures	8.5.3	4.5.3	○	○	●	○	○	○	○		

RELEASE OF QUALITY/ENVIRONMENTAL POLICIES

All staff： In order to establish and keep company's quality/environment management system, the quality/environmental policies are prepared by the company, and now released as follows:

Management Ideas: Integrity, Unity, High Efficiency, Win-win
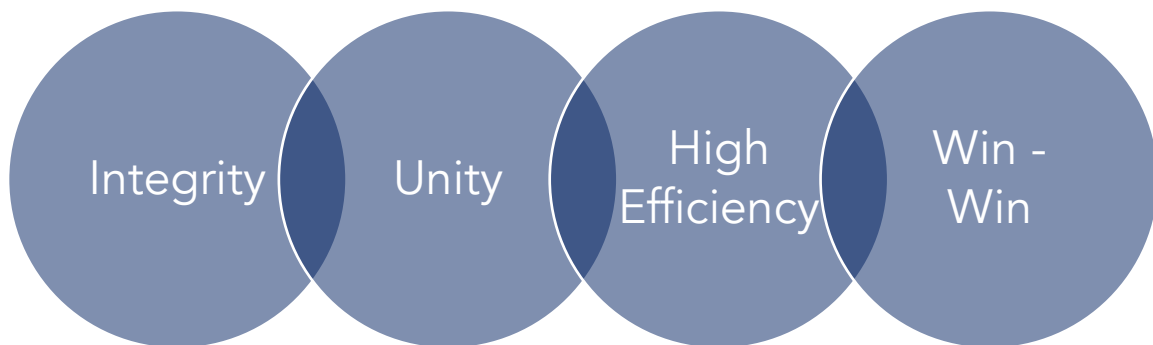
Integrity:	Delivery time, price, quality, service.		
Unity:	Coordination and cooperation to reach delivery date.		
High Efficiency:	Do well for the first time, optimize process, innovate technology.		
Win-win:	Customers, staff and suppliers have benefits.		
Quality Policy:	Customer first, Quality first.		

Environment Policies

Law abiding, pollution prevention; Continuous improvement, environment optimization.

Quality Goals

Quality goals are prepared according to the following aspects:

1) Production faulty rate; 3%
2) 99% Qualified rate of outgoing inspection;99%
3) Refund rate of customers less than 1%

Environment goals

1. Emission of waste gas
2. Consumption of energy
3. Emission of noise
4. Occurrence of potential fire.

General Manager (signature):

_____

Date: June 2019

SECTION 1: PURPOSE

1.1 Purpose for Preparing Management Manual

GB/T19001-2008、GB/T24001-2004   The Management Manual prepared according to standards GB/T19001-2008, GB/T24001-2004 is used for verifying that the company has the ability to stably provide the product satisfying customers and meeting related laws and requirements, meet the requirements of customers and related parties by effectively operating and continuously improving the quality/environment management system, and increasing the customers' satisfaction degree.

1.2 Application Scope of Manual

This manual applies to all company's production processes and provides proof of verifying the company's quality assurance ability, environment management ability and ability achieving customer satisfaction for customers and the third parties in contract condition, and it is one of verifying and reviewing principles provided for the third parties;

- GB/T19001-2008 idt ISO9001:2008
- GB/T24001-2004 idt ISO14001：2004

This manual covers all requirements specified in two standards GB/T19001-2008 idt ISO9001:2008 and GB/T24001-2004 idt ISO14001: 2004

Tutamen （HK） Limited. The scopes covered by the environment management system in the manual are the metal and plastic's production and service for Dongguan Tutamen Metalwork Co., Ltd and Tutamen (HK) Limited.

The company productions cover all terms and conditions.

SECTION 2: QUOTED STANDARDS

2.1 GB/T19000-2008 ISO9000：2005

GB/T19000-2008 ISO9000：2005 Quality Management System---Basics and Terms

2.2 GB/T19001-2008 ISO9001: 2008

GB/T19001-2008 iSO9001：2008 Quality Management System---Requirement

2.3 GB/T24001-2004 ISO14001：2004

GB/T24001-2004 ISO14001：2004 Environment Management System---Requirements and Operating Guide

SECTION 3. TERMS AND DEFINITIONS

 3.1 GB/T19000-2008 idt ISO9000:2005 GB/T24001-2004 idt ISO14001：2004

This manual uses the terms and definitions in GB/T19000-2008 idt ISO9000:2005 Quality Management System---Basics and Terms and GB/T24001-2004 idt ISO14001:2004

3.1 Environment Management System

Environment Management System refers to the Requirements and Operating Guide

3.2 Management Manual

Management manual refers to the Quality/Environment Management Manual

3.3 Q/EMS

Q/EMS refers to the Quality/Environment Integrated Management System

3.4 Management System

Management System refers to the Quality/Environment Integrated Management System

3.5 CM

CM refers to the Dongguan Tutamen Metalwork Co., Ltd. Tutamen （HK） Limited

3.6 The company

The company refers to the Dongguan Tutamen Metalwork Co., Ltd. Tutamen （HK） Limited

3.7 Quality Department

Quality Department refers to the Quality Assurance Department

3.8 Management Representative

Management Representative refers to the Person in charge of system management & person in charge of environment management.

SECTION 4: REQUIREMENTS OF QUALITY SYSTEM

GB/T19001-2008 idt ISO9001:2008 GB/T24001-2004 idt ISO14001：2004 The quality/environment management system is established by the company according to requirements specified in GB/T19001-2008 idt ISO9001:2008 and GB/T24001-2004 idt ISO14001: 2004 and shall be implemented and maintained. During this process, the quality/environment management system shall be continuously improved and developed to improve the company's management level, enlarge the market influence of products and improve the company's reputation.

4.1.1 GB/T19001-2008 idt ISO9001:2008 GB/T24001-2004 idt ISO14001：2004

In order to strengthen the strict control of the quality and environment, in accordance with the requirements specified in the standards GB/T19001-2008 idt ISO9001:2008 and GB/T24001-2004 idt ISO14001: 2004 as well as the actual situations of the company, the quality management system which can meet the requirements of the two standards above, is established. The process, activities required by the quality system, order and mutual action of the process, principles and methods required by effective operation and control of process shall be confirmed. The process of the quality system includes management responsibilities, resource management, product realization and measurement, analysis, improvement, etc.

