Certification Regulations

Scope:

This Certification Regulations apply to the TÜV SÜD Korea Ltd. Trading as TÜV Asia Pacific Ltd. TÜV SÜD Group. Specifically for the following companies:

Company	Web site
TÜV SÜD Taiwan	www.tuv-sud.tw
TÜV SÜD China Shanghai	www.tuv-sud.cn
TÜV SÜD China Guangzhou	www.tuv-sud.cn
TÜV SÜD PSB Philippines Inc.	www.tuv-sud.ph
TÜV SÜD Japan Ltd.	www.tuv-sud.jp
TÜV SÜD South Asia	www.tuv-sud.in
TÜV SÜD China Beijing	www.tuv-sud.cn
TÜV SÜD PSB (Thailand) Limited	www.tuv-sud.psb.co.th
TÜV SÜD PSB Vietnam Co., Ltd,	www.tuv-sud.com

Hereinafter solely and jointly referred to as TSC (TÜV SÜD Company).

The Certification Regulations apply to:

- the auditing and certification of management systems (hereinafter referred to as system)

These Certification Regulations apply under the legal system of the relevant Certification Body's location as appropriate for the requested service.

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Certification Regulations

1. General regulations

1.1 General

1.1.1 These Certification Regulations apply to audits procedures on basis of other appointments as well as all other certification activities carried out by TSC. The services offered by TSC also include information on normative requirements or approval procedures.

1.1.2 On issue of the first certificate, the client automatically becomes a TÜV SÜD certification-system partner and remains so for as long as at least one certificate is valid. A certificate only becomes valid after all financial and technical requirements in connection with the audit and system certification have been fulfilled. If a certificate is awarded subject to certain requirements, the certificate holder undertakes to satisfy these requirements within the defined deadlines.

1.1.3 Prior to placing an order, the client shall inform TSC of the name and relevant activities of any other organization which has already audited/certified or is in the process of auditing/certifying the same system in a similar way. With each order the client agrees to comply with the current version of these Certification Regulations as terms of the contract. Existing contractual relationships are governed by the respectively valid versions of these Certification Regulations.

1.1.4 The Certification Body of the relevant TSC evaluates the documents submitted by the auditors. It decides whether a certificate is to be issued and handles disagreements/appeals concerning certification via the appropriate procedure.

Appeals and Complaints shall be addressed directly to the Certification Bodies of the respective TSC. The Certification Bodies maintain documented procedures governing the “Client Complaints, Appeals & Distributes Handling”. A description of these procedures is made available to the public.

The Certification Body will forward complaints about certified clients within an appropriate period of time to the certified clients in question.

The client has a right to raise the appeal to Accreditation Body if the client has a complaints, appeals and disputes on TÜV’s certification works.

1.1.5 Certificates based on standards valid on the date of issue of the certificate.

Unless otherwise agreed in writing, the Certification Body only issues a certificate fulfills all certification-relevant legal requirements, applicable standards, and other certification-relevant criteria at the time of its issuance.

The time of placing the order or conclusion of the contract is irrelevant in this regard.

The holder must at all times associate the certificate with any annexes issued with it. The certificate (and any duplicate certificates) is not transferable and shall remain the property of TSC.

1.1.6 The client shall ensure that auditors/representatives of the respective authorities (e.g. regulatory appointment body, accreditation body or certification scheme owner) are entitled to participate in so called observed and witness audits on the business premises of the client/manufacturer and/or their subcontractor/supplier.

1.1.7 Where on-site activities (e. g. audits) conducted by TÜV SÜD personnel require personal protective equipment, TÜV SÜD and the client shall agree upon supply of such in advance of any visit.

1.1.8 If a hard copy of a audit report is produced in addition to a computer copy, the hard copy audit report represents the legally binding document.

1.1.9 Each certificate is subject to the existence of a valid certification contract/order.

The certification contract/ order in the certification-system may be terminated in whole or in part: if the individual contractual regulations, the respective guidelines/rules/procedures, or the guidelines/regulations of the Certification Bodies do not define other periods of notice.

