

AUDIT AND CERTIFICATION AGREEMENT

1. Scope

1.1 These Audit and Certification Agreement govern the agreed certification services, including any ancillary services provided within the scope of contract performance and all other related duties.

1.2 The client's own terms and conditions, including any purchasing conditions, are hereby expressly excluded and shall not apply. The client's terms will not become part of this contract even if the Company does not explicitly exclude them.

1.3 For the purpose of these Audit and Certification Agreement, "Accreditation Body" also incorporates approval and recognition bodies, and the terms "Accreditation Rules," "Accreditation Requirements," and "Accreditation Procedures" shall apply, with necessary changes, to the procedures of these bodies.

"Company" means any subsidiary and/or related entity of **ISS (Institute of Safety Singapore)** that is granted the authority to enter into the Contract with the client. **"Contract"** means the Proposal for Certification, these Audit and Certification Agreement, and any other associated documents.

1.4 Any additional or other fees specified in Schedule A are applicable and binding on the client. All amendments or variations to these Audit and Certification Agreement are detailed in Schedule B and must be read in conjunction with this document. In the event of a conflict, the terms of this Audit and Certification Agreement shall prevail over Schedule B.

2. Scope of Services

2.1 The Company performs assessments and certification of systems and products for manufacturers and service providers according to national or international standards for which the Company holds accreditations ("accredited certification"), or according to standards for which the Company does not hold accreditation ("unaccredited certification"). The Company may also provide its own customized audit or second-party inspection services.

2.2 The contracted services will be delivered in line with generally accepted certification rules and in compliance with agreement applicable at the time the contract was concluded. Unless a different approach is mandatory or agreed upon in writing, the Company is authorized, at its reasonable discretion, to make independent decisions concerning the methodology and type of assessment performed.

2.3 For accredited certification, the Company conducts the process in accordance with the standard agreed in the contract, the rules and agreement referenced therein, all applicable accreditation standards pertaining to the specific certification standard, the certification standards themselves, all relevant application guidelines, and the accreditation requirements defined by the competent Accreditation Body. If the audit indicates that a greater number of auditor days is necessary to meet accreditation requirements,

the client shall bear the resultant additional costs, unless those costs were unreasonably incurred due to the Company's actions. Unaccredited certifications are carried out in line with the respective national or international standards. Procedures for issuing in-house certificates are based on the rules and agreement established by the Company.

2.4 Upon successful completion of the certification process, the appropriate certificate will be issued to the client.

2.5 The client maintains the right to object to the appointment of specific auditors or technical experts, provided the objection is well-founded and submitted with supporting reasons. If the client does not object to the appointed auditors within 3 days of being notified of their appointment, approval will be deemed granted.

3. Client Obligations

3.1 The client must submit all information and documents required for certification, as per the relevant standard, in advance of the audit activities.

3.2 Clients shall, with reasonable diligence, cooperate with the Company during its provision of audits by allowing access to their premises, personnel, and necessary documentation for the proper execution of the audits. Clients must secure any necessary consents to facilitate the appointed auditors' entry and to accommodate any observers. Furthermore, clients must ensure safe and secure working conditions on site during the audit and inform the Company and auditors of all applicable health, safety, and security regulations relevant to their premises.

3.3 The client must appoint one or more audit representatives who will support the audit team in performing the contracted services and serve as the client's primary contact person.

3.4 The client shall promptly implement and provide evidence of required actions for any findings (non-conformities) issued during the audit within the stipulated timeframe.

3.5 Following the Certificate issuance, the client is obliged, for the entire term of the contract, to communicate all changes that significantly impact the management system or the certified product (whichever is applicable). These changes include, but are not limited to:

3.5.1 Alterations to the legal, commercial, organizational status, or ownership.

3.5.2 Changes in organization and management, such as key managerial, decision-making, or technical staff.

3.5.3 Changes to certification address(es) and site(s).

3.5.4 Changes to the scope of operations covered by the certified product and/or management system.

3.5.5 Major modifications to the product design/specification, production processes, and/or management system processes.

3.6 The client is obliged to maintain a record of all complaints received from third parties regarding the management system. Any complaints addressed to the client concerning the conformity of a certified product or process with the certification standards must be resolved using appropriate measures. These measures and actions must be documented and demonstrated to the Company or the audit team upon request during an audit.

