

RULES OF REGISTRATION

Agreement between the company (ISOQAR Inc) and clients (companies audited by ISOQAR Inc).

1 INTRODUCTION

These rules have been prepared against criteria for competence set out in (2) below.

The Scope of Accreditation issued by ANAB, is an acknowledgement that ISOQAR has the necessary expertise and ability to manage audits in those particular sectors. Details of all accredited scopes held are available on request to ISOQAR. Certification of a management system is not a statement by the certification body guaranteeing that the product or services actually meet specified requirements. Certification does not imply a view on the specification of a product or service and does not guarantee a good product or service.

ISOQAR Inc is a privately owned independent organisation.

2 SCOPE OF THE RULES OF REGISTRATION

ISOQAR undertakes the audit, evaluation and certification of product and management systems operated by companies to the Standards and Specifications described (ISO 9001, ISO 13485, ISO 14001, ISO 27001, AS9100, AS9104, AS9110 and AS9120). The client must agree to supply all necessary information to ISOQAR Inc.

3 PERSONNEL

ISOQAR Inc undertakes to provide suitably qualified personnel for all audit work using their own staff or suitable qualified subcontractors. All members of ISOQAR Inc (full-time employees or sub-contractors) are required to sign confidentiality agreements concerned with all confidential information to which they may be exposed at client premises.

4 APPLICATION FOR REGISTRATION

On receiving a completed Questionnaire, ISOQAR Inc will prepare a quotation detailing audit cost. On acceptance of this quotation the client will complete the application form and forward it with a check for the audit cost to ISOQAR Inc. The project will then be allocated by the Operations Manager to a suitable audit team who will then carry out the audit in line with ISOQAR Inc's procedures.

5 AUDIT METHOD

- (i) The first stage of the audit as carried out by ISOQAR Inc is a review of the client's documentation with respect to the appropriate Standards. This is generally performed at the client's premises in conjunction with the client's management representative. A comprehensive preliminary site audit may also be carried out at Stage 1.
- (ii) On satisfying the auditor on the compliance of the documentation and site requirements (if applicable), a report is produced and on-site audit Stage 2 audit date is agreed and performed by the auditor(s). If further visits are required due to non-compliances found, these will be undertaken and extra charge will be incurred by the client. The on-site audit is carried out using client manuals and procedures and by interviewing relevant members of staff regarding their working practices.
- (iii) After certification, if the client changes anything which significantly affects the registration, then ISOQAR must be informed. ISOQAR reserves the right to re-audit if necessary.
- (iv) Recertification re-audit is required by ISOQAR Inc every three years.

6 CERTIFICATION

On completion of the Stage 2 audit, the Lead Auditor sends a report to the Operations Manager of ISOQAR Inc. On reviewing a completed report stating that the client's management system meets the requirements of the relevant Standards the President / Vice President / Operations Manager authorise the issue of certificate with the registration number. The certificate remains the property of ISOQAR Inc. Providing the client maintains the management system to the required standard, the certificate is valid for three years. Recertification re-audit is carried out prior to the expiry of the certificate at extra cost.