

General Terms and Conditions

1. General

- 1.1. These Testing and Certification Regulations apply to auditing and certification by TÜV South Asia Pvt. Ltd. (hereinafter referred to as TÜV). TÜV also offers its clients services, for example: supplying information about the certification procedure, pointing out improvement potential without suggesting specific solutions etc. Consultancy on management-system establishment is not provided. When a desired scope of certification/ registration is related to a specific programme, any necessary explanation will be provided to the applicant. If requested, additional application information will be provided to the applicant.
- 1.2. With receipt of the first certificate or confirmation of verification, clients automatically become partners within the TÜV certification system and remain so, at a minimum, for as long as this certificate / confirmation is valid. Certificates only become valid furthermore after all TÜV requirements associated with system auditing and certification have been satisfied.
- 1.3. With each order, the client accepts the current version of the General Terms and Conditions of Business, the Price List/Offer and these Testing and Certification Regulations. Already existing contractual relationships are governed by the currently valid versions of these documents. Prior to placing an order, the client shall inform TÜV if the planned audit or certification has previously been the subject matter of a comparable contract concluded with another organization.
- 1.4. The certification body evaluates the documents submitted by the auditors. It decides whether a certificate will be issued and handles disputes concerning the certification process. A complaints procedure has been established.
- 1.5. In cases involving certification systems subject to accreditation, the client declares that he/she is willing to allow auditors from accreditation bodies to participate in witness audits conducted on the client's premises and to provide the accreditation bodies with audit reports on request.

2. Expiry or withdrawal of certification

- 2.1. A certificate expires, if
 - 2.1.1. the indicated period of validity has expired;
 - 2.1.2. certificate holders terminate the certificate or their membership in the certification system in writing, observing a three-month period of notice prior to the next surveillance audit;
 - 2.1.3. certificate holders object in writing to amendments of the General Terms and Conditions of Business, these Testing and Certification Regulations or the Price List (only applicable to price increases > 5 %) within 6 weeks after such amendments have come into effect or within 6 weeks after the certificate holder has been in a position to become cognizant thereof;
 - 2.1.4. proceedings based on the Insolvency Ordinance are opened with regard to the assets of the certificate holder or if a petition to open such proceedings is rejected for lack of assets;
- 2.15 certificate holders discontinue their business operations;
- 2.1.6. the statutory requirements (the requirements defined by an accreditation body or the standards on which the certificate is based) change, unless the certificate holder demonstrates that the system is in line with the new standards through re-auditing carried out by TÜV at the certificate holder's expense within a certain fixed period;
- 2.1.7. the underlying (main) certificate becomes invalid (in cases involving matrix certifications).
- 2.2. The certification body may withdraw a certificate without notice or declare it invalid, especially if
 - 2.2.1. the continued use of a certification mark/certificate is no longer justified in terms of its relevance for the market or is prohibited, for example, by competition law; in this case, TÜV will provide an alternative mark, if possible;
 - 2.2.2. misleading or otherwise unauthorized advertising, in particular in connection with the certification mark or the certificate is used, or the certification mark or certificate is misused;
 - 2.2.3. non-conformances are detected in the system and the deadlines for elimination of these non-conformances by means of corrective action are not observed, or key prerequisites of the certified system are no (longer) ensured;
 - 2.2.4. the certificate holder fails to pay outstanding invoices to TÜV, despite receiving reminders to this effect. In the event of partial non-payment, too, all certificates may be withdrawn;



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- 2.2.5 the certificate holder files a petition for the initiation of proceedings based on the Insolvency Ordinance or third parties initiate compulsory execution measures related to the certificate holder's rights arising out of the certification. The certificate holder shall notify TÜV immediately of such measures;
 - 2.2.6 the certificate holder violates these Testing and Certification Regulations, unless such violation is only slightly negligent or is almost negligible in degree.
 - 2.3. In addition, the above reasons shall also entitle the certification body to restrict, revoke or suspend system certificates for a certain period.
 - 2.4. Withdrawal, expiry, declaration of invalidity, restriction and suspension of a certificate may be published; in such cases, continued advertising or other use of the certificate/certification mark or the name of TÜV shall not be permitted. A certificate that has been withdrawn, has expired or has been declared invalid shall be returned to the certification body. Annual certification fees that have been paid in advance shall not be reimbursed; invoices that have not yet been paid, however, must be paid in full in these cases.
 - 2.5. Apart from cases of wilful intent and gross negligence, TÜV shall not be liable for any disadvantages incurred by the client in connection with the non-issue, withdrawal, expiry, restriction or suspension of a certificate.
3. Advertising; publishing of certificates, test marks and test reports; information
 - 3.1. A certificate or certification mark referring to a management system may only be used to promote the latter. Product-related advertising with the above mark is not permissible in cases in which certification covered a management system alone. The certificate holder is fully responsible for ensuring that statements concerning a certified system are used in a permissible manner. Audit reports may only be reproduced in full and the date of issue must be quoted. Marks may only be changed in size in a geometrically similar manner.