3.7 The client must conform to the Company's requirements when referencing its certification status in any communication media and promotional materials, including but not limited to brochures, newspapers, magazines, books, directories, the internet, social media, advertisements, and other documents or publications.

3.8 The client shall consent to the assessor(s) of the Accreditation Body and/or Company personnel witnessing the on-site audit if such a request is made.

3.9 The client must not make or permit any misleading statement regarding its certification and shall not use or permit the use of a certification document or any part thereof in a misleading manner.

3.10 If the client's certification is suspended or withdrawn, the client must immediately discontinue the use of all advertising matter that contains a reference to the certification.

3.11 The client shall amend any communication and/or promotional materials when the scope of its certification has been reduced.

3.12 The client shall not permit references to its management system certification to be used to imply that the Company certifies its product, service, or process.

3.13 The client shall not imply that the certification applies to activities that fall outside the defined scope of certification.

3.14 The client shall not use its certification in any manner that brings the Company and its certification system into disrepute or causes loss of public trust.

4. Observed Visits/ Witnessed Assessments/ Unscheduled Visits

4.1 An auditor or audit team authorized by the Company may be accompanied by Company personnel, relevant personnel from the Accreditation Body, and/or a third-party observer to witness or observe an audit or visit. The Company shall notify clients in advance of such visits or audits as soon as reasonably possible. The client must accept these arrangements and grant the aforementioned personnel access to their premises for the fulfillment of their visit's purpose.

4.2 Notwithstanding the above, such personnel may conduct unscheduled or short-notice visits, when deemed necessary, to a client's premises, and the client must provide access and cooperation to the aforementioned personnel without harassment or undue delay. Clients will be required to pay the fees charged for the visit as per the quotation from the Accreditation Body, authorities, and/or the Company.

5. Extending or Reducing the Scope of Certification

5.1 The scope of clients' certification approvals may be extended or reduced following necessary reviews and/or audit activities to determine whether the extension can be granted or if the scope must be reduced to exclude parts that do not meet requirements. The client will be formally notified of the action to be taken.

5.2 A client wishing to extend or reduce their certification scope must complete the appropriate application form, and a separate Proposal for Certification will be issued to the client for acceptance.

6. Suspension, Withdrawal or Reducing Scope of Certification

6.1 Certification approvals may be suspended, withdrawn, or cancelled upon notice to the clients. Clients will be provided with a reasonable timeframe to undertake corrective actions before a final decision on the action is made, and such actions may be publicly disclosed on the Company's website. The certification can be restored if the client implements corrective actions deemed acceptable by the Company.

6.2 Suspension of Certification

6.2.1 Certification may be suspended for a limited period if the client: i. Fails to respond to a request for corrective action, or the corrective action taken by the client does not resolve the issue(s) within the required timeframe; ii. Fails to undergo surveillance audits according to the agreed or required frequency; iii. Uses the certificate improperly, thereby breaching the client's stipulated rights and responsibilities; iv. Refuses to allow access to personnel from the Accreditation Body, the Company, or a Company-authorized third party for visits as defined under clause 4; v. Violates the terms and conditions outlined in these Audit and Certification Agreement; vi. Fails to pay all necessary fees invoiced by the Company; vii. Persistently or severely fails to comply with certification requirements, including those for the effectiveness of the management system; viii. Voluntarily submits a request for certificate suspension.

6.2.2 The client will receive written notification of the official suspension and must immediately cease the use of the certification mark/logo.

6.2.3 The client must ensure that any defective certified product that led to the suspension is subject to corrective action, including product recall where necessary, and prevent, by all practical means, such product from being placed on the market after the suspension is invoked.

6.3 Restoration of Certification

6.3.1 A suspended certification shall be restored once the issue(s) that caused the suspension have been fully resolved. Failure to resolve the issue(s) within the period stipulated by the Company will result in the withdrawal or reduction of the scope of certification. All costs incurred in relation to the certification's suspension and subsequent recovery process will be borne by the client.

6.4 Withdrawal/Cancellation of Certification

6.4.1 Certification may be withdrawn or cancelled under the following circumstances: i. The client does not satisfy the conditions required for lifting the suspension of certification; ii. The client fails to fulfill its financial obligations; iii. The client opts not to continue or renew its certification; iv. The client has ceased

operation; or v. The client is in breach of the terms of this Audit and Certification Agreement. **6.4.2** If the certificate is withdrawn or cancelled, the client will be officially notified in writing. The client retains the right to appeal, and the process governing appeals is set out on the Company's official website at **[Certification Body's Website URL]**. Notwithstanding this, the Company reserves the right not to refund any payments previously made by the client.

