

# CI International Certification Sdn Bhd

## Terms and Conditions of Certification

### 1. SCOPE OF ASSESSMENT

- 1.1 CI International Certification Sdn Bhd ("**CI**") has accepted an appointment by the client who requests audit, assessment and certification service from CI (Organization) to carry out an assessment of the Organization's management system (the "**Assessment**") and if the Organization's management system complies with the stipulated international standard, to grant certification on these conditions.
- 1.2 CI will carry out the assessment by checking that the Organization has a management system ("**MS**") in place that meets the requirement of the standard and by carrying out the appropriate audits to assess whether the Organization's MS is being effectively implemented, maintained and continually improved.
- 1.3 CI warrants that the assessment will be valid at the time it is made. Any certification granted will, subject to earlier revocation, remain valid for three years, provided that the Organization continues to comply with relevant requirements when CI conducts the surveillance and re-assessment audits.

### 2. ASSESSMENT

- 2.1 The work content and timescales for each assessment quoted to the Organization are estimates made based on preliminary discussions between CI office and information provided by the Organization.
  - 2.1.1 In the event CI considers it impractical to adhere to the programme as discussed for the assessment, the CI will prepare and submit to the Organization a revised quotation for consideration.
- 2.2 CI will from time to time engage qualified Associate Auditor in addition to the full time staff to undertake assessments on behalf of CI.
- 2.3 CI shall not sub-contract any of its obligations and responsibilities under this agreement without the Organization's prior consent.
  - 2.3.1 Where CI does appoint any sub-contractor, CI shall remain primarily responsible for the work carried out by any such sub-contractor and for the granting of any Certification pursuant to the Assessment.

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### 3. VISITS

3.1 Assessment and Surveillance visits shall be as agreed between CI and the Organization.

### 4. ORGANIZATION'S OBLIGATIONS

4.1 (a) the Organization shall ensure that CI's Assessors are provided with suitable facilities including telephone and Wi-Fi and secretarial assistance as and when considered necessary.

(b) upon request by the Accreditation Body to witness the on-site audit, the Organization shall give consent for the assessors of the Accreditation Body to witness the audit.

(c) if the organization refuses witnessing by Department of Standard Malaysia (National Accreditation Body), in order to avoid sanctions, CI shall withdraw the existing accredited certificate, or, if not yet certified, the Organization shall not be allowed to place the accreditation logo on the future certificate, unless the refusal is duly justified and accepted by Department of Standards Malaysia.

4.2 Without prejudice to paragraph 1 above, the Organization shall use any certification granted in accordance with the regulations set out below:

(a) the certificate will remain the property of CI.

(b) the certificate will be valid from the date of issue until such time that the certification is withdrawn for whatever reason from the Organization.

(c) misuse of the certificate in any way, or misleading use of the certification in publications, may lead to suspension or revocation of certification.

(d) copies of the certificate may be made for the purpose of advising customers of the organisation's certification.

(e) if the Organization decides to terminate its certification with CI, it must immediately inform CI in writing and return the certificate. The use of the certificate and Quality Mark, and any claims associated with the certification, must terminate immediately.

In addition, the Organization must:

(f) advise CI of any major amendments to the certified MS.

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(g) notify CI of any formal customer complaints relating to the MS and maintain records of the corrective action taken.

(h) notify CI of any breach of rules notified by the relevant Authorities.

Breach of these regulations could lead to withdrawal of the certificate by CI.

CI reserves the right to change these regulations, but will provide the Organization due notice of such changes.

In addition, the Organization shall:

(i) not use its certification in such a manner as to bring CI into disrepute and shall not make any statement regarding its certification which CI may reasonably consider to be misleading or unauthorised;

(j) not use its certification to imply that any product or service is approved by CI or any other Certification Body nor in any other manner other than to indicate that its MS is in conformity with specified standards or other normative documents;

(k) ensure that no certification document, mark or report, or any part thereof is used by the Organization, its servants agents or sub-contractors in a misleading manner; and

(l) in making reference to its certification in communication media (e.g. documents, brochures or advertising), comply with CI's reasonable requirements.