4. Document retention

Audit reports shall be retained for a period of three years. Any statutory provisions exceeding this period shall remain unaffected thereby.

5. Violation of the Testing and Certification Regulations

TÜV shall be entitled to claim payment of a contractual penalty in the case of culpable violation of these Testing and Certification Regulations by the certificate holder. This shall also apply, in particular, in cases involving misuse of a certificate or a certification mark.

The certificate holder shall be liable for costs charged to TÜV by an accreditation body or costs directly incurred by the certification body, if and in as far as, the activities giving rise thereto resulted from a culpable violation on the part of the certificate holder, in particular violation of these Testing and Certification Regulations. This also applies, in particular, if TÜV acted at the instigation of an accreditation body or on the basis of other instructions and if such initiation proves justified.

6. Coming into effect of these Testing and Certification Regulations

These Testing and Certification Regulations have become effective on February 1, 2002 and shall remain valid until new Testing and Certification Regulations are issued.

Special Terms and Conditions for Auditing, Verification and Certification

1. General

TÜV conducts management system ("systems") auditing, verification and certification. The terms and conditions outlined below satisfy the requirements of the ISO/IEC Guide 62 and the pertinent guidelines.

2. Preliminary system assessment, pre-audit

On request, TÜV offers the following services, which may also be performed independently of a certification procedure.

- 2.1. On the basis of management system documentation, weak points in the system description as compared with the requirements of the respective standard are pinpointed in a preliminary assessment. On request, the client receives a report outlining the results.
- 2.2. The pre-audit, whose scope is defined in conjunction with the client, serves to reveal improvement potential in the system. Generally, a pre-audit is carried out by a single auditor, who should be a member of the audit team that performs the subsequent (certification) audit. The auditor informs the client of the results in a closing meeting; on request, TÜV prepares a pre-audit report. Only one pre-audit may be carried out.

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3. Certification procedure

3.1 Preparation

3.1.1. Opening meeting

At the client's request, the following points may be discussed in advance:

- objectives, benefits and prerequisites of certification
- explanation of the certification procedure including its schedule
- the standard on which the audit is based, the degree of verification and audit scope
- the estimated costs

3.1.2. Contract; preparation of the certification audit

The contract for auditing and certification has a term of three years and is automatically extended by further 3-year periods unless terminated in writing by the client or TÜV with a period of notice of 3 months in advance of expiry of the certificate.

After the client has accepted the TÜV quotation in writing, the management of the client company appoints an Audit Representative to be in charge of the certification procedure; TÜV notifies the client of the designated auditors (audit team or lead auditor). All rules governing impermissible consultancy activities by auditors that are contained in standards and regulations shall be observed. The client is entitled to reject auditors. Unless there is a conflict with any statutory regulations, the client may also demand to be informed of the certification procedures in which the auditors have participated within the last two years.

3.2. Certification audit

3.2.1. A) Review and evaluation of management system documentation

The client must place all system documentation (MS Manual and, where appropriate, further documents such as documented procedures, work and test instructions) at the disposal of the certification body, so that they can be reviewed for compliance with the applicable standard. The client receives a brief report on document review (written or verbal). If management system documentation fails to satisfy the requirements, an additional meeting, at the client's expense, to discuss further procedure or a pre-audit may be agreed.

B) Consultation with interested parties (Only for SA 8000 audits)

Prior to on-site audit the auditors will meet key interested parties to anticipate problem areas. The interested stakeholders to be consulted include: workers, trade unions, NGO's, labour experts etc. The group being consulted may be asked if any facility in the area has particular problem and/or for comments may be asked in any facility including the audited facility, but auditors will not identify the applicant facility prior to certification. This is done in order to build up a picture of working conditions at the enterprises in advance of the verification process and to establish a complaints and appeals process.

