

BUREAU VERITAS Certified Supplier



Production Assessment Report

Presented to

1st Sunflower Renewable Energy Co., Ltd.

常州尚兰新能源有限公司

Gold Supplier & Assessed Company Relationship:	<input checked="" type="checkbox"/> Wholly Owned <input type="checkbox"/> Shareholder/Partner <input type="checkbox"/> Capacity Contract
Company Address:	No. 1, Hongxi Road, Niutang Industrial District, Changzhou City, Jiangsu Province, China 213163
City / Country:	Changzhou, China
Consigner of Assessment:	Alibaba
Gold Supplier Member ID:	cncjsolar
Gold Supplier Company Name:	1 st Sunflower Renewable Energy Co., Ltd.
Contact Person:	Ms. Lucia Zhang
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Service provided by Bureau Veritas Certification

Report No.: 201003300008220_1-P





Note: All the dates in the report are written in accordance with date/month abbr./year.

Report Number:	201003300008220_1-P	Assessment Type:	Production Assessment
Date of Assessment:	9/April/2010	Report Date:	9/April/2010
Assessor's Name:	Shuibing Chen	Validity Period:	10/April/2010 -- 9/April/2011
Reviewed By:	Allan Liu	Online Verification:	www.bv-certification.com.cn

Important Notes:

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Contents

Section 1: Company Overview 4

 1.1 Legal Validity 4

 1.2 Company Building Information..... 4

Section 2: Human Resources 5

 2.1 Company Chart 5

 2.2 Employee Headcount..... 5

 2.3 Management 5

Section 3: Production Capacity..... 6

 3.1 Annual Production Capacity (Previous Year)..... 6

 3.2 Production Capacity 6

 3.3 Production Machinery..... 6

 3.4 Testing Machinery..... 7

 3.5 Subcontractors..... 7

Section 4: Quality Assurance 7

 4.1 Quality Management System Certification 7

 4.2 Product Certification..... 7

Section 5: Production Process Management..... 10

Section 6: R & D Capacity 11

 6.1 Current Situation 11

Section 7: Company Development / Expansion Plans 12

Section 8: Production Flow..... 13

Section 9: Certification & Photos 14

Section 10: Company and Product Samples..... 16

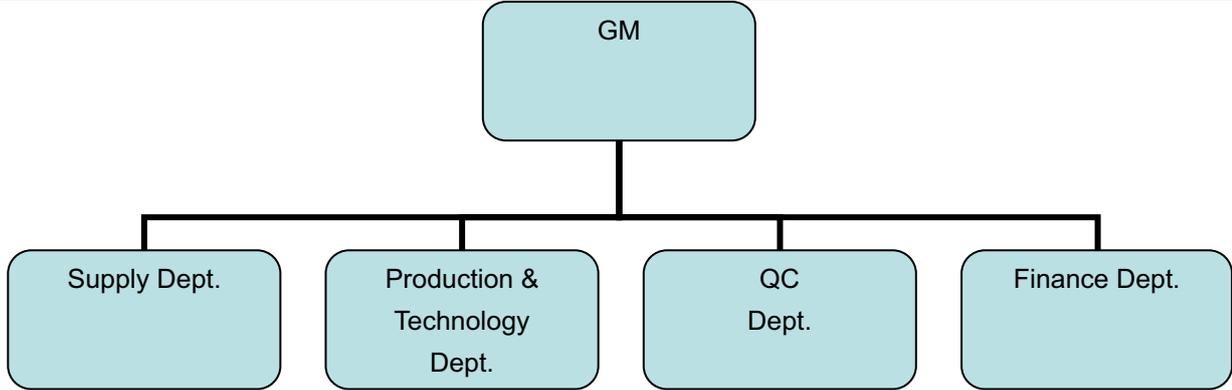
Report No:	201003300008220_1-P	Report date:	9/April/2010	Assessed By	Shuibing Chen	
CONFIDENTIAL		All Rights Reserved			Page No:	3 of 18