4.3 If upon grant of certification or other registration, CI permits the Organization to use the Quality Mark which indicates certification of a MS, the Organization may use the Quality Mark only in accordance with the regulations set out below and the regulations provided by CI upon granting of the Certification.

a) the Quality Mark must always be used in conjunction with the Organization's name.

b) the MS Standards number and the Certificate Number must always be adjacent to the Quality Mark.

c) the Quality Mark may be used only in correspondence, advertising and promotional material and only in connection with the services listed on the Scope of Assessment.

d) the Quality Mark may not, under any circumstance, be used directly on or closely associated with products.

e) the Organization must undertake to discontinue any use of the Quality Mark which is unacceptable to CI.

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- f) upon termination of the certification for whatever reason, the Organization shall immediately undertake to discontinue the use of the Quality Mark.
- g) the right to use the Quality Mark is not transferable.
- h) the size and colour of the Quality Mark must be in accordance with the rules provided by CI upon granting of the Certification.

4.4 The organization shall inform CI, without delay, of the occurrence of a serious incident or breach of regulation necessitating the involvement of the competent regulatory authority.

### **5. REPORTS**

The CI office shall provide the Organization with an Audit Report after completion of audit.

### **6. CONFIDENTIALITY**

Neither the Organization or CI shall at any time during or after the engagement divulge or allow to be divulged to any person any confidential information relating to the business or affairs of either party. This obligation does not apply to any confidential information to the extent:-

- (i) that at the time of disclosure such information is in the public domain.
- (ii) that such information subsequently comes into the public domain other than by reason of breach of this obligation.
- (iii) that disclosure is required by law or in the course of any legal proceedings, or
- (iv) that prior to such disclosure, such information was lawfully in the possession of the party to whom it was disclosed as evidenced by that party's written records or those of its representatives.

### **7. NO INDUCEMENT**

7.1 Either the Organization or CI shall not at any time during or for one (1) year after the engagement, entice or induce or attempt to entice or induce away from the other party, any person who at any time during the continuance of the Engagement is employed by the other party.

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### **8. LIMITATION OF LIABILITY**

- 8.1 CI warrants that it, its employees and associate auditors will carry out the audit and assessment with the care and skill that may reasonably be expected of an Assessor experienced in conducting an audit and assessments. All other warranties and conditions, whether expressed or implied, are excluded to the fullest extent permitted by law.
- 8.2 The Organization acknowledges that CI has no liability for any matter outside the extent of audit or for any matter that is expressed in these Terms and Conditions to be the responsibility of the Organization.
- 8.3 In respect of direct damage to physical property of the Organization resulting from the negligence of CI and its employees, CI liability shall be limited to RM100,000 in respect of any one event or series of connected events.
- 8.4 In all other cases, CI aggregate liability to the Organization shall not exceed the total of all sums paid to CI by the Organization under the agreement.
- 8.5 CI, its employees and associate auditors shall in no circumstances be liable to the Organization for any loss or profit, contracts, goodwill or anticipated savings, business interruption, loss arising from third party claims or for any special, indirect or consequential loss.
- 8.6 CI, its employees and associate auditors will not be liable for claims, losses or expenses resulting from any failure by the Organization to fulfil its responsibilities under this Agreement.

### **9. VARIATION, POSTPONEMENT OR CANCELLATION**

- 9.1 Where the Organization wishes to postpone or amend agreed Assessment or Surveillance visits the Organization must provide CI with more than 10 working days written notice of this intention. CI reserves the right to charge a 30% cancellation fee of the audit cost, even if no service has been provided.
- 9.2 In the event that the Organization wishes to cancel its Certification, 3 months written notification of this intent must be provided by the Organization to CI.

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## **10.0 Initial Certification Audit**

10.1 The initial certification audit of a management system shall be conducted in two stages: stage 1 and stage 2.

### 10.1.1 Stage 1 audit

10.1.1.1 Planning shall ensure that the objectives of stage 1 can be met and the client shall be informed of any "on site" activities during stage 1.