4.1.2 The systemic quality/environment management system prepared by the company includes the Management Manual and the matched support documents——the procedure documents for describing the process of implementing the quality/environment management system. The procedure documents prepared by the company include the procedure required by forming the documents according to the requirements specified in the standards and the procedure for effectively operating and controlling the system process by the company. The names of the procedure documents are seen in Appendix 1 ''Procedure Document Directory'' of this manual.

4.1.3 Adopt the process method and achieve: A. Make sure acquisition of resources and information required in process; B. Clarify the control principles and methods; C. Confirm the order of the processes and the mutual action (interfaces); D. Monitor, measure (as applicable) and decompose these processes.

4.1.4 Implement the quality/environment goals of the process plan, and continuously improve these goals.

 4.1.5 The company shall identify the outsourced processes, control the whole process of the outsourced processes, and shall not exempt the responsibilities of item conformance required by customers (control the outsourced processes according to 7.4). The outsource processes of the company: stamping &surface treatment.
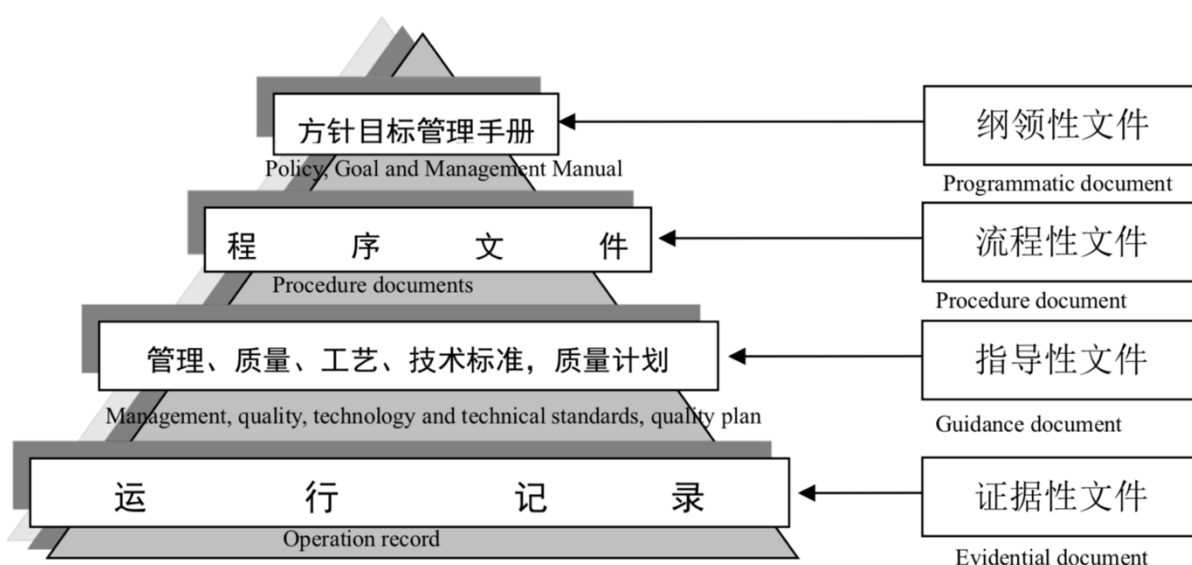
 4.1.6 Quality/Environment Management System Operating Chart Operating under PDCA Mode.

4.2 Document Requirements

4.2.1 Overview

The company's quality/environment management system documents include:
   A. Quality/environmental policies for forming documents and quality/environment goals and indexes;
   B. Quality/Environment Management Manual (Management Manual);
   C. Procedure documents of quality/environment management system;
   D. Operating documents of quality/environment management (management system, operating guide, standards, technical documents, etc.), including external documents, such as applicable laws, regulations, etc. E. ISO14001：2004 Records required by standard ISO14001：2004

4.2.1 Management Manual

The quality/environment management manual (Management Manual) prepared by the company includes the following content:

A. Scope covered by the management system, including any deleted details and good reason;
B. Quotation of written procedures and other documents;
C. Expression of mutual action of the quality/environment management system during the process (refer to article "7.1" of this manual). For the management requirements of the manual, refer to the article "0.4" Control of Management Manual of this manual.
D. Statements of quality polices and quality goals.

4.2.3 Document Control

The Document and Record Control Procedure is prepared by the company to control the operation of the quality/environment management system and improve the documents required; the control content includes:

A. The suitability and sufficiency of control shall be approved before issued;
B. The documents shall be uniformly reviewed when the management review is carried out every year, shall be revised when necessary, and shall be approved again;
C. The current revision state of the quality/environment control documents shall be identified to ensure the suitability and the effectiveness of the documents.
D. The obtaining methods and list of the external documents, such as applicable laws, regulations, standards, etc., shall be determined, and the issuing range of the documents shall be controlled.

Make sure that the effective versions of the applicable documents can be issued to every field which plays an important role on operation of the quality/environment management system;
The concealed documents shall be timely recycled from the fields in which the documents are issued used and shall be approved and identified if needing to keep. F

    E. The numbers and identifiers of the documents shall be controlled; the system for receiving, issuing and recycling the documents, including the external documents, shall be strictly implemented; the external documents of the company must be the plan

confirmed by the organizations and required by operating the quality management system;

F. The documents shall be clear and discernable and shall be easy to identify. The keeping condition of the quality/environment management system documents shall be controlled to retain the controlled state of the documents. H

G. . Laws and regulations applicable to the company.

4.2.4 Record Control

A. Various records of the quality/environment management belong to the company and shall be safely kept so as to provide the proof which meets the requirements and proves the effective operation of the quality/environment management system.

B. The Document and Record Control Procedure is prepared to control the quality/environment record implementation identifiers, storage, protection, search, storage limit time and treatment.

C. GB/T19001-2000、GB/T24001-2004

The records of the requirements specified in the two standards GB/T19001-2000 and GB/T24001-2004 shall be controlled carefully, and the following records shall be managed seriously:

- Document issuing records;
- Management review records;
- Training records;
- Contract review records;
- Evaluation results and evaluation records of suppliers;
- Records of production and service providing process;
- Environment monitoring records;
- Operation inspection records;
- Unique identifier of traceability requirements;
- Inner review records;
- Non-conforming properties and handling records;
- Result records adopting correction measures;
- Result records adopting prevention measures;
- Records of providing the proof for the realization process and the product meeting the requirements;

The company's control record content refers to Record List.