Section 1: Company Overview

Company Overview			
1.1 Legal Validity			
Does the company have a valid business license?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Business License Number:	320404000080546
Year Established:	9/May/2010	Validity Period:	9/May/2010 -- 9/May/2018
Registered Address:	No. 1, Hongxi Road, Niutang Industrial District, Changzhou City, Jiangsu Province, China 213163		
Company Address:	No. 1, Hongxi Road, Niutang Industrial District, Changzhou City, Jiangsu Province, China 213163		
Annual review conducted by the Industrial & Commercial Bureau?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reviewed By:	Changzhou City Wujin Industrial & Commercial Bureau
Registered Capital:	RMB 600,000.00		
Corporate Representative:	Ms. Lucia Zhang		
Industry:	House Appliance		
Business Type:	<input checked="" type="checkbox"/> Manufacturer <input type="checkbox"/> Trading Company <input type="checkbox"/> Combined		
Type of Ownership:	<input checked="" type="checkbox"/> Private Owner <input type="checkbox"/> Public Company <input type="checkbox"/> Joint Venture <input type="checkbox"/> Stated Owned <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other		
Products Manufactured:	Solar Water Heater		
1.2 Company Building Information			
Certification Type: <input type="checkbox"/> Land Certification <input type="checkbox"/> Real Estate Certification <input checked="" type="checkbox"/> Lease Agreement <input type="checkbox"/> Factory Officer Claimed Total Land Size: <u>4500 m²</u> Number of Building(s) : <u>3</u>			

Section 2: Human Resources

Human Resources				
2.1 Company Chart				
 <pre> graph TD GM[GM] --- SD[Supply Dept.] GM --- PT[Production & Technology Dept.] GM --- QC[QC Dept.] GM --- FD[Finance Dept.] </pre>				
2.2 Employee Headcount				
Department Name	Full Time Employee(s)	Part-Time Employee(s)	Total	
GM	1	0	1	
Supply Dept.	3	0	3	
Production & Technology Dept.	23	0	23	
QC Dept.	2	0	2	
Finance Dept.	2	0	2	
Total Number:	31	0	31	
2.3 Management				
Department	Name	Title	Education	Year(s) in Current Company
GM	Ms. Lucia Zhang	GM	University graduate	4.1
Supply Dept.	Ms. Lumin Zhang	Dept. Manager	Junior college graduate	4.1
Production & Technology Dept.	Mr. Dong Xu	Dept. Manager	University graduate	1
QC Dept.	Mr. Lianxiang Ma	Dept. Manager	University graduate	4



Finance Dept.	Ms. Lumin Zhang	Dept. Manager	Junior college graduate	4.1
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Section 3: Production Capacity

Production Capacity				
3.1 Annual Production Capacity (Previous Year)				
Solar Water Heater: 22,000 SETS being approximately USD 2,000,000.00 (parts of products were sold by self-owned trading company -- Sunline International Trading Co., Ltd., others were exported by some domestic trading companies).				
3.2 Production Capacity				
Product Name	Production Line Capacity	Actual Units Produced (Previous Year)		
Solar Water Heater	40,000 SETS	22,000 SETS		
3.3 Production Machinery				
Machine Name	Brand & Model No.	Quantity	Number of Year(s) Used	Condition
Straight welder	FN-	1	2	Acceptable
Girth welder	FN-	1	2	Acceptable
Pneumatic grooving machine	Not available	1	2	Acceptable
Pneumatic nozzle machine	Not available	1	2	Acceptable
Folding tenon machine	Not available	1	2	Acceptable
Pressure tenon machine	YS-	1	2	Acceptable
Single-head shut machine	Not available	1	2	Acceptable
Press machine J21S-16	J21S-16	2	1, 2	Acceptable
Press machine J23-16B	J23-16B	2	1, 2	Acceptable
Electric shears	J3G3-400	1	2	Acceptable
Shears	4910	1	2	Acceptable
Bending machine	WC67Y-40/2500	1	2	Acceptable
Bench drill	Z516-1A	2	1, 2	Acceptable
Hydraulic pallet truck	Not available	1	2	Acceptable