I. by termination without cause
   - for system-certifications: with three (3) months notice to the next scheduled audit date (for the surveillance respectively the recertification audit) by the certificate holder or the TSC.

II. by termination for cause at the terminating party´s choice with or without notice, in particular (but not only) in case the certificate issued on the basis of the certification contract/ order may be withdrawn, revoked or restricted according to the following regulations in paragraphs 1-2.1 – 1-2.3.

Terminations have to be made in writing.
If the validity of a certificate ends – for whatever reason – the underlying certification contract/ order with respect to such certificate ends accordingly at the same time.

In case where the holder's last remaining certificate is no longer active, the membership of the holder in the certification-system of TÜV SÜD is suspended.

Any outstanding fees are still due. Any costs incurred for imminent surveillance or auditing of the certified system or product may still be billed.

The requirements of these Certification Regulations stay valid until three (3) years after the end of the certification contract/ order and/or in the case of expiration or withdrawal of a certificate the related part of the contract/order.

1.1.10 Should any individual provision of this Certification Regulations or any part of any provision be or become void or unenforceable, the validity of the remaining Certification Regulations hereof shall in no way be affected. In such case the void and/or unenforceable provisions shall be replaced by relative provisions coming as close as possible to the sense and spirit and purpose of the void and/or unenforceable provision.

1.2 Expiry, withdrawal or suspension of certificates

1.2.1 A certificate expires automatically or is deemed to be withdrawn if

1.2.1.1 the indicated period of validity expires;

1.2.1.2 the certificate holder becomes subject to bankruptcy laws or makes any arrangements with their creditors; or who has a receiver or administrator appointed for their business and the certificate holder does not inform in writing the relevant Certification Body.

1.2.1.3 the certificate holder discontinues the relevant business operations;

1.2.1.4 the legal requirements, the requirements of respective authorities (e.g. regulatory appointment body, accreditation body or certification scheme owner) or the codes of practice on which the certificate is based change, unless the certificate holder demonstrates, within a certain defined period, through repeat audit carried out by TÜV SÜD at the certificate holder's expense that the product or system is in line with the new requirements or the codes of practice;

1.2.1.5 the underlying (basic) certificate becomes invalid.

1.2.1.6 the certificate holder is obliged to withdraw the certified service from the market.

1.2.2 The Certification Body in the related TSC is entitled to withdraw or revoke a certificate at its own choice with or without notice if

1.2.2.1 further use of a certification mark/certificate is no longer justified, i.e. no longer meaningful within the market context or is prohibited by law; in such cases, TSC will provide an alternative mark, if possible;

1.2.2.2 misleading or unauthorized advertising is conducted, specifically in connection with certification marks or certificates, or certification marks or certificates are misused, or legal requirements not met when a product is marketed; or such misuse is tolerated by the certificate holder;

1.2.2.3 the certificate holder fails to pay outstanding invoices to TSC, despite receiving reminders to that effect. Failure to make partial payments may also lead to withdrawal of all certificates;

1.2.2.4 the certificate holder files for insolvency or similar proceedings or the opening of such proceeding is rejected for lack of assets;

1.2.2.5 the certificate holder violates these Certification Regulations and/or the related part of the business contract/order, unless such violation is due to isolated careless or insignificant acts.

TSC has the right but no obligation to give the certificate holder a respite to fix the violation;

1.2.2.6 the Certification Body forms the opinion that the certified product or system does not comply with the standard, or with any amended or new edition of the standard within the period of time allowed to the holder by the Certification Body to adapt the product or system, or that the holder has breached any of the conditions endorsed on the certificate;

1.2.2.7 the certificate holder makes untrue statements to TSC or withholds important facts from TSC relevant to the basis for the certification;

1.2.2.8 the certificate holder fails to comply with these Certification Regulations and/or a related part of the business contract/order (e.g. the relevant actual prices and fees) within 6 weeks after such amendments have come into effect or within 6 weeks after the certificate holder has had the possibility of taking note of them;

1.2.2.9 it comes out that the certificate holder did not fulfil the requirements for the

certificate issue right from the start.