10.1.1.2 The stage 1 audit shall be performed with objectives to:

- a. review the client's management system documentation;
- b. evaluate the client's site-specific conditions and to undertake discussions with the client's personnel to determine the preparedness for the stage 2 audit;
- c. review the client's status and understanding regarding requirements of the standard, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the management system;
- d. obtain necessary information regarding the scope of the management system, including:
  - i. the client's site(s);
  - ii. processes and equipment used;
  - iii. levels of controls established (particularly in case of multisite clients);
  - iv. applicable statutory and regulatory requirements review the allocation of resources for stage 2 audit.
- e. to provide a focus for planning the stage 2 audit by gaining a sufficient understanding of the client's management system and site operations in the context of possible significant aspects;
- f. to evaluate if the internal audits and management review are being planned and performed, and that the level of implementation of the management system substantiates that the client is ready for the stage 2 audit.

10.1.1.3 Documented conclusions with regard to fulfilment of the stage 1 objectives and the readiness for stage 2 including identification of any areas of concern that could be classified as a nonconformity during stage 2.

10.1.1.4 In determining the interval between stage 1 and stage 2 audits, consideration shall be given to the needs of the client to resolve areas of concern identified during the stage 1 audit. CI Head of Certification may also need to revise its arrangements for stage 2. If any significant changes which would impact the management system occur, CI Head of Certification shall consider the need to repeat all or part of stage 1. The

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client shall be informed that the results of stage 1 may lead to postponement or cancellation of stage 2.

### 10.1.2 Stage 2 Audit

10.1.2.1 The purpose of the stage 2 audit is to evaluate the implementation, including effectiveness, of the client's management system. The stage 2 audit shall take place at the site(s) of the client. It shall include at least the following:

- a. information and evidence about conformity to all requirements of the applicable management system standard or other normative document;
- b. performance monitoring, measuring, reporting and reviewing against key performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document);
- c. the client's management system and performance as regards legal compliance;
- d. operational control of the client's processes;
- e. internal auditing and management review;
- f. management responsibility for the client's policies.

## **11.0 Certification Granting**

11.1 CI Head of Certification shall ensure that the persons or committees that make the decisions for granting or refusing certification, expanding or reducing the scope of certification, suspending or restoring certification, withdrawing certification or renewing certification are different from those who carried out the audits. The individual(s) appointed to conduct the certification decision shall have appropriate competence.

11.1.1 The person(s) assigned by CI to make certification decision shall be employed by, or shall be under legally enforceable arrangement with either CI or an entity under the organizational control of CI. CI organizational control shall be one of the following:

- a. whole or majority ownership of another entity by CI;
- b. majority participation by CI on the board of directors of another entity;
- c. a documented authority by CI over another entity in a network of legal entities linked by ownership or board of director control.

11.1.2 The persons employed by, or under contract with, entities under organizational control shall fulfil the same requirements of this part of ISO/IEC 17021-1 as persons employed by, or under contract with, the certification body.

11.1.3 CI shall record each certification decision including any additional information or clarification sought from the audit team or other sources.

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11.2 CI have a process to conduct an effective review prior to making a decision for granting certification, expanding or reducing the scope of certification, renewing, suspending or restoring, or withdrawing of certification, including, that

- a. the information provided by the audit team is sufficient with respect to the certification requirements and the scope for certification;
- b. for any major nonconformities, it has reviewed, accepted and verified the correction and corrective actions;
- c. for any minor nonconformities it has reviewed and accepted the client's plan for correction and corrective action.

11.3 Information for granting initial certification

11.3.1 The information provided by the audit team to CI Head of Certification/ authorized lead auditor for the certification decision shall include, as a minimum,

- a. the audit report;
- b. comments on the nonconformities and, where applicable, the correction and corrective actions taken by the client as recorded by auditor by email or in the Correction and Corrective Action review record;
- c. confirmation of the information provided to CI used in the application review; and
- d. a recommendation whether or not to grant certification, together with any conditions or observations as recorded in RP1.