30 Hole drilling	Not available	1	2	Acceptable
Necking machine	Not available	1	2	Acceptable
3.4 Testing Machinery				
Machine Name	Brand & Model No.	Quantity	Number of Year(s) Used	Condition
Scale	TGT-1000A	1	2	Calibrated
Electronic scale	ACS-30/58	1	2	Calibrated
Micrometer	F463	1	2	Calibrated
Calipers	0-200	1	2	Calibrated
Calipers	0-300	1	2	Calibrated
Tape measure	SM-088	1	2	Calibrated
Pressure gauge	0-2.5 Mpa	1	2	Calibrated
3.5 Subcontractors				
Subcontractor Name	Product Subcontracted	Volume Supplied	Cooperation Period (Years)	
N/A	N/A	N/A	N/A	

Section 4: Quality Assurance

Quality Management System and Product Certification						
4.1 Quality Management System Certification						
Certification	Certified By	Certificate No.	Business Scope	Expiry Date		
ISO9001:2008	Beijing United Intelligence Certification Co., Ltd. AB: CNAS	04308Q22321R0 S	Production and service of solar water heater and solar fittings (water tank, frame).	11/Dec./2008 -- 10/Dec./2011		
4.2 Product Certification						
Report No:	201003300008220_1-P	Report date:	9/April/2010	Assessed By	Shuibing Chen	
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Certification	Certified By	Certificate No.	Product Name & Model No.	Expiry Date
Certificate of Conformity Against EN 55014-1:2000+A1:2001+A2:2002, EN55014-2:1997+A1:2001 EN61000-3-2:2000 +A2:2005, EN61000-3-3:1995 +A1:2001+A2:2005	ETS PRODUCT SERVICE AG	T3R20709-0059	SF	15/Oct./2007 -- 31/Dec./2049

4.3 Quality Control Management

	Content	Observations /Comments
4.3.1	Is there quality control on all production lines?	<input checked="" type="checkbox"/> Yes, all production lines have adequate quality control <input type="checkbox"/> Yes, some production lines have adequate quality control <input type="checkbox"/> No
4.3.2	Do the QA/QC inspectors work independently from the production line?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.3.3	Who does the QC/QA Manager /Supervisor report to?	GM Ms. Lucia Zhang
4.3.4	How many QA/QC inspectors in total?	2

No. of Employees in Each Production Line:

Production Line	Supervisor	No. of Operators	No. of In-line QC/QA
SFA line	0.5	11	1
SFB line	0.5	11	1

4.4 Supplier Management

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

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

4.5 After Sales Service

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

Section 5: Production Process Management

Section 5: Quality Control Management		
	Content	Observations /Comments
5.1	Is the factory tidy and clean enough for production?	<input type="checkbox"/> Yes, very good <input checked="" type="checkbox"/> Yes, acceptable <input type="checkbox"/> No, needs improvement <input type="checkbox"/> No, very poor
5.2	Are the following items /documents provided at the appropriate location?	<input checked="" type="checkbox"/> Work Instructions <input type="checkbox"/> Approved sample <input type="checkbox"/> Product picture <input type="checkbox"/> No the above-mentioned was not available.
5.3	Are written instructions available for onsite material inspection/testing? Are the relevant records maintained?	<input checked="" type="checkbox"/> Yes, with clear written instructions and records <input type="checkbox"/> Yes, with written instructions but no records <input type="checkbox"/> Yes, with records but no written instructions <input type="checkbox"/> No
5.4	Are written inspection/testing instructions available for finished products? Are the relevant records maintained?	<input checked="" type="checkbox"/> Yes, with clear written instructions and records <input type="checkbox"/> Yes, with written instructions but no records <input type="checkbox"/> Yes, with records but no written instructions <input type="checkbox"/> No
5.5	How are finished products inspected?	<input type="checkbox"/> 100% of products with detailed inspection <input checked="" type="checkbox"/> Random inspection <input type="checkbox"/> No inspection
5.6	Are units that failed inspection clearly marked and separated to prevent accidental dispatch?	<input checked="" type="checkbox"/> Yes, the units are separated and marked clearly <input type="checkbox"/> Yes, the units are separated but not marked clearly <input type="checkbox"/> No
5.7	How are finished products that failed inspection handled?	<input type="checkbox"/> Repaired and re-inspected <input checked="" type="checkbox"/> Thrown away <input type="checkbox"/> No inspection necessary