1.2.3 In addition to the reasons noted in the above cases (1-2.1 and 1-2.2) certificates may with regards to time and content be restricted, or suspended.

1.2.4 The Certification Body of the related TSC is entitled to publish details of the expiry, withdrawal and suspension of a certificate. Continued advertising or other use of the certificate/mark or the name of TSC is prohibited in all such cases. A certificate that has expired, has been withdrawn, has been revoked shall be immediately returned to the Certification Body and/or destroyed upon the Certification Body's written request. License fees paid in advance shall not be reimbursed; those not yet been paid shall be paid in full.

1.2.5 Apart from cases of willful intention and gross negligence, TSC shall not be liable for any disadvantages arising for the client from non-issue, expiry, withdrawal or suspension of a certificate.

1.3 Advertising; publishing of certificates and certification marks; information

1.3.1 A certificate or mark referring to a management system may only be used to promote the system concerned.

This mark shall not be used on a product or product packaging seen by the consumer or in any other that may be interpreted as denoting product conformity. Also, it is not permit its marks to be applied to laboratory test, calibration or inspection reports, as such report are deemed to be products in this context.

The certificate holder is fully responsible for ensuring that statements concerning a certified system are used in a permissible manner.

- conforms to the requirements of the certification body when making reference to its certification status in communication media such as the internet, brochures or advertising, or other documents,
- does not make or permit any misleading statement regarding its certification,
- does not use or permit the use of a certification document or any part thereof in a misleading manner,
- upon suspension or withdrawal of its certification, discontinues its use of all advertising matter that contains a reference to certification, as directed by the certification body
- amends all advertising matter when the scope of certification has been reduced,
- does not allow reference to its management system certification to be used in such a way as to imply that the certification body certifies a product (including service) or process,
- does not imply that the certification applies to activities that are outside the scope of certification, and
- does not use its certification in such a manner that would bring the certification body and/or certification system into disrepute and lose public trust.

The certificate holder assumes full and complete responsibility for the use and the legitimacy of all statements concerning the issued certificate, certification mark or audit report about a certified system/product as well as for the correct application/publicity by their customers.

Audit reports prepared by TSC may only be quoted with their exact and complete wording, giving the date of issue. Use of the audit report prepared by TSC or the name of TSC for advertising purposes is in any case subject to prior written

approval.

1.3.2 TSC is entitled to publish the names of certificate holders and audited management systems and the like for consumer information and advertising purposes.

The Certification Body shall keep all other records about clients and certified products and systems confidential unless instructed to the contrary by a court or respective authority (e.g. regulatory appointment body, accreditation body or certification scheme owner). All employees of TSC and their agents are bound by confidentiality requirements to this effect.

1.3.3 Clients

1.3.3.1 shall comply with the requirements of the Certification Body with respect to referencing their certification status in communication media (e.g. Internet, brochures, advertising materials or other documents);

1.3.3.2 upon certificate suspension, expiry or withdrawal, shall discontinue use of their advertising materials containing reference to their certification status, in line with the instructions of the Certification Body;

1.3.3.3 shall amend all their advertising materials if their scopes of certification have been reduced;

1.3.3.4 shall not make or permit any misleading statements about their certifications;

1.3.3.5 shall not use any certification documentation or parts thereof in a misleading manner or permit such use;

1.3.3.6 shall not make or permit any reference to their management system certification which may imply product (including services) or process certification by the Certification Body (note: this includes laboratory test, calibration or inspection reports etc.);

1.3.3.7 shall not make or permit an implication that certification applies to activities outside the certification scope;

1.3.3.8 shall not use or permit use of their certifications in a manner discrediting the Certification Body and/or the certification scheme or jeopardizing public confidence.