11.3.2 If the CI Head of Certification is not able to verify the implementation of corrections and corrective actions of any major nonconformity within 6 months after the last day of stage 2, CI shall conduct another stage 2 prior to recommending certification.

11.3.3 When a transfer of certification is envisaged from one certification body to CI, CI have a process for obtaining sufficient information in order to take a decision on certification.

11.4 Information for granting recertification

11.4.1 CI Head of Certification (HOC) or authorized lead auditor (in the event the HOC involved in the audit) shall make decisions on renewing certification based on the results of the recertification audit, as well as the results of the review of the system over the period of certification and complaints received from users of certification.



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## **12.0 Refusing Certification**

12.1 Refusing certification shall be based on following ground:

- a. Incomplete Stage 1 or Stage 2 audit and assessment;
- b. Organization to be certified fail to make payment on the required certification fees as per agreed certification quotation;
- c. Organization to be certified fail to reply satisfactory correction and corrective action or refuse to allow re-audit in case of major non-conformity is issued in the Stage 2 audit.

12.1.1 Should the client disagree on the refusing certification made by CI, the client has the right to appeal and the appeal shall be handled as per Clause 18.

## **13. TERMINATION/ WITHDRAWAL**

13.1 CI shall have the right at any time by giving 3 months notice in writing to the Organization to terminate the Certification forthwith in any of the following events:

- a. if the Organization commits a breach of any of these Terms and Conditions and fails to remedy the same within 30 days of a written request from CI so to do,
- b. if the Organization enters into liquidation whether compulsorily or voluntarily (otherwise than for the purpose of amalgamation or reconstruction) or compounds with its creditors or has a receiver appointed of all or any part of its assets or takes or suffers any similar action in consequence of debts or in the case of an individual or a partnership, if the Organization or any of its members of the firm becomes insolvent or enters into any arrangement with its creditors or takes or suffers any similar action in consequence of debt; or

13.2 CI shall have the right to immediately terminate the certification if the Organization is guilty of any conduct which in the opinion of CI is prejudicial to CI's interest or likely to undermine or bring the Organization's certification into disrepute.

13.3 Where the Organization does not request, in writing, part or all of the assessment services to be carried out within a period of one (1) year from the date of acceptance of a quotation, this agreement shall be deemed to have been voluntarily terminated by the Organization.

13.4 Where the Organization request withdrawal of their certificate, the reason for the withdrawal should be provided to CI if possible, and recorded. In the event the certificate is terminated or withdrawal, CI shall,

- a. inform the client that further promotion of the certification mark is prohibited.

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- b. advise the client that they must inform any of their customers, where that business has been obtained based on certification to the relevant scheme.
- c. advise the client that they must return the certificate.

13.5 If the client does not return all copies of certificates as required, then CI may consider legal action to retrieve the certificates.

### **14. SUSPENSION AND RESTORING OF CERTIFICATE**

14.1 CI may initiate or the client may request initiate suspension on their certificate. The reason for suspension shall be obtained or made known to the client and an certificate withdrawal letter shall be sent to the client.

14.2 Once suspension is decided, CI shall:

- a. inform the client that further promotion of the certification mark is prohibited.
- b. advise the client that they must inform any of their customers, where that business has been obtained based on certification to the relevant scheme.
- c. advise the client of the requirements for re-instatement of their certificate which must occur within 6 months of the suspension date, including;
  - i. where the suspension has occurred before a normal surveillance visit, then the minimum of a recertification assessment (RA) is required before re-instatement of the certificate; and
  - ii. where the suspension is before an RA, then the minimum of a full initial assessment (Stage1 and Stage 2) is required.

NB: The purpose of (c) above is to ensure clients do not use the suspension process to avoid maintaining the surveillance programme.

14.3 The reasons for suspension may include;

- a. Missed surveillance audits;
- b. Significant major non-conformities without appropriate corrective action have been taken indicating an ineffective management system;
- c. Serious breach of the use of the certification mark;
- d. No reply or prolonged overdue reply of satisfactory correction and/ or corrective actions;
- e. Refusal of Organization to permit witnessing audit by qualified assessor of CI or Accreditation Body assessor without due reason.

