

A-Professional Certification Services Limited

APC-M-05 Terms and Conditions for Certification Services

1 GENERAL CONDITIONS

- 1.1 A-Professional Certification Services Limited (hereinafter called as “APC”) offers certification services (“Services”) covering audit and certification against an appropriate recognized standards thereof to any company, association, NGO or government agency or authority that apply for Services (the “Client”). Unless otherwise agreed in writing, all offers or services and all resulting contractual relationship(s) between A-Professional Certification Services Limited (hereinafter called as “APC”) to any person applying for certification services (the “Client”) shall be governed by these General Conditions.
- 1.2 The audit and certification services offered by APC are “open ended” and are subject to automatic renewal.

2 DEFINITIONS

Accreditation Body:	any organisation (whether public or private) having the authorisation to appoint Certification Bodies
Application:	the request for services by a Client
Certificate:	the Certificate issued by a competent Certification Body
Certification Body:	any APC company having the authorisation to issue Certificates
Quotation:	the outline of services to be rendered by APC to the Client
Regulations:	the regulations of the Scheme set out herein
Report:	a report issued by APC to the Client indicating whether or not a recommendation to issue a Certificate is to be made
Fraudulent behavior	any intentional misrepresentation, concealment of information, or provision of false information to a relevant interested party, resulting in the deliberate violation of accreditation or certification rules.

3 SERVICES

- 3.1 These General Conditions cover system certification services (“the Services”): quality, environmental, safety, health and other management system certification in accordance with international or national standards.
- 3.2 APC confirms that it will provide all interested parties with full information about the Scheme including the criteria for certification and the audit and certification

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process. APC shall also on request provide Clients with all information reasonably requested relating to certification including information relating to the application process and the initial auditing of the Client, as well as information regarding the granting, maintenance, renewal, extension, suspension, reduction of and/or withdrawal of certification under the Scheme. The details of Audit arrangement are details in APC-M-06, which is available on APC website (www.apcslimited.com) or upon request.

- 3.3 APC shall inform the Client of all the required arrangements for the conduct of an audit of a Management System, including provision for examining documentation, the required access to all processes and areas, records and personnel, all for the purposes of assessing certification, as well as in respect of future ongoing surveillance and recertification.
- 3.4 On completion of an assessment programme, APC will prepare and submit to the Client a Report. Any recommendation given in a Report is not binding on the Certification Body and the decision to issue a Certificate is at the sole discretion of the Certification Body. APC will provide the client's relevant certification records upon the request of accreditation body.
- 3.5 All Clients that are subsequently certified shall be subject to ongoing monitoring including on-site audits, and certified Clients acknowledge that surveillance audits will be conducted at least once every year of certification. Prior to the end of each certification period a full recertification audit will be conducted of the Client and APC shall make its decision on renewing certification based on the results of such recertification audit, as well as the results of the monitoring and surveillance that have taken place over the certification period.
- 3.6 Certification, suspension, withdrawal or cancellation of a Certificate shall be in accordance with such practices and policies including those set out in ISO/IEC 17021. APC shall make available information about certifications granted, suspended or withdrawn in response to requests for such information from members of the public.
- 3.7 APC may delegate the performance of part of the Services to a subcontractor and Client authorises APC to disclose all information necessary for such performance to the subcontractor. APC shall be fully responsible for all activities outsourced and such outsourced activities shall be provided in accordance with these Regulations.
- 3.8 APC shall give its certified client due notice of any changes to its requirements for certification. APC will verify that each certified client complies with new

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requirements.

- 3.9 Where there are multiple sites of a client, APC shall cover all the client's sites within the scope of certification.

4 IMPARTIALITY

- 4.1 APC recognises the importance of impartiality, the active management of conflicts and objectivity in operating the Scheme and APC agrees to use all reasonable efforts to run the Scheme in a fair and impartial manner. Without limitation APC shall not:

- provide and shall not offer consultancy services as to how to achieve certification under the Scheme;
- provide and shall not offer information or internal audits to the Client;
- contract out or outsource audits to any entity that provides consultancy services in relation to certification under the Scheme.