1.4 Retention of documentation

System certification documentation shall be retained for the term of validity of the certificate plus one full certification cycles.

All other legal provisions going beyond the above shall remain unaffected.

Claims for damages against TÜV SÜD or TSC shall be excluded, in particular if the client fails or is unable to provide a document returned to or retained by him in an unchanged condition.

2. Special Regulations for management system auditing and certification

2.1 General

TSC carries out management system (hereinafter referred to as "system“) auditing and certification also in the regulated area.

The TSC does not perform consultancy services relating to management system establishment.

2.2 Preliminary system assessment, pre-audit

On request, TSC offers the following services which can also be independent of a certification procedure:

2.2.1 Based on management system documentation, improvement potential in the system description is pointed out in a preliminary assessment as compared with the requirements of the respective legal basis or standard. The client receives a report on the results of the assessment.

2.2.2 The aim of the pre-audit, the on-site and total scope of which is defined jointly with the client, is to draw attention to weak points in the system. The auditor informs the client of the results in a closing meeting; if requested, TSC prepares a pre-audit report. Only one (1) pre-audit may be carried out.

2.3 Certification procedure

2.3.1 Preparation

2.3.1.1 Informational meeting

At the client’s request, the following points can be discussed in advance:

- objective, benefits and prerequisites of certification
- steps in the certification procedure with respect to contents and time
- legal basis, standard governing the audit, audit scope
- cost estimate

2.3.1.2 Preparation for certification audit

After the client has accepted in writing the quotation submitted by TSC, the client’s management appoints an Audit Representative, who is responsible for the certification procedure; TSC informs the client of the auditors assigned to the audit (audit team or lead auditor). Requirements outlined in the applicable standards and regulations pertaining to unauthorized consultancy on the part of auditors are observed. The client has the right to reject auditors.

In addition and in as far as legal regulations as e.g. obligations to observe confidentiality do not stand in the way, clients can request appropriate background information on each member of the audit team.

2.3.2 Certification audit

An initial certification audit is carried out in (2) stages (stage 1 and stage 2 audit).

The client shall ensure that appropriate staff are available to answer questions; clients grant auditors access to the respective units of the company and allow them to review all system-relevant records.

2.3.2.1 Review and evaluation of management system documents / stage 1 audit

Clients provide the Certification Body with all management system documentation concerning their systems (manual and, if necessary, further documents such as documented procedures, work and test instructions) for review and assessment of compliance with the applicable Directives and Standards. If the system is already certified by another body to the same or an appropriate standard then the client shall include a copy of the certificate with any scoping information, and details of the findings of the previous audit.

The Certification Body reviews the management system documentation – to the extent required which may include an on site audit – the site-specific conditions of the client, the client's status and understanding of appropriate standard, statutory and legal requirements and their specific implementation in management system documentation.

Based on the results of the stage 1 audit, the Certification Body assesses whether the level of management system implementation is sufficient for conducting a stage 2 audit and plans the process and priorities of the stage 2 audit. The details of the stage 2 audit will be agreed with the client.

The Certification Body documents the findings of the stage 1 audit and notifies the client thereof, including information about areas of concern which may be classified as non-conformities in the stage 2 audit.

The interval agreed between the stage 1 and stage 2 audit, will give the client sufficient time to eliminate any identified areas of concern (weaknesses).

2.3.2.2 On-site certification audit / stage 2 audit

Prior to the stage 2 audit, clients receive the audit plan, which has been coordinated with them, for information purposes. During the audit, clients demonstrate practical implementation of their documented procedures, while the auditors check and evaluate system effectiveness on the basis of the agreed legal provisions, standards or other criteria.

After audit completion, TSC informs the client of the audit result in a closing meeting and an audit report. Nonconformity reports are countersigned by the Audit Representative. The client will document the required correction and corrective action. In the case of major nonconformity one (1) re-audit is possible; the costs being based on the time needed (current daily rate).