Section 6: R & D Capacity

R&D Capacity				
6.1 Current Situation				
There is/are <u> 2 </u> R&D Engineer(s) in the company.				
Education Level	Headcount		Work Experience	Headcount
Doctorate	0		Over 30 Years	0
Post-Graduate	0		21-30 Years	0
Graduate	2		11-20 Years	0
Junior College	0		6-10 Years	0
Technical School	0		2-5 Years	2
High School	0		Less than 2 years	0
List of successful project(s) (Example: Patented products):		N/A		
Does the company have its own brand?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please specify:		Soflower		
Does the company provide ODM service for others?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there relevant design input/output, review, and verification documents available for the assessment company?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Based on inspection, are R & D employees equipped with adequate specialized equipment?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, please list all key equipment used:		N/A		
Do R & D employees use any specific software for designing new products?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please list the main software used:		AUTO CAD, Pro.E		
Please list all certifications and/or qualifications of the R & D department:		N/A		

Section 7: Company Development / Expansion Plans

Company Development / Expansion Plans		
	Company Development Action	Timeframe
1	To increase the market share.	2 years
2	To enlarge the factory shop size.	2 years
3	To reinforce R&D strength.	2 years

Section 8: Production Flow

Production Flow					
No	Production Process	No	Production Process	No	Production Process
1	 Automatic foaming machine	2	 Plate shearing machine	3	 Bending machine
4	 Automatic drilling machine	5	 Automatic flanging machine	6	 Full automatic welding machine
7	 Automatic necking machine	8	 Automatic welding machine	9	 Numerical Control flanging
10	 Punching machine	11	 Pressure testing machine	12	 Automatic pressure muscle

Section 9: Certification & Photos

Certification	
Certification & Photos -- Business License (Original)	Certification & Photos -- Business License (Duplicate) with Certificate or Records of Annual Inspection
Certification & Photos -- Tax Registration Certificate	Certification & Photos -- Permit for Opening Bank Account
Certification & Photos -- Organization Code Certificate	Certification & Photos -- Custom Clearance Registration Form



Certification & Photos -- Import and Export Enterprise Registration



Certification & Photos



Certification & Photos



Certification & Photos



Section 10: Company and Product Samples

Company and Product Samples	
Company Gate	Office
	
Workshop	Workshop
	
Product Sample	Product Sample



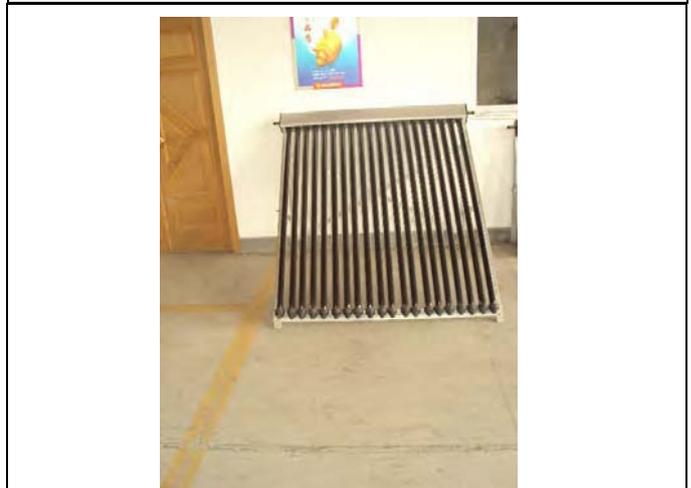
Product Sample



Product Sample



Product Sample



Product Sample



Product Sample



Product Sample



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Report No:	201003300008220_1-P	Report date:	9/April/2010	Assessed By	Shuibing Chen	
CONFIDENTIAL		All Rights Reserved			Page No:	18 of 18