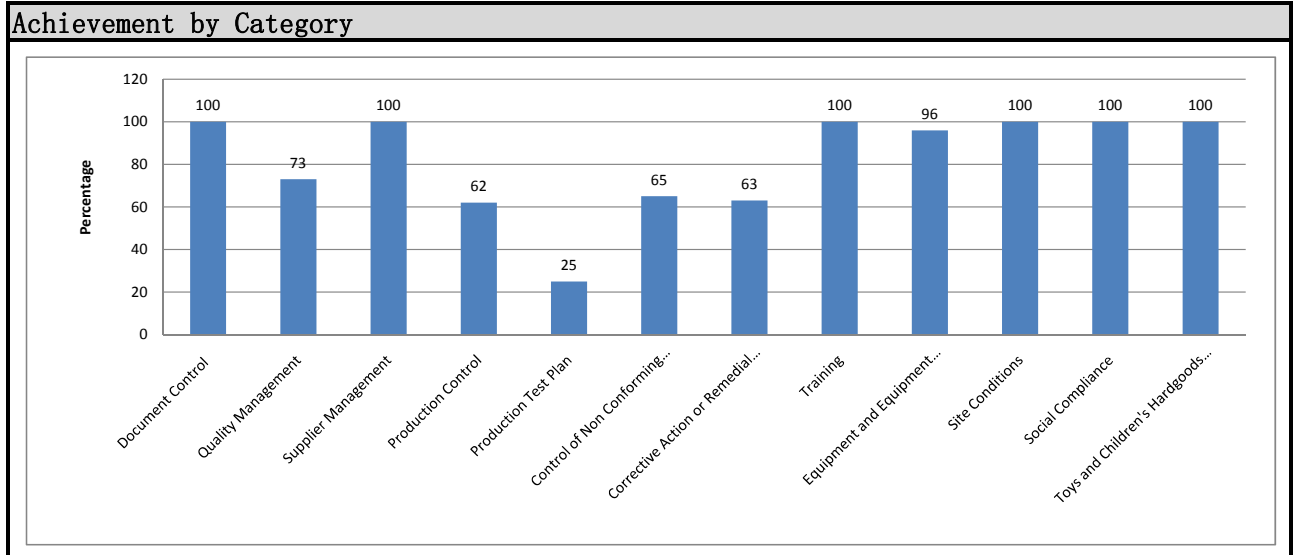


Factory Evaluation Corrective Action Plan

| | |
|------------------------------|--|
| Score and/or Grade | 77.74 - Yellow (Proceed with Caution) |
| Assignment ID | 974493 |
| Reason for evaluation | Annual |
| Department Number | 234 , 81 |
| Factory ID | 16827956 |
| Factory Name | zhejiang tianhai paper co., ltd |
| Address Line 1 | NO. 5 Huimin Str. Shuige Industry Park |
| Address Line 2 | |
| City | Lishui |
| State/province | Zhejiang |
| Country | |
| Zip/Postal Code | |

| | | |
|-------------------------------------|--------------------|----------------------|
| TCPS Evaluator Name | Title | Date of Audit |
| Vincent Lin | Senior MT | March 09, 2012 |
| Factory General Manager Name | Title | Date of Audit |
| Chen Shanshan | HR Assistant | March 09, 2012 |
| Wu Weizhao | Production Manager | March 09, 2012 |



| Highest Priority | | | |
|---|-------------------------|--------------------|----------------------------------|
| Quality Management | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Are daily or weekly quality goals and actual performance results posted on the factory floor? | | | |
| Production Control | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Are product test requirements and results reviewed prior to production or at the pre-production meeting and is this documented in the meeting | | | |
| Is the identification of raw materials and components adequate to ensure traceability ? | | | |

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|--|------------------------------------|---------------------------|---|
| Is traceability available from source of raw material and components thru finished product? | | | |
| Are final products suitably marked on packaging and/or product to allow identification and traceability? | | | |
| Are there documented PRODUCTION instructions present at each production operation? | | | |
| Are there documented INLINE INSPECTION instructions at each inspection operation? | | | |
| Does the factory perform During Production (DUPRO) inspections to a standard AQL or acceptable statistical quality level that is equal to or tighter than Target's AQL? | | | |
| Does the factory perform Final Random Inspections (FRI) to a standard AQL or acceptable statistical quality level that is equal to or tighter than Target's AQL? | | | |
| Does the factory test the traceability system to ensure it works? | | | |
| Production Test Plan (PTP) | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Does the PTP meet Target minimum requirements? | | | |
| Is the PTP appropriate for the product and processes involved? | | | |
| Are there records to support the PTP is being executed as documented? | | | |
| Control of Non-Conforming Materials | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Are suspect and identified non-conforming materials, components and products clearly identified and segregated at all stages to prevent | | | |
| Does the factory have procedures to ensure that customers are notified immediately on issues of product safety or legality (non-compliance with any rule, ban, standard and regulation)? | | | |
| Corrective Action or Remedial Action Plans | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Does the corrective action system meet Target minimum requirements? | | | |
| Is there a process to follow-up on each corrective action to ensure execution and prevention of reoccurrence (closed loop)? | | | |

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|--|------------------------------------|---------------------------|---|
| Additional Opportunities | | | |
| Quality Management | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Do the ongoing QC meetings demonstrate measureable, continuous improvement? | | | |
| Corrective Action or Remedial Action Plans | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Does the factory management periodically review the corrective action (remedial action) system for effectiveness and adoption of preventative actions? | | | |
| Equipment and Equipment Maintenance | Root Cause & Resolution | Person Responsible | Implementation Date (MM/DD/YYYY) |
| Is an organized spare parts inventory kept on hand at the factory? | | | |