5 OBLIGATIONS OF THE CLIENT

- 5.1 The Client shall ensure that all product samples, access, assistance, information, records, documentation and facilities are made available to APC when required by APC, including the assistance of properly qualified, briefed and authorized personnel of the Client. The Client shall in addition provide APC free of charge suitable space for conducting meetings.
- 5.2 The Client shall provide APC with all necessary transportation and equipment, such equipment to be in good working order and under the Client's control and operation, for provision of the Services
- 5.3 The Client shall establish, document and at all times maintain a Management System in accordance with the appropriate Management System Standards and/or other normative documents as agreed with APC from time to time in respect of all business activities certified, and make available copies of all or any part of the Management System Documents on the request of APC and/or if required lodge copies of the same with the APC for reference purposes.
- 5.4 The Client shall take all necessary steps to eliminate or remedy any obstacles to or interruptions in the performance of the Services.
- 5.5 In order to allow APC to comply with the applicable health and safety legislation the Client shall provide APC with all available information regarding known or

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potential hazards likely to be encountered by APC personnel during their visits. APC shall take all reasonable steps ensure that whilst on the Client's premises, its personnel comply with all health and safety regulations of the Client, provided that the Client makes APC aware of the same.

- 5.6 The Client may only reproduce or publish extracts of any report of APC if the name of APC does not appear in any way or the Client has obtained the prior written authorization of APC. APC reserves its rights to lodge a complaint in case of disclosure in breach of this clause or disclosure which APC considers in its sole discretion is abusive. The Client shall not publicize details of the way in which APC performs, conducts or executes its operations.
- 5.7 The Client is requested to inform APC promptly of any significant changes to its product(s) or services that may impact the certified management system(s) or any other circumstances, which may affect the validity of its certification. Change of site, additional sites, change of process, change of ownership, change of scope, change of number of employees, etc. are considered as changes which may affect the validity of the certification. Any breach of this obligation to inform may lead to the withdrawal of the Certificate.
- 5.8 The Client shall use certification only to indicate that the Client's Management Systems are in conformity with the appropriate Management System Standards and/or other normative documents, and not use the Client's certification to imply that a product or service is approved or certified by the APC when it is not.
- 5.9 The Client shall make provisions, where applicable, to accommodate the presence of observers (e.g. APC trainee auditors, internal auditors and/or APC top management); and/or HKAS assessment team who are witnessing APC's performing audits, accessing to the client's premises.
- Note: APC may suspend the concerned certification in case when the certified client fails to accommodate the presence of HKAS assessment team in the audit.
- 5.10 The Client shall inform APC, without delay, of any changes relating to:
- (a) the legal, commercial, organization status, ownership;
 - (b) organization and management (e.g. key managerial, decision-making or technical staff);
 - (c) contact address and sites;
 - (d) scope of operations under the certified management system and
 - (e) major changes to the management system and processes.
- 5.11 The Client shall conform to the requirements of APC when making reference to its

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certification status in communication media such as the internet, brochures or advertising, or other documents.

- 5.12 The Client shall not make or permit any misleading statement regarding its certification.
- 5.13 The Client shall not use or permit the use of a certification document or any part in a misleading manner.
- 5.14 The Client shall discontinue its use of all advertising matter which contains a reference to certification, as directed by APC, upon withdrawal of its certification.
- 5.15 The Client shall amend all advertising matter when the scope of certification has been reduced.
- 5.16 The Client shall not allow reference to its management system certification to be used in a way as to imply that APC certified a product or a service or a process.
- 5.17 The Client shall not imply that the certification in such a manner that would bring APC and /or certification system into disrepute and lose public trust.
- 5.18 The Client shall agree and accept that APC will seek or withdraw any accreditation at the liberty of APC.
- 5.19 The Client shall not imply that the certification applies to activities and sites that are outside the scope of certification.
- 5.20 Where there are multiple sites involved within the scope of certification, the Client shall agree to cover all the sites for APC's certification process.
- 5.21 The Client shall strictly adhere to certification rules, refraining from any intentional misrepresentation, concealment, or provision of false information.
- 5.22 In the event of allegations against the auditee, the Client shall cooperate fully with APC in any investigations, providing necessary documentation and access to relevant personnel.
- 5.23 If required, the Client shall promptly implement corrective measures as advised by APC to address any identified issues related to fraudulent behavior or non-compliance.
- 5.24 The Client agrees to respond promptly and comprehensively to any queries or requests for information from APC related to the certification process or allegations of fraudulent behavior.

6.0 RECORDS

- 6.1 APC shall maintain full records on the audit and other certification activities for all the Clients relating to their own assessment programme and surveillance

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programme.

- 6.2 APC shall keep the records on Clients secure to ensure that the information is kept confidential. Records shall be transported, transmitted or transferred in a way that ensures that confidentiality is maintained. At the end of the archive period, APC shall transfer, retain or dispose of the materials at its discretion, unless instructed otherwise by the Client. Fees for carrying out such instructions will be invoiced to the Client.

7 CONFIDENTIALITY

- 7.1 All information of a technical or business nature disclosed by the Client to APC in the certification process shall be regarded as confidential and shall only be disclosed by APC to its employees and part-time employees as is necessary and APC shall ensure that such personnel treat such information as confidential. Such information shall only be used by APC for the purposes of auditing and certification and shall not without the prior written consent of the disclosing entity be disclosed by APC to any third party, provided always the foregoing obligations of confidence shall not apply to information which (1) is or hereafter becomes generally known to the public; (2) was available to the receiving party on a non-confidential basis prior to the time of its disclosure by the disclosing party; (3) is disclosed to a party by an independent third party with a right to make such disclosure; and (4) is disclosed for the purpose of accreditation or recognition assessment.

- 7.2 APC confirms that it shall inform all of its employees (including committee members) and all sub-contractors acting on its behalf of the confidentiality obligations of APC as specified above. Unless required by law or by a judicial, governmental or other regulatory body, neither its employees (including committee members) nor its sub-contractors shall use the Confidential Information other than for the purpose of the Contract nor disclose the other's Confidential Information to any person or entity without the prior written approval of the other party except as expressly provided for herein.

8 FEES AND PAYMENT

- 8.1 The application and documentation assessment fee (non-refundable) shall be payable by the Client upon submission of an application for certification. Fees for first stage assessments, certification audits and follow up visits shall be payable in advance before the required work is undertaken by the APC. As fees are based

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on the charge rate applicable at the time of submitting a Quotation, APC reserves the right to review and amend its charges annually; as a minimum, these charges will be adjusted in line with cost indices.

8.2 Additional fees shall be charged for operations that are not included in the Quotation and for work required due to non – conformances being identified. These will include, without limitation, costs resulting from:

- (a) repeats of any part, or all, of the assessment programme or operations due to the registration procedures and rules not being met;
- (b) additional work due to suspension, withdrawal and/or reinstatement of a Certificate;
- (c) reassessment due to changes in the management system or products, process or services; or
- (d) compliance with any subpoena for documents or testimony relating to work performed by APC.

8.3 Surveillance visits, renewal audits and evaluations, overseas travelling expenses reimbursement and annual fees (non-refundable) shall be payable within 30 days from date of invoice. All fees paid shall be non-refundable and shall not be subject to set-off, deduction or refund.

8.4 If the Client fails to pay any fees on their respective due dates the APC shall be entitled to charge the Client interest on the outstanding fee at the rate of 1% per month in force from time to time from the date the payment became due until actual payment is made.

8.5 APC reserves the right to cease or suspend all work and/ or cause the suspension or withdrawal of any Certificate for a Client who fails duly to pay an invoice.

8.6 Client shall not be entitled to retain or defer payment of any sums due to APC on account of any dispute, counter claim or set off which may allege against APC.

8.7 APC may elect to bring action for the collection of unpaid fees in any court having competent jurisdiction.

9 REPORT AND CERTIFICATE OWNERSHIP AND INTELLECTUAL PROPERTY

9.1 The APC is the beneficial owner of the Certification Mark and is not aware that the use of the Certification Mark will infringe the rights of any third party in Hong Kong or elsewhere but gives no warranty as to whether any such third party rights

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will be infringed in Hong Kong or elsewhere.

- 9.2 Any document including, but not limited to any Report or any Certificate, provided by APC and the copyright contained therein shall be and remain the property of APC and the Client shall not alter or misrepresent the contents of such documents in any way. The Client shall be entitled to make copies for its internal purposes only. Duplicates of Certificates are available upon request for external communication purposes.

10 LIMITATION OF LIABILITY AND INDEMNITY

- 10.1 APC undertakes to exercise due care and skill in the performance of the Services and accepts responsibility only in cases of proven negligence.
- 10.2 The Client shall be liable for and will indemnify the APC against any and all liability, loss, damages, costs, legal costs, professional and other expenses of any nature whatsoever incurred or suffered by the APC whether direct or consequential (including but without limitation any economic loss or other loss of profits, business or goodwill) arising out of any dispute or contractual, tortious or other claims or proceedings brought against the APC by a third party claiming relief against the APC by reason of: (i) the certification of the Client under the Scheme and/or the breach of these Regulations by the Client; and (ii) the manufacture, use or sale of any goods or the provision of any services by reference to the Certification Mark or the Client's certification under the Scheme.

11 DURATION AND TERMINATION

- 11.1 Unless otherwise agreed, the Contract shall continue for the term set forth in the Quotation. On expiry of the first three years cycle, the Contract shall renew automatically, until APC is on the request of the Client to terminate its certification.
- 11.2 If the Client is temporarily unable to comply with the requirements of certification and/or fails to comply with these Regulations including any failure to permit surveillance or recertification audits, the APC may require the Client in question to discontinue use of the Certification Mark or any claim to certification under the Scheme with immediate effect until it is satisfied that the conditions of certification are again achieved, and the Client in question has remedied any breach of these Regulations within 30 days.
- 11.3 Either Party shall be entitled to terminate immediately the provision of the Services in the event of any arrangement with creditors, bankruptcy, insolvency,

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receivership or cessation of business by the other Party.

14 ALTERNATIONS

- 14.1 These Regulations and/or Scheme may from time to time be altered by the APC. No such alterations shall affect the right of the Client to use the Certification Mark or claim to be certified under the Scheme unless or until it shall have been given notice in writing of such alterations by the APC who will notify the Client of the date by which it must comply with the altered Regulations and/or Scheme, which shall not normally be less than six months from the date of notification of the alteration. Following the date of effectiveness of the altered Regulations and/or Scheme APC shall use its best efforts to verify that each the Client carries out any necessary adjustments to its procedures and/or Management System and/or Products within such time as APC considers reasonable.

15 APPEALS, DISPUTES AND COMPLAINTS

- 15.1 APC agrees to investigate in its reasonable discretion all complaints received in respect of the Scheme including in respect of the audit and certification process and the certification of Clients.
- 15.2 Upon receipt of a complaint, APC shall confirm whether the complaint relates to the Scheme and, if so, APC shall use reasonable efforts appropriately to address and resolve the same. Such complaints shall be addressed and investigated in accordance with the APC documented complaint handling procedure.
- 15.3 Without limitation the Client acknowledges that if a complaint relates to its certification, the examination of the complaint shall consider the effectiveness of its certified Management System as appropriate.
- 15.4 APC aim to work with the Client to resolve any complaints raised, however in the unlikely event that the Client is not satisfied with APC response the Client may register an appeal to the APC head-office. Should the Client wish to appeal against or dispute any decision of APC, it should do so in accordance with the APC appeals procedure, available on APC website or upon request. If the Client does not wish to appeal directly to the APC head-office, the complaint shall be sent in writing to APC (email: info@apcslimited.com).
- 15.6 The Regulations shall be construed in accordance with the laws of Hong Kong and shall be subject to the exclusive jurisdiction of the courts of Hong Kong.

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16 FRAUDULENT BEHAVIOUR

- 16.1 APC shall respond promptly and comprehensively to any formal written communication from its accreditation body (including Hong Kong Accreditation Service), providing the necessary information related to allegations of fraudulent behavior.
- 16.2 APC is committed to cooperating fully with the accreditation body (including Hong Kong Accreditation Service) in the investigation of credible allegations of fraudulent behavior against APC's employees or the Client.
- 16.3 APC shall, without delay, provide formal notice to the Hong Kong Accreditation Service (HKAS) of any formal allegations of fraudulent behavior against APC's employees or the Client.
- 16.4 APC shall diligently investigate any allegations of fraudulent behavior made against the Client and, if deemed necessary, take timely actions to suspend or withdraw certification.
- 16.5 APC is responsible for verifying the effective implementation of measures taken by the Client to address issues related to fraudulent behavior.