4.3 Related Procedures

4.3.1 Management Manual

4.3.2 Document and Record Control Procedures

SECTION 5: MANAGEMENT RESPONSIBILITIES

Be responsible for stipulating the responsibilities, authorization and mutual relations that the company manages, implements and verifies every leader, department and level so as to establish, implement and improve the quality/environment management system and make sure the suitability, the sufficiency and the effectiveness of the quality/environment management system.

5.1 Management Commitment

The general manager shall provide the proof for establishing and implementing the quality/environment management system and continuously improving its effectiveness through the following ways:

A. Transfer the importance of meeting the requirements of customers and related parties, laws and regulations to the members of the company in effective forms, establish and continuously strengthen the quality awareness and environment protection awareness of all members;
B. Prepare the quality/environmental policies;
C. Make sure the confirmation and realization of quality/environment goals and indexes;
D. For the management system, carry out the management review according to the specified time intervals.;
E. Make sure of the effective operation and continuous improvement of the management system, and make sure of providing necessary resources required by customers and related requirements.

5.2 Key Focus on Customers and Related Parties

Enterprise relies upon customers for survival and development. All production and operation activities of the company depend on understanding and meeting the current and future needs and expectation of customers and other related parties and exceeding these needs and expectation. The needs and expectation of customers and other related parties include the product quality requirements, environment control requirements, and requirements meeting related laws and regulations. The important environmental factors of the company shall be identified to prepare the quality policies and plan the quality management system.

5.2.1 Key Focus on Customers

The Control Procedures Related to Customers is prepared and implemented by the company to carry out the principles focused on the customer. When customers' requirements are fully recognized, the ability of the company to completely meet the customers' requirements is ensured, and the customers' requirements are changed, customers' new requirements and expectation can be further met by confirming and reviewing the requirements related to the product and closely communicating with customers in time. But customers' satisfaction or dissatisfaction and the problems that the customers are dissatisfied with, shall be specially understood, the degree of satisfaction of the customers' must be measured frequently to recognize and improve conveniently and continuously. The Management Department shall understand customers' complaints through multiple ways, especially such timely handling of these customer complaints, and feed back to customers until customers satisfy.

5.2.2. Environmental Factors

The company formulates the Identification, Update and Review Management Procedure of Environmental Factors, confirms and updates the important environmental factors and effectively controls them; formulates the Procedure for Applying Environment Influence Management on Related Parties, creates the conditions for the company's product meeting the related laws and regulations, and urges itself to consciously protect the environment and improve the environment behaviors.

5.2.2.1 The important environmental factors and environment influence shall be identified:
   A. Identifying scope covering the departments of the company and full production and service processes;
   B. Include the environment influence caused by activities held by related parties;
   C. Include the pollution scope: pollutant discharged to land, water and air;
   D. Influence on residential areas around (such as dust, noise, etc.);
   E. Consumption of water, electricity, gas, raw material and other energy;
   F. Treatment of solid waste and fluid waste;
   G. Noise intensity etc.

5.2.2.2 Past, present and future tenses shall be considered; normal, abnormal and emergency states shall be considered. When the applicable laws and regulations are modified, the production technology is updated, new projects are introduced and the related parties rise new requirements, the environmental factors shall be evaluated timely, and the important factors shall be updated timely.

5.2.3 Laws, Regulations and Other Requirements

5.2.3.1 The company formulates the Management Procedures for Laws, Regulations and Other Requirements, identifies the laws, regulations and other requirements of the environmental factors during production and service processes within the company's scope, establishes and obtains the ways of these requirements, confirms the relevance between these requirements and the environmental factors after obtaining these requirements, and establishes the corresponding management goals according to the relevance.

5.2.3.2 The Management Department shall inspect the situations that each department executes the laws, regulations and other requirements, report the inspection situations to the management representative, and submit to the general manager when necessary.

5.3 Quality/Environmental Policies

The company's top manager shall confirm that the quality/environmental policies prepared by the company respectively meet the requirements specified in standards GB/T19001-2008 idt ISO9001:2008 and GB/T24001-2004 idt ISO14001: 2004.

5.3.1.1 Quality Policies
   A. Adapt to the object of the company;
   B. Include effective commitment which meets the requirements and continuously improves the management system;
   C. Provide, prepare and review the framework of the quality goals;
   D. Communicate and be understood in the company;
   E. Review on the continuous suitability.

5.3.1.2 Environmental Policies:
   A. Apply to the properties, scales and environment influences of organized activities, products or service;
   B. Include commitment for continuous improvement and pollution prevention;
   C. Include commitment for obeying relevant laws, regulations and other requirements of the company;
   D. Provide the framework for establishing and reviewing the environment goals and indexes;
   E. Form documents, put into effect, maintain, and transfers to all staffs;
   F. Publicly available.

5.3.2 Content of Quality/Environment Policies

In order to establish, implement, maintain and improve the company's quality/environment management system, the quality/environment policies (quality policies) are prepared by the company. Refer to Section 0.7 Release of Quality/Environmental Policies of this manual.

5.3.3 Review of Quality Policies

The company's management review shall include the review of the quality policies to ensure its continuous suitability.

5.4 Plan

5.4.1 Quality/Environment Goals and Indexes

5.4.1.1 The company's general manager is responsible for preparing the company's quality/environment goals, including the content meeting the product requirement and environment requirements. The quality goals shall be measurable and shall be the same as the quality/environment polices.

5.4.1.2 The general quality goal of the company: The quality goal shall be established according to the following content: a. Production faulty rate; b. Qualified rate of outgoing inspection; c. Refund rate of customers.