7. Termination

7.1 The Services may be terminated by either party providing 30 days' written notice.

7.2 The Services may also be terminated immediately by the Company without notice to the client in the following scenarios: i. The client's gross and willful actions have jeopardized the Company's reputation or its ability to operate as an accreditation assessment body; ii. The client has failed to meet its financial obligations to the Company; iii. The client has breached a term of the Contract; or iv. The client has failed to complete actions required by the Company within the requisite timescales, as notified in writing by the relevant Company.

7.3 Upon termination of the Services, the client shall have no claim for, or right to, compensation for the loss of client rights, goodwill, or any similar loss related to the termination of the Services, and the client hereby agrees to waive any such rights.

8. Confidentiality

8.1 As used herein, "Confidential Information" means any oral or written proprietary information acquired by one party from the other pursuant to the Contract or information regarding the other party's business. However, Confidential Information does not include any information which: i. is or later becomes generally known to the public; ii. was available to the receiving party on a non-confidential basis before its disclosure by the disclosing party; iii. is disclosed to a party by an independent third party with a legitimate right to make such disclosure.

8.2 Neither party, nor their agents and/or subcontractors, shall use the Confidential Information for purposes other than the Contract or disclose the other's Confidential Information to any person or entity without the prior written approval of the other party, except as expressly provided herein or when required by law or by a judicial, governmental, regulatory body, or the Company's Accreditation Body.

9. Proposal and Quotations

9.1 A Proposal for Certification will be presented to clients, who must confirm their acceptance before work commences. Once work has begun, the client is deemed to have accepted the Proposal for Certification or quotation and is committed to paying the quoted amount and any incurred expenses.

10. Fee for Initial, Surveillance, and Recertification Audit

10.1 The quoted audit fees are based on the applicable charge rate and the details submitted by the client when the Proposal for Certification was issued. The Company retains the right to adjust the fees during any three-year certification cycle.

10.2 The initial, surveillance, and recertification audit fee is payable prior to the audit and is non-refundable regardless of the audit outcome. If, during the audit, there is an amendment in scope, a change of sites, a change in manpower, or any other circumstance requiring additional audit man-days, the client will be notified of the additional man-days and the corresponding fee to be charged.

10.3 The client must pay the full audit fee for the stage 1 audit, irrespective of whether the client proceeds with the stage 2 audit.

10.4 Once certified, clients enter a three-year certification cycle. Any additional work, including the clearance of major non-conformities found during an audit that necessitates extra visits, will incur a supplemental charge over and above the Proposal for Certification. The client will be advised of the additional time to be charged before the extra visit occurs.

10.5 Certification shall be automatically renewed upon the expiration of every three-year cycle. By accepting the recertification arrangement, the client is deemed to have accepted this auto-renewal. The recertification audit must be performed before the current certificate expires. The Company reserves the right to review and adjust the fees for recertification and subsequent surveillances.

10.6 Clients will be provided with written notification if any fee adjustment is made. If the client does not object to the adjusted fees within 3 days of such notification, approval shall be deemed granted.

11. Units of Time

11.1 Rates for the Company's services are calculated in full or half days per person. If the working day is significantly extended, an additional half day per person may be charged.

12. Overseas Audit

12.1 For audits conducted overseas, all expenses, including but not limited to visa costs, airfare, airport transfers, land or sea transportation, hotel accommodation, meals, and other subsistence costs, will be billed at cost, unless otherwise agreed.

12.2 The Company reserves the right to charge for travel time associated with performing any overseas audit. Total travel time to reach overseas audit destinations will be calculated at the relevant day rate in days or half days per person for the purposes of determining the total rechargeable travel time.

12.3 The standard man-day rate is not typically billed for trapped weekend days. However, auditor expenses such as hotel accommodation and meals for those trapped days will be billed to the client.

13. Cancellation Policy and Charges

13.1 The Company reserves the right to charge a fee equivalent to one man-day if a client cancels or postpones an audit with less than ten working days' notice from the original start date of the cancelled audit.

13.2 In all circumstances, any non-refundable travel or subsistence costs already expended will be recovered from the client.