14.4 Missed surveillance audits where the period exceeds 15 months from the previous audit under normal circumstances will result in automatic suspension.

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- 14.5 Suspension of certification shall only be held for 6 months. If the concern has not been resolved within this time then the certification will be withdrawn and new certification Stage 1/ Stage 2 audit will be required for the reinstatement of the certification.

### **15. SCOPE REDUCTION**

- 15.1 Scope reduction will occur where certification requirements have not been met for a particular part of the scope; hence that part needs to be excluded.

Example: this could apply to an organisation with the scope "The provision of road building project management services and the provision of the labour for the construction industry" may become "The provision of labour for the construction industry", if that organisation has major non-conformities related to project management that are not closed, or project managers continue to make themselves unavailable for surveillance audits, such that this process is not covered in the audit cycle.

- 15.2 Where the scope of the certificate is to be reduced then a reduction of scope letter shall be sent to the client normally to inform the client that further promotion of the certification mark is prohibited for the part of the scope not now covered by certification.

### **16. COMPLAINT AND DISPUTES**

- 16.1 Should the Organization is dissatisfied with the services provided, then a complaint should be made immediately in writing to the Head Of Certification of CI so that suitable action can be taken. Such complaints will not affect any of these terms and conditions.

- 16.2 In the event that an application or certified Organization wishes to complaint or dispute against any matters pertaining to the application, audit and assessment, certification decision of CI, it can be do so by formally notify to CI, and upon receive of such notification, CI shall review the complaint/disputes accordingly, and if found necessary, a formal investigation shall be done and appropriate corrective action shall then be initiated.

### **17. OWNERSHIP OF CERTIFICATION**

- 17.1 The certificate and right to use the Quality Mark shall remain the exclusive property of CI and cannot be sold, lent, licensed or used as an asset of the Organization.

### **18. APPEAL**

- 18.1 Should the Organization unable to accept the auditor's recommendation as a result of the audit, the client may appeal against the decision.

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- 18.1.1 Appeals are usually only likely to occur from non-recommendation for registration. It is rare for a client to appeal against a positive recommendation.
- 18.2 Whatever the recommendation made by the auditor, the audit is subject to review and ratification by CI.
- 18.2.1 It is therefore possible (though not probable) that an auditor' decision not to recommend could be overruled and turned to a recommendation during ratification.
- 18.2.2 Under these circumstances an appeal would be unnecessary. The client should therefore be advised to appeal only after the ratification process has occurred.
- 18.3 To appeal the client shall write to CI and provide grounds for the appeal.
- 18.4 Upon receiving the appeal, CI may initially wish to investigate the grounds for the non-recommendation with the auditor.
- 18.5 CI management will form an independent Appeal Committee to hear the appeal.
- 18.5.1 Whatever the situation it is the duty of the Appeal Committee to hold an independent, impartial and factual hearing.
- 18.5.2 The Appeal Committee will form a binding and final conclusion.
- 18.6 Depending upon the circumstances the client may be requested to appear in person.

## **19. MAINTAINING AND RENEWING THE CERTIFICATION**

- 19.1 A certified organization shall make all necessary arrangements for the conduct of the audits, including provision of examining documentation and the access to all processes and areas, records and personnel for the purposes of initial certification, surveillance, recertification and resolution of complaints.
- 19.2 A certified organization shall inform CI, without delay, of matters that may affect the capability of the management system to continue to fulfil the requirement of the normative standard used for certification.
- 19.2.1 These include, but not limited to, changes relating to,
- a. the legal, commercial, organization status or ownership;
  - b. organization and management (e.g. key managerial, decision-making or technical staff);
  - c. contact address and sites;
  - d. scope of operation under the certified management system; and

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e. major changes to the management system and processes.

19.3 Any NCRs generated during the RA will need to be implemented and closed prior to the current certificate expiry date.