5.4.1.3 The general manager shall decompose the company's goal and establish the corresponding goal of relevant functions and levels. Quality Management System Plan. The general manager is responsible for planning the quality/environment integrated management system to meet the quality/environment goal requirements and the general requirements of the quality/environment management system therefore the following activities are carried out:

   A. Confirm the process required by the quality/environment management system, and consider the rationality for deleting;
   B. Confirm the resources to be matched to realize the quality/environment goals;
   C. Determine the content of periodically review the realized general goal and stage goal, for example: improvement of process and activities;

D. Seek the difference with the quality/environment goal according to the review results, continuously improve for promoting the effectiveness and efficiency of the management system;

E. Form the planning results as documents (management manual and procedure documents), wherein the documents shall describe, analyze and confirm the problems for realizing the company's quality goal, the corresponding measures adopted, time requirements, implementation of the responsible person, etc.; the realization degree of the goal shall be inspected and evaluated in the documents; preparation, approval, issue and modification of the documents shall be planned, and the relevant regulations of Document and Record Control Procedure shall be carried out;

F. When the output document planned are needed to modify, the integrity of the quality management system shall be kept, for example, when the organization structure of the company is changed (partially adjusted), the responsibilities of the relevant departments shall be correspondingly changed to ensure the integrity and the effective operation of the quality/environment management system. 5.4.3 Environment Management Scheme. Emergency Preparedness and Response Management Procedure is established and implemented by the company to realize its goals and indexes. In order to ensure the realization of the quality goals and indexes, corresponding environment management schemes shall be respectively prepared according to the important environmental factors and major hazards, the Management Department shall organize the company's relevant departments to formulate and file, submit to the management representative for review, and ask the general manager to approve.

5.4.3.1 Environment Management Scheme

A. The basic content of the environment management scheme -- Environment goals and indexes; --- Important environmental factors and specific methods of the scheme or the technical measures shall have operability and adaptability; --- Capital budget for implementing the scheme; Timetable of implementation schedule of the scheme; Responsible units and main responsible person who implements the scheme and their responsibilities.

B. Each department shall formulate its own Environment Management Scheme or management measures according to its environment goals and factors, ask the management representative to review, and then implement them after the general manager approves.

C. When new environmental factors appear, each department shall execute relevant regulations specified in Identification, Update and Review Management Procedure of Environmental Factors.

D. When the environment management scheme is needed to modify because the environment goals and indexes are changed or new environmental factors appear, relevant regulations specified in Document and Record Control Procedure shall be executed.

5.5 Responsibilities, Authorization and Communication

5.5.1 Responsibilities and Authorization

 In order to effectively implement the management system, the Task Responsibility Table is prepared by the company, the responsibilities and authorization of the leadership and each function department as well as their mutual relationship are clarified. The responsibilities of the inner management and execution personnel of each department are prepared or perfected by the person in charge of the function department and shall be implemented after approved by the superior leaders.

5.5.2 Management Representative

A. The company's quality/environment management representative and their responsibilities and authorization appointed by the general manager are very clear, the general manager shall appoint one management representative of the company's management layer (details refer to Section 0.2 Appointment Sheet of Management Representative of this manual), whatever other responsibilities of the member, he/she shall have the following responsibilities, authorization: Make sure that the processes required by the management system are established, implemented and kept.

B. Report the operation situations of the management system to the general manager, including the improvement required;

C. Make sure of improving the awareness meeting the customers' requirement and the environment protection awareness inside the while company;

D. Be responsible for the inner and outer contact work relevant to the management system.

5.5.3 Information Communication

The Data Analysis Control Procedure and Information Exchange Control Procedure is prepared by the company to specifically clarify the collection, analysis and communication (transfer) of the information.

5.5.3. Basic Content and Forms of Information Communication

A. Basic Content of Information Communication.   Internal information, for example: completion situations of policies, goals and indexes; monitoring and measuring records of quality and environment; inspection records, inner review and management review reports of operation situations of management system; unqualified and non-conforming information; abnormal and outbreak information; suggests of the staff, etc.   External information, for example: laws and regulations, product standards, measurement of customer satisfaction, feedback information of customers, external inspection reports, government documents, orders of supervisors.

B. Basic Forms of Information Communication.   Communication methods shall be diversified, and effect shall be required. The common communication methods include meetings, bulletins, blackboard newspaper, notifications, written documents, audio-visual materials, computers, network, etc.

5.5.3.2 When the company organizes to hold the production meeting and other routine business meetings, meeting records shall be formed and transferred downwards through the person in charge of the department.

5.5.3.3 The Management Department shall collect the company's information in the form of official documents or bulletins and notifications and publish the information on the bulletin boards or transferred downwards to each department after approved by the general manager.

5.5.3.4 Each department shall report, crossly transfer or transfer the important information in the leading work downwards in forms of bulletins, notifications or documents.

5.6 Management Review

5.6.1 Overview: Management Review

Procedure is prepared to clarify that the management layer which is responsible for the management system must regularly or irregularly manage and review the management system according to needs to ensure its continuous suitability, adequacy and effectiveness; and review shall include the evaluation of the improving chance and changing requirements of the quality/management system, including the changing requirements of quality policies and the quality goals.

5.6.2 Review Input

The review input includes the following relevant content:
A.   Internal and external review results;
B. Information fed back by customers;
C. Communication results with external relevant parties;
D. Process performance and product's conformance;
E. Implementation situations of correction and prevention measures;
F. Track and confirmation of the discussion content of the last management review meeting;
G. Implementation situations of the environment management scheme;
H. Modification influencing the plan of the management system;
I. Reviews of arrangement situations of the quality/environment policies and goals as well as the indexes;
J. Changes of objective environment;
K. Improved suggests, etc.

5.6.2 Review Output: Review output includes the following relevant content:
A. Improvement of efficiency of management system and its process.
B. Improvement of products relevant to the customers' requirements.
C. Resources required.
D. Results of management review shall be records.

5.7 Related Procedure Documents

5.7.1 Document and Record Control Procedure

5.7.2 Management Review Procedure

5.7.3 Data Analysis Control Procedure

5.7.4 Control Procedure of Environmental Factors

5.7.5 Control Procedure of Laws, Regulations and Other Requirements

5.7.6 Information Exchange Control Procedure

5.7.7 Emergency Preparedness and Response Management Procedure

5.7.8 Procedure for Applying Environment Influence Management on Related Parties

5.7.9 Task Responsibility Table

SECTION 6: RESOURCE MANAGEMENT

6.1 Resource Providing

The company's general manager shall make sure that the following resources required can be provided timeously: Effectiveness of the management system shall be implemented, maintained and improved; The quality and environment behaviors shall be improved, the satisfaction of customers and related parties shall be increased by meeting the requirements of customers and relevant parties; Resources include the resources of human resources, infrastructures, working environment, information, finance, etc.