If nonconformities become evident during the audit that are so serious that certificate award appears unrealistic even after reasonable corrective action, TSC informs the client of the termination of the certification audit and recommends that the audit should be continued as a pre-audit. In such cases, TSC will charge for the costs incurred up to audit termination (including report).

2.3.3 Certification

If all requirements of the applicable standard are satisfied and all legal and official regulations observed, the Certification Body will issue a certificate, generally with a three (3)-year period of validity from the date of the certification decision.

2.3.4 Period of validity of certificate / Surveillance audit

Unless specific directives/ schemes, regulations, standards or individual arrangement in the certification contract/order, require other periods of validity, a certificate is in principle valid for three (3) years after issue/decision of the certificate, provided that regularly required (normally annual) surveillance audits are carried out at the company with positive results.

The first surveillance audit must be carried out within twelve months of the last day of the stage 2 audit at the latest, provided that no other date has been determined for specific regulations. In justified cases, the TSC shall be entitled to carry out audits at short notice (ad-hoc audits) at the expense of the certificate holder. The Certification Body specifies the conditions under which these audits announced at short notice will be carried out, and communicates them to the certified client. To prepare for the surveillance audit, the valid management manual and a list of all modifications that have been effected must be submitted to the Certification Body upon request. In the surveillance audit, the auditor checks selected management system elements/processes to maintain confidence that the management system continues to fulfill the requirements. The auditor will prepare a report.

2.3.5 Further surveillance activities

Further surveillance activities may include:

- Enquiries regarding certification aspects addressed by the Certification Body to certified clients
- Assessment of client information about their operations (e.g. advertising materials, web pages),
- Requests addressed to clients to provide documents and records (on paper or electronic media), and
- means of monitoring the performance of the certified client.

2.3.6 Repeat audit

If a successful repeat audit is carried out in the company well in advance of certificate expiry, a renewal certificate may be issued. In such cases, overall system effectiveness is checked by means of random sampling. To prepare for the audit, the valid management manual and a list of all modifications that have been effected must be submitted to the auditor/audit team. In cases involving major changes to the system, a stage 1 audit may first be required.

2.4 Supplementary contractual terms

2.4.1 As far as possible, the Certification Body is obliged to see that clients use certification correctly in advertising. The Certification Body reviews and evaluates complaints by third parties, issues causing concern or changes in the client's organization that come to its knowledge. It informs the certificate holder of

substantial changes to the certification and surveillance procedure as well as of any changes in the standards which are relevant for certification.

2.4.2 The client shall satisfy all reasonable requirements pertaining to certification and supply all reasonable information required for auditing.

Certificate holders shall inform the Certification Body immediately but not later than within one (1) month in writing of all relevant changes in their systems and about modifications in company structure/organization that affect the compliance of the management system, or any other significant events affecting compliance with the requirements for certification.

In addition, certificate holders shall document internal and external complaints relating to their management systems as well as implemented corrective action and provide such information during the audit. These changes may include but are not limited to, for example:

- Legal or organizational status:
- Commercial status or ownership:
- Organization and /or management (including individual changes in key personnel)
- Contact address and the addresses of sites
- Scope of operations under the certified management system, and
- Major changes to the management system and processes including planned changes if requested by the Certification Body or scheme.

The Certification Body will review the change and advise the certificate holder of any action required to continue the certification.

Despite the fact that TSC normally informs the certificate holder of due surveillance/repeat audits, it is also in the responsibility of the certificate holders to request such audits at least three (3) months before they become due within the 12-month-cycle in order to maintain the validity of a certificate.

2.4.3 Changes in the standards, underlying codes of practice or other regulations shall apply – under consideration of transition periods – as binding contractual basis. The number of auditor days cited in the quotation shall apply subject to the approval of the Certification Body.

2.4.4 Integrated management systems must allow specific aspects of individual systems to be identified.

2.4.5 The Certification Body may make information about issued, revoked or withdrawn certificates available to the public.