3.2.2. On-site audit

Prior to on-site audits, clients receive the audit plan coordinated with them and, at their request, the audit questionnaire for information purposes. By the means of audit plan the applicant is notified of the audit team members. Within the scope of the on-site audit, clients demonstrate the practical implementation of their documented procedures, while the auditors check and evaluate system effectiveness on the basis of the agreed standard. The audit questionnaire only serves as a guideline, however; questions that go beyond its scope may be asked. Clients grant auditors access to the respective units of the company and allow them to inspect all system-related records.

After audit completion, TÜV informs the client of the audit result in a closing meeting and furnishes an audit report. Non-conformance reports countersigned by the Audit Representative include the required corrective action. In the case of major non-conformances, a re-audit is required; the costs being based on the time needed (current daily rate, travel expenses, etc.).

If non-conformances that become evident during the audit are so grave that certificate award appears unrealistic even after reasonable corrective action, TÜV informs the client of termination of the certification audit and recommends that the audit be continued as a pre-audit. In such cases, TÜV charges the costs incurred up to audit termination (including report).

3.3. Certification

If all requirements of the applicable standard are satisfied and all legal and official regulations observed, the certification body issues a certificate. It issues a certification mark (e.g. the modular TÜV mark for management systems) that allows various certification fields to be represented via a single certification mark, which is governed by the applicable terms and conditions.

3.4. Surveillance audit

Unless specific regulations require other periods of validity, certificates are valid for three years, provided that annual surveillance audits under QMS & EMS and 6 monthly surveillance audits under SA 8000 are carried out in the company with positive results. These surveillance audits must be carried out within a period of three months prior to and one month after the certificate's month of validity,

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provided that no other term has been determined for specific standards. In justified cases, such as change/upgrade in certified standard requirements, expansion of client's site, introduction of new product/service, customer complaint etc. TÜV is entitled to carry out ad-hoc audits at the expense of the certificate holder. To prepare for the audit, the auditor receives the valid management manual and a list of all modifications that have been effected. In the audit, the auditor examines selected management system elements by random sampling and prepares a report thereon.

3.5. Repeat audit

If a repeat audit is carried out in the company prior to certificate expiry, certificate validity may be extended for another period. In this case, overall system effectiveness is examined by means of random sampling. To prepare for the audit, the auditor/audit team receive the valid management manual and a list of all modifications that have been effected.

4. Supplementary contractual terms

4.1. To the extent possible, the certification body is obliged to ensure that clients use certification correctly in advertising. The certification body reviews and evaluates complaints by third parties and changes in the client's organization that come to its knowledge. It informs the certificate holder by means of circulars or emails of substantial changes in the certification and surveillance procedure as well as any changes in the standards, which are relevant for certification.

4.2. The client shall satisfy all requirements pertaining to certification and supply all information required for auditing. Certificate holders shall inform the certification body in writing of all important changes in their systems and any modifications in company structure / organization / company name etc. with major effects on the management system. 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. The certificate holder shall make available, when requested, the records of all complaints and corrective actions taken in accordance with the requirements of the system standards or other normative documents to the certification body

Despite the fact that TÜV generally informs certificate holders of scheduled surveillance/repeat audits, certificate holders themselves must request such audits at least three months before they become due within the 6 or 12-month- cycle in order to maintain the validity of certification.

4.3. Should the underlying standards, regulations or codes of practice be changed, the existing contractual documents shall be adjusted accordingly.

5. Additional conditions for the auditing, verification and certification of specific systems

6. Liability

Except in cases of intention and gross negligence, bodily injury or liability in accordance with product liability law, any other claims asserted on the part of the customer for direct and indirect damages – for whatever legal reason whatsoever – in particular, claims for payment of damages because of violation of duty or unlawful acts and compensation for damage which has not occurred on the subject of the order itself shall be excluded. This shall also apply to the personal liability of TÜV staff, their executing aides and, in particular, experts.

7.1. ISO 14001: "Guidelines for the Accreditation of Certification Bodies for Environmental Management Systems" (EA-7/02).

7.2. For integrated systems; the specific requirements of the individual systems must be observed and identified.

7.3. Future, newly developed certification fields will be regulated in documented procedures or test standards.