6.2 Human Resource

6.2.1 General Provisions. Human Resource Management Procedure is established and implemented by the company, person shall be selected according to necessary education, training, skills and experience to make sure that the quality of the workers working on conformity to product requirements and management representative and the person in charge of each department shall repeatedly educate the service awareness, environmental awareness and the awareness meeting the laws and regulations of the staff in lively forms. In accordance with the scope regulations of responsibilities and authorization, each functional department shall store the proper records of education, training, skills and experiences. After the external training, the training data shall be reported to the Management Department of the company for filing; In order to enable the staff to achieve the preset goals, continuous improvement shall be carried

out, new environment shall be created, and a set of incentive process including improvement of quality and technical apperception can be established when appropriate. The incentive process must measure the correlation/importance degree and the contribution degree of the work of the staff.

6.3 Infrastructures

Equipment Management Control Procedure shall be prepared; the company shall identify, provide and maintain the infrastructures which are required by meeting the requirements, improving the product conformance and governing the major environmental factors; the infrastructures includes: Buildings, working sites and relevant infrastructures, for example, offices, workshops for production, warehouses, relevant water, electricity and gas sources, cranes, etc.; Process equipment, such as machine tool equipment, environmental control equipment and software, maintaining equipment and guarantee (fireproof, safety protection) equipment, etc.; Support service facilities (transportation, communication, etc.).

6.4 Working Environment

Each relevant functional department shall identify, confirm and effectively control the human and physic factors in the working environment; these factors are required by meeting the product requirements, guaranteeing the physical and psychological health of the staff.

6.4.1. Hygienic Conditions

The environmental health of the offices of each department is periodically inspected by the Management Department of the company, the rubbish is treated according to the company's regulations, and the available resources (wastes) are recycled. Each department shall insist the civilization production, the Engineering Department shall periodically inspect the equipment, and the Management Department shall inspect the control situations of the outdoor environment.

6.4.2 Production and Operation Environment.

Temperature, humidity, dust and noise shall be controlled according to relevant national laws and regulations or standards; and the Management Department shall lead the inspection work.

When the inspection results exceed the national or industrial control scopes, the environment shall be reconstructed to make sure of meeting the relevant regulations and requirements.

6.5 Rated Procedures

6.5.1 Human Resource Management Procedure

6.5.2 Equipment Management Control Procedure

6.5.3 Task Responsibility Table

SECTION 7: PRODUCT REALIZATION

7.1 Plan of Product Realization

The Production Department is responsible for planning the product realization; the working procedures required by the product realization must be planned and must be the same as the working procedure of the quality system; when the product realization is planned, the following items must be confirmed:

7.1.1 Quality goals and requirements of the product;

7.1.2 Establish the working procedure and relevant standards, and provide relevant production resources;

7.1.3 Monitoring, inspection and test required by product realization; formulation of the product acceptance principle, approval of customers when necessary;

7.1.4 Reserve the necessary records meeting the process and product quality;

7.1.5 Issues required by customers and technical codes for reference;
7.1.6 Confirm the confidentiality of the product information in the contracts of customers;
7.1.7 Influence on environment during the product realization process;
7.1.8 Modification Control A. Response control procedure must be established for the modification (including product and manufacture procedure) which influences the product realization, the modification influence (including modification caused by any suppliers) must be evaluated, and shall be verified/conformed to make sure of meeting the issues required by customers. The modification must be confirmed before implemented; B. Design of patent right and influences of outline, assembly and functions (including performances/durability) must be reviewed with customers so as to properly evaluate its effects. When modification of product realization influences the customers' requirements, the modification shall be informed to customers and confirmed by them.

7.2 Process Related to Customers

7.2.1 Confirmation Related to Product Requirements

Control Procedure Related to Customers is prepared to identify the customers' requirements, and these requirements include: Product requirements pointed by customers, including quality requirements of the product, delivery and service after delivery; Requirements which are not pointed by customers but needed by known intention to use or special uses; Duty or promise related to the product, including regulations, laws and requirements specified in codes; Any additional requirements confirmed by the company.

7.2.2 Review Related to Product Requirements

Control Procedure Related to Customers is prepared to identify the customers' requirements and review together with other requirements of the company; the review must be finished before the customers promise to accept the contract. The review content includes: Confirm that the product requirements have been defined or described; Confirm that these requirements have been confirmed and recorded when customers' requirements are not stated in writing; Confirm that any different requirement in the contract has been handled; Record the reviewed results and the following tracking activities; When the product requirements are changed, the company must confirm that the relevant documents have been revised; Confirm that the relevant personnel or department obtain the information and requirements after changed.

7.2.3 Customer Communication Control

Procedure Related to Customers is prepared to implement the requirements after communicating with customers; the communication includes: Product information; - Contract processing and contract modifications. Customer feedback, customer complaints, etc.

7.3 Design & Development

7.3.1 Design and Development planning. To set up «Design & Development management procedure to plan and control product design and development. When we are making design and development planning, need to set up below:

A. R&D stage
B. Evaluation, validation and verification for R&D stage

C. Responsibility and authority. Manage the interfaces between different groups which take part in the R&D, make sure effective communication and clear division of duties. Output should be updated during the R&D.

7.3.2 Design and development inputs

Make sure have related inputs for the product and keep a record, inputs include below:
a. Function and performance
b. Provide similar design information;
c. Other necessary requirements for R&D; evaluate these inputs to make sure of their sufficiency and suitability. Requirements should be complete, clear and contradiction is not allowed.

7.3. Design and development output

Design and development outputs should be able to validate the inputs and should be approved before release. Outputs include below:
a. Meet the inputs requirements;
b. provide suitable information for purchasing, manufacture and service.
c. Acceptance standard including;
d. Specify the necessary features for the safety and normal use.

7.3.4 R&D Review

R&D review for the new project:
a. Evaluate the ability for design and development.
b. Find out any questions and provide solution; review members should include the represents for related responsibility on R&D stage.

7.3.5 R&D validation

In order to make sure R&D outputs can meet the requirements for the inputs, need to do validation, and keep the results record.

7.3.6 R&D verification

In order to make sure the product can meet the specification, should make a plan for verification, and this should be finished before delivery, and keep the results.

7.3.7 R&D change control

Need to keep a record for the R&D change. And need to do some review, validation and verification for the change, and be approved before release. Review of engineering change should include the impact for each part of product and delivered product need to record the review results.

7.4 Purchase

Purchase Control Procedure is prepared by the company to evaluate, select and control the purchase parties and make sure that the purchased products meet the specified requirements.

7.4.1 Purchase Process

Purchase Control Procedure is prepared to make sure that the purchased materials can meet the specified requirements; the management focuses on:

A. Purchase shall be based on proper quality, proper amount, proper time and proper places, and shall handle according to specified authorization.

B. The Purchase Department shall establish and maintain the documents procedure to ensure that the purchased products meet the requirements of product quality.
C. Purchase document data must be clear, including drawings, specifications, quantity, quality requirements, etc.
D. Evaluate the ability of suppliers, later select, and then create the method for managing and reviewing suppliers.
E. Store the produced records.

7.4.2 Purchase Information: Purchase information usually includes purchase documents and purchase list, such as purchase plan, purchase contract (agreement), etc. Purchase information shall describe the names, specifications, quantity, acceptance principles and so on of the purchased products (outsourced products), as applicable, further include: Approving requirements of products, procedures, processes and equipment; Requirements of personnel qualification; Requirements of quality system. Purchase contract shall be reported to the general manager for approval after reviewed by the person in charge of the department. Before communicating with suppliers, the specified purchase requirements must be sufficient and appropriate.

7.343 Verification of Purchased Products

7.4.3.1 The Quality Department shall verify the purchased product, and execute the relevant regulations specified in Product Monitoring and Measurement Management Procedure.

7.4.3.2 When company's production and delivery are seriously influenced by unqualified supply, the Project Department shall propose to verify the goods supply places (suppliers) of the purchased products. The products passing through the on-site inspection are allowed to deliver to the company. When the company or company's customers propose to verify the purchased products on the suppliers' sites, the expectant verifying method and product issuing method shall be specified in purchase information documents (for example purchase)

7.5 Production and Service

Providing Production Operation Management Procedure and Identification and Traceability Management Procedure are prepared by the company to control the production process, product delivery and activities after delivery.

7.5.1 Control of Production and Service Providing. The control of the whole production process is planned by the company according to national standards and codes, industrial standards, relevant drawings and technological requirements; and the key links directly influencing the product quality shall be controlled focally. Formulate the production process document and the operating manual. Formulate the acceptance codes and inspection standards of the products; Inspect and finally inspect the production process; manage measuring instrument; relevant departments control the production process according to Production Operation Management Procedure to ensure that the activities before and after delivery can be implemented according to the specified methods.

7.5.2 Confirmation of Production and Service Process

The working procedures of which process output cannot be verified by the follow-up monitoring and measurement, the working procedures of which verifying method is complex or prices are very high and which could be verified by carrying out destructive test, and the working procedures of which problems are found out after production and service delivery, shall be proposed by the Production Department, and confirmed as ''special process'' by the Quality Department. The special process shall be monitored and controlled on sites, as applicable,

including Principles specified for review and approval of process; Confirm the operating codes and quality acceptance standards of the special process according to the relevant national laws, regulations and installation quality verifying standards, and issue them to the relevant department to implement;   Approval of equipment and verification of the personnel qualification; Special equipment or appliances shall be used in special processes, workers of special processes shall be specially trained and work with certificate. Use special methods and procedures; Operating Guide shall be prepared for the special processes, and technical training shall be carried out and records; Corresponding monitoring records of the special processes shall be filled.

7.5.3 Identification and Traceability

Identification and Traceability Management Procedure is prepared to ensure that the raw materials and the product can be identified and recorded in proper methods in each stage from production to delivery, the major abnormalities or customer complaints can be quickly tracked when happening, and the emergency measures can be taken timely.

A. Product state shall be identified to meet the measuring and monitoring requirements.
B. The product inspection state shall be clearly and effectively identified.
C. The unique identification of the product shall be controlled and recorded when requiring traceability.

7.5.4 Customer Property

A. Control Procedure Related to Customers shall be prepared to ensure that the quantity, the quality and the maintenance of the customer property can be properly controlled and managed when entering the factories, being taken out and being stored. Please timely contact with customers and obtain the records when any abnormality occurs.
B. The customer property for using or assembling the products shall be identified, verified, stored and maintained.

7.5.5 Production Protection

During the production realization and delivery process, the company shall take the following measures to ensure that the materials, half-finished products, finished products and equipment are properly transported, stored and protected and prevent the damages: Use proper suitable

transportation tools; Use proper packaging method to protect the materials, half-finished products and finished products; Package Code is prepared by our company to control the points above; the control shall completely include identification, transportation, package, storage and product protection.

7.6 Control of Monitoring and Measuring Equipment

Product Monitoring and Measurement Management Procedure is prepared to clarify the implemented measurement and the monitoring and measuring equipment required by the product and environment meeting the requirements; for the use and control of the monitoring and measuring equipment, the uncertainty of the measurement has been known and the same as the measurement ability required. When necessary, the measuring and monitoring equipment shall be: Corrected and adjusted within the specified cycle or before use, wherein this operation can be traced back to the national standards; - Perfectly protected to prevent failure caused by improper adjustment; Protected when transported, maintained and stored to prevent damages and degeneration; The correction records shall be controlled; When the correction fails, the former results must be evaluated, and the proper measures shall be properly taken; -

Adjusted and readjusted when necessary; Adjustment which can prevent the measurement results from invalidating.

7.7 Operation Control of Environment

7.7.1 Identification, Update and Review Management Procedure of Environmental Factors, Procedure for Applying Environment Influence Management on Related Parties and relevant working documents are formulated by the company; the activities, product or service process related to the important environmental factors shall be ensured, and their operation situations shall be controlled.

7.7.2 For the positions related to the activities of the important environmental factors, strictly implement according to the relevant procedure documents and working documents.

7.7.3 The used product and service, the company informs the related parties influencing the company's environment according to the requirements specified in Procedure for Applying Environment Influence Management on Related Parties.

7.7.4 The equipment shall be maintained to ensure the normal operation of the equipment.

7.8 Emergency Preparedness and Response

7.8.1 Emergency Preparedness and Response Management Procedure is prepared by the company to confirm the potential accidents or emergency situations, adopt the corresponding measures to control, prevent or reduce the possible environment influence and the caused diseases and injuries.

7.8.2 Relevant departments shall periodically patrol the potential environment hazards of jurisdictions, such as explosion resistance, leakage resistance and fire resistance, or the emergency situations; and it shall do the prevention control work well, and implements the appliances and tools required.

7.8.3 After accidents, the Management Department and the relevant departments shall investigate the accidents and report the relevant handling results to the relevant responsible department and personnel.

7.8.4 After the accidents, the relevant contingency plan as well as the portability and effect of the procedures shall be evaluated and updated timely.

7.9 Related Procedures

7.9.1 Control Procedure Related to Customers

7.9.2 Purchase Control Procedure

7.9.3 Warehouse Management Procedure

7.9.4 Production Operation Management Procedure

7.9.5 Identification and Traceability Management Procedure

7.9.6 Emergency Preparedness and Response Management Procedure

7.9.7 Package Code

7.9.8 Identification, Update and Review Management Procedure of Environmental Factors

7.9.9 Procedure for Applying Environment Influence Management on Related Parties.

SECTION 8: OVERVIEW

8.1 Overview

In order to guarantee the conformance of product quality and the continuous improvement of the management system process, the company specifies, plans and implements the monitoring and measurement activities required. When planning, the statistical techniques, the need and application degree of other applicable method are specified, including: Verify the conformance of product quality; make sure the effectiveness of the quality/environment management system; Continuously improve the effectiveness of the quality/environment management system;

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

Control Procedure Related to Customers is prepared and implemented by the company. The Project Department of the company is responsible for collecting, analyzing and transferring the information of customer satisfaction and dissatisfaction, adopting the information as a measurement of the effectiveness of the company's quality/environment management system, and make full use of them.

8.2.2 Inner Review

Inner review shall be carried out periodically to make sure of the company's quality/environment management system: Meet the arrangement of the plan; GB/T19001-2008、GB/T24001-2004; Meet the requirements specified in standards GB/T19001-2008 and GB/T24001-2004; Meet the requirements specified in company's management manual, procedure documents, applicable laws and regulations; Be effectively implemented and kept. The Inner Review Control Procedure is established and implemented by the company, the management representative to create the review plan and considers review activities, the current situations and importance degree of the reviewed area, and the former review results. The purpose, scope, principle, frequency and method of the review shall be specified, and the independence of the internal reviewers shall be kept. The leaders and the person in charge of departments shall make sure of timely verifying and reporting the implementation situations and the actual effect of the correction measures.

8.2.3 Monitoring and Measurement of Process and Environment

8.2.3.1 Monitoring and Measurement of Process.

 In order to ensure that each process of the quality/environment management system can achieve the planning results, the company monitors each process by using the methods for monitoring the customer satisfaction information, internally reviewing the system, verifying the product and using the way of management review. When the monitoring and measuring results reflect that the process cannot achieve the expected results, causes shall be found out by a manner of analyzing the data. The process output which does not meet the requirements shall be effectively handled in a manner of correcting the activities, and then the causes for disqualification during the process operation shall be solved by taking the corrective measures so that the disqualification does not happen again.

8.2.3 Monitoring and Measurement of Environment

A. The company monitors and measures the environment, the Management Department of the company centralizes the management, and each department coordinates. Performance measurement and monitoring shall be carried out for the key technical parameters in the activities relevant to the important environmental factors; the conformance degree of relevant laws and the realization degree of the goals and indexes shall be evaluated. The inspection items and indexes shall be set according to relevant laws, regulations or standards and the actual situations of the company.

B. The technician who has the special qualification in the Management Department or the units with the special qualification shall periodically monitor, evaluate and verify the conformance of the applicable laws, regulations, standards and the company's environment management scheme. The evaluation records shall be stored in the Management Department and the unit to be inspected.

C. When the monitoring and measuring results exceed the preset parameter requirements, retest shall be carried out immediately. If the results still exceed the relevant preset parameter requirements, the Management Department shall organize the relevant departments to take the necessary measures.

D. The monitoring and measuring equipment, the inspection and use requirements of the equipment shall follow the relevant regulations specified in Control Procedure of Monitoring and Measuring Equipment.

8.2.4 Monitoring and Measurement of Product

Product Monitoring and Measurement Management Procedure is prepared to specify the inspection flow and methods of the product, and the main content includes:
   A. The Quality Department shall inspect the various kinds of raw materials according to the requirements specified in relevant inspection standards. Only the articles which are qualified or accepted by concession can be stored in warehouses.
   B. For the raw materials which cannot be inspected by the company, suppliers shall provide the corresponding inspection reports or convey them to the Production Department to trial-produce and adopt them as the inspection judgment basis.
   C. The produced finished-products inspected by the Production Department according to the specified requirements, and the qualified products are allowed to deliver to the customer.
   D. After inspection or verification, the inspection reports of the products take effect after approved by relevant responsible person.
   E. The half-finished products and the finished-products which pass through the inspection flow specified by relevant documents are allowed to enter the next working procedure or store and deliver to customers. The products which do not pass through the relevant inspection flow cannot enter the next working procedure or cannot be stored and delivered to customers by using the emergency release method.

8.3 Control of Non-Conforming Product

Non-conforming Product Management Procedure is established and implemented, the Quality Department of the company shall centralize and manage the non-conforming products, and the Production Department and the Engineering Product shall implement specifically.

8.3.1. The purpose to control the non-conforming products is to prevent the unintended use and delivery of the non-conforming products.

8.3.2 Control content of non-conforming products. Identification: identify immediately after the inspectors judge the non-conforming products to conveniently recognize; Insulation:

immediately (when necessary) insulate and store the non-conforming products, and identify; Review: the deputy general manager reviews and decides the handling scheme of the ordinary non-conforming products; the deputy general manager reviews the serious non-conforming products, reports to the general manager to review and decide the handling scheme; Handling: warehouses handle and record the non-conforming products during the process according to the handling scheme decided by reviewing; Verification: the Quality Department is responsible for supervising and urging the handling situations of the non-conforming products (items) implemented by the inspection units; if the non-conforming products are needed to rework or repair, the Quality Department shall inspect and record again after rework and repair.

8.3.3 Handling Scheme of Non-conforming Products

The non-conforming products among the purchased products and other incoming products shall be changed or returned by the Project Department. The quality of the replacement of the product shall be inspected according to the regulations specified in Product Monitoring and Measurement Management Procedure. Handling scheme of the non-conforming products during the production process includes:

- Rework;
- Repair;
- Acceptance by concession (won't be repaired)
- Acceptance on deviation
- Scrap.

Note: the acceptance by concession of the non-conforming products shall be approved (signed) by the company's general manager.

8.4 Data Analysis

8.4.1 Data Analysis Control Procedure is established and implemented by the company, proper data shall be carefully collected and managed by using suitable method (including use of statistical techniques) so as to conveniently and internally communicate, verify the suitability and effectiveness of the quality/environment system, and seek the improving chance.

8.4.2 The management representative analyzes the data in stages once every half a year, each relevant department analyzes the business data within the responsibility scope once a month to get prepared for the company's data analysis. The following information shall be provided: Customer satisfaction (see article ''8.2.1'' Conformance of product requirements (see article

''8.2.1''); Characteristics and tendency of process and product, including chance for taking the prevention measures; Information of environment monitoring and measurement; Information of suppliers, etc.

8.5 Improvement

8.5.1 Continuous Improvement

8.5.1. The company prepares the quality/environment policies, confirms the quality/environment goals, indexes and management plan, and continuously improves the effectiveness of the quality/environment management system.

8.5.1. The management representative shall organize the plan work of the continuous improvement according to the ideas of the general manager; and the ability to meet the requirements is continuously improved according to the specific improvement process organized by the Management Department. The improvement focuses on improving the properties of the product and the process effectiveness of the company's quality/environment management system. The improving methods include the daily progressive improvement activities and the breakthrough improvement items. Create an incentive improved atmosphere and environment by establishing and implementing the company's quality/environment policies; Confirm the quality/environment goals, indexes and management scheme to clarify the improving direction; Continuously seek the improvement chance by data analysis and internal review, and properly arrange the improvement activities; Implement correction measures, prevention measures, emergency preparation, response, etc. Evaluate the improvement effect in the management review, ensure the decision of new goals and improvement.

8.5.2 Correction Measures

Take proper measures for the existing disqualified causes to prevent the disqualification.

8.5.2.1 Chance for Implementing Correction Measures: When disqualification (inconformity) is found out in internal and external review; When serious non-conforming products are found out or the same kinds of ordinary non-conforming products are continuously found out during the monitoring and measuring process. When the environmental behaviors do not meet the requirements during the monitoring and measuring process (when environment is polluted); - When a customer complains or continuously complains of the same problems; When the same

suppliers have supply or service quality problem; Improving measures decided in management review; When other quality/environment policies, indexes or management system document are not met.

8.5.2.2 Implementation of Correction Measures When finding out inconformity (inconformity includes inconformity during the operation of quality system, serous inconformity of the product, customer complaints, inconformity of environmental behavior or occurrence of accidents), each department shall send the implement notification of the correction measures to the responsible department, supervises and urges the inspection and verification according to the implementation situations. Implementation process of correction measures includes:

8.5 Timely identify the inconformity, including the inconformity listed in article "8.5.2.1"; Confirm the causes of inconformity by investigating and analyzing; Evaluate the measures and requirements for ensuring that the inconformity cannot occur again; Conform and implement the correction measures required; Track and record the results of correction measures; Evaluate the effectiveness of the correction measures. The permanent modification of the productive improvement shall follow the relevant regulations specified in Document and Record Control Procedure. If the correction measures invalidate, the former processes shall be repeated until that the correction measures take effect.

8.5.3 Prevention Measures

8.5.3.1 Confirm the prevention measures to eliminate the causes of inconformity and prevent the potential inconformity. Make sure that the prevention measures confirmed adapt to the influence of the potential problems.

8.5.3.2 Each department shall transfer the potential inconformity information (indication) to the Management Department when found out, and execute the relevant regulations specified in Data Analysis Control Procedure. The Management Department shall analyze the potential inconformity information, send the notification to implement the prevention measures, divide the work according to the business of the department, and track and verify the implementation situations of the prevention measures. Process for implementing the correction includes: Confirm the potential inconformity and its causes; Evaluate the measures and requirements for preventing the inconformity; Confirm and implement the measures required; Record the results of the prevention measures taken; Review (verify) the prevention measures taken; Refer to Control Procedure of Correction and Prevention Measures established and implemented by the company for more implementation details of continuous improvement.

8.5.4 Inconformity, Correction and Prevention Measures of Environment Control Procedure of Correction and Prevention Measures is prepared and implemented by the company to eliminate and prevent the inconformity factors and make sure that the environment management system can be effectively operation. Specify the proposing change and use records of the correction and prevention measures. Analyze the serous internal and external environmental complaints and save the relevant records. Make sure that any correction or prevention measure which is intended to eliminate the actual and potential environment inconformity adapt to the severity of the problems and the concomitant environment influence. The leader of the internal review group shall track the effect of the correction and prevention measures of the inconformity in the internal review, and the management representative shall confirm the improvement effect. Submit the results of the correction and prevention measures to the management review meeting to confirm. The modification of the procedure documents caused by the correction and prevention measures shall be implemented and recorded according to Document Control Procedure.

8.6 Rated Documents

8.6.1 Control Procedure Related to Customers 8.6.2 Inner Review Control Procedure
8.6.3 Product Monitoring and Measurement Management Procedure
8.6.4 Non-conforming Product Management Procedure
8.6.5 Data Analysis Control Procedure
8.6.6 Control Procedure of Correction and Prevention

No.	Document Name	Document No.	Remarks
	Management Manual	CM-MK-00	
1	Management Manual	CM-MK-00	
2	Document and Record Control Procedure	CM-MK-01	
3	Inner Review Control Procedure	CM-MK-02	
4	Management Review Procedure	CM-MK-03	
5	Product Monitoring and Measurement Management Procedure	CM-MQ-01	
6	Non-conforming Product Management Procedure	CM-MQ-02	
7	Control Procedure of Correction and Prevention	CM-MQ-03	
16	Computer Operation Management Procedure	CM-MA-04	
17	Identification and Traceability Management Procedure	CM-MQ-05	
18	Identification, Update and Review Management Procedure of Environmental Factors	CM/EP 17-2010	
19	Management Procedures for Laws, Regulations and Other Requirements	CM/EP 18-2010	
20	Information exchange Management Procedure	CM/EP 19-2010	
21	Emergency Preparedness and Response Management Procedure	CM/EP 20-2010	
22	Conformance Evaluation Management Procedure	CM/EP 21-2010	
23	Waste Management Procedure	CM/EP 22-2010	
24	Energy-saving Resource Management Procedure	CM/EP 23-2010	
25	Procedure for Applying Environment Influence Management on Related Parties	CM/EP 24-2010	
26	Management Procedure of New, Reconstruction and Expansion Project	CM/EP 25-2010	
27	Environment Monitoring and Measuring Procedure	CM/EP 26-2010	