13.3 An invoice for the cancellation charge will be sent to the client, and the Company reserves the right to withhold any new issuance, maintenance, or renewal of certification until this invoice is settled.

13.4 If the audit is cancelled by the Company, the Company will be responsible for its own costs associated with the cancelled or rescheduled audit. The Company accepts no liability for any costs incurred by the client in relation to any audit cancelled or rescheduled by the Company.

14. Reinstatement Fee

14.1 If a client's certification is suspended for financial reasons (e.g., late payment of invoices), a fee will be charged for reinstating the certification after the outstanding payment has been settled.

15. Additional Certificates

15.1 A fee, as specified in Schedule A, will be charged for each extra copy of the certificate, including replacements or re-issuance of certificates.

16. Payment Notification

16.1 A payment notification will be sent to the client in advance of the scheduled audit date to facilitate preparation and payment prior to the audit.

17. Invoicing

17.1 Invoices are generated in an electronic format, sent via email in the local or agreed currency, and are due and payable in full.

17.2 All quoted fees are subject to local taxation laws. The client remains responsible for any and all applicable tax and/or all other transaction charges related to the payment.

18. Payment Terms

18.1 Payment is typically required before any work is undertaken. Unless otherwise noted on the invoice, the standard payment term is 30 days. The Company reserves the right to withdraw credit (e.g., in cases of poor credit or payment history) and require payment in advance of any work being performed.

18.2 For clients located overseas, payment must be received before any work is commenced.

18.3 The initial audit fee, recertification audit fee, and any associated close-out work costs must be paid in full before certification is officially granted and issued.

18.4 The Company is committed to resolving any invoice queries promptly. Any query regarding an invoice must be submitted in writing to the Company within 30 days of the invoice date. If no query is raised within this period, the fee will be immediately due and payable without the right to further explanation, amendment, or dispute.

18.5 The Company reserves the right to charge interest for late payment at a rate of 1.5% per month, calculated from the invoice date and inclusive of any recovery costs, which must be paid along with any outstanding amount due. The Company also reserves the right to cease work and terminate the certification on financial grounds if the payment of any billed fees is delayed.

19. Payment Methods

19.1 The Company accepts payment via cheque or bank transfers.

20. Applicable Law

20.1 Unless otherwise specified, this agreement is governed by and shall be construed in accordance with Singapore law. The Courts of Singapore shall have exclusive jurisdiction over any claim, dispute, or difference arising from this agreement. Each party irrevocably waives any right to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts lack jurisdiction.

20.2 Should any provision in these Audit and Certification Agreement, or any associated proposal, certification agreement, or its application, be found to be invalid, illegal, or otherwise unenforceable in any respect, the validity, legality, or enforceability of all other provisions shall not be affected or impaired.

21. LIABILITY AND INDEMNITY

21.1 The Company shall not be liable to the client, its proprietors, directors, shareholders, officers, employees, agents, or contractors for any claims, expenses, losses, or damages (including all legal expenses) whether suffered directly or indirectly as a consequence of, or arising from, (i) the client's use of the accreditation supplied by the Company hereunder; or (ii) the Company's refusal to award or renew, or decision to suspend or terminate, the accreditation, for any reason whatsoever. In the event that the Company is found liable by operation of law, the maximum extent of the Company's liability shall be limited to the fees paid by the client.

21.2 The client agrees and undertakes to fully indemnify and hold the Company, its proprietors, directors, shareholders, officers, employees, agents, and contractors harmless against all liabilities, claims, costs, expenses, losses, or damages (including all legal expenses) suffered by and/or asserted against the

Company, including but not limited to all third-party claims against the Company, resulting from any act by the client (whether direct or indirect) or for which the client is responsible.

21.3 Except for cases involving proven negligence or fraud by the Company, the client further agrees and undertakes to hold harmless and indemnify the Company, its proprietors, directors, shareholders, officers, employees, agents, and contractors against all claims (actual or threatened) by any third party for loss, damage, or expense of any nature, including all legal expenses and related costs, however arising: (i) relating to the performance, purported performance, or non-performance of the Company's services hereunder; or (ii) out of or in connection with the client's product, process, or service that is the subject of the certification (including, without limitation, product liability claims).

22. Other Associated Documents and Requirements

22.1 Please refer to the Company's official website at www.issg.sg for detailed information regarding the following: Certification process covering initial certification audit, surveillance audit and recertification audit, Use of certification mark, and Complaints and appeals.