19.3.1 Failure to achieve this could result in performing a new assessment (Stage 1 and Stage 2) again, before a certificate can be issued.

19.4 Where there have been significant changes in an organisation over the audit cycle, such as key management changes, legislation changes etc. then a Stage 1 Audit needs to be considered before the RA.

19.4.1 The Lead Auditor will need to receive the necessary information to provide input on this decision, such as previous report etc.

19.5 In order to maintain the certificate surveillance and re-certification audits have critical schedule timing requirements as follows.

a. The date of the first surveillance audit following initial certification shall not be more than 12 months from the certification decision date.

b. Following surveillance visit (s) shall be

i. Annual audits can be performed +/-2 months from the target date;

ii. 6 month audits can be +/-3 months from target date.

NB: the target date is the anniversary date of the last day of the Stage 2 audit,

c. For RA audits scheduling shall be

i. +/-2 months from the target date; and

ii. No less than 3 months before the expiry date of the certificate.

d. Where a Stage 1 required for the RA, this must be performed no less than 7 days prior to the RA.

e. For audits on a 6 month cycle, the last surveillance audit due before the RA can be delayed and combined with the RA. The total time for the RA would therefore be equal to an annual surveillance audit plus the extra time for the RA process.

NB: If surveillance audits are delayed such that they are outside of the above tolerances then additional audit time may be required to compensate for the delay. If RAs are delayed; this may lead to an audit equivalent to an Initial Audit being required.

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### **20. CHANGE OF CERTIFICATION REQUIREMENT**

20.1 In the event any changes take place to the certification requirement or regulation e.g. change in the normative standard, a due notice of sufficient time shall be given to the certified organization for the transition to comply with the such changes.

20.1.1 CI shall notify in writing to the certified clients on the changes.

### **21. EXTEND OR REDUCE THE SCOPE OF CERTIFICATION**

21.1 A certified organization who intend to extend/ reduce the scope of certification shall notify CI in writing.

21.2 For the case extending the scope of certification, an application shall be made to CI by using the Application Form. CI shall then assign qualified auditor to perform an additional audit and assessment at the fees commensurate with the assessment time spent for the special audit and assessment arranged.

### **22. REQUEST FOR INFORMATION**

22.1 Whenever there is a need for request for information for auditing and certification purposes, the certified Organization shall provide to CI the necessary information within the context of the management system to be certified or has been certified in order to process or execute the audit or certification services.

20.1.1 The information may include, e.g. organisation chart, process map, process flow charts, list of procedures/documents, technical documents, product information, etc.

### **23. OWNERSHIP OF CERTIFICATION**

23.1 The certificate and right to use the Quality Mark shall remain the exclusive property of CI and cannot be sold, lent, licensed or used as an asset of the Organization.

### **24. FORCE MAJEURE**

24.1 Failure of either party to perform its obligations under this agreement shall not subject such party to any liability to the other if such failure is caused or occasioned by an act of God, fire explosion, flood, drought, war, riot, sabotage, endemic/ pandemic, embargo, strikes or other labour unrest, interruption due to the delay in transportation, compliance with any order, regulation or request of any government of competent jurisdiction or any officer, department, agency or committee thereof, or by any other event or circumstance of like or

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different character to the foregoing beyond the reasonable control of the party so failing to perform.

### **25. GOVERNING LAW**

25.1 These Terms and Conditions shall be governed by and construed in accordance with Malaysia Law and the parties irrevocably submit to the exclusive jurisdiction of the Malaysia courts.

### **26. MISCELLANEOUS**

26.1 Failure by CI to insist upon strict compliance with any provision thereof shall not be deemed to be a waiver of such provision or any other provision thereof.

26.2 The invalidity or unenforceability of any provision shall not affect the validity or enforceability of any other provision.

26.3 These Terms and Conditions may not be modified except by an agreement in writing signed by CI and the Organization.

26.4 CI understands the importance of impartiality in carrying out its management system certification activities manages conflict of interest and ensures the objectivity of its management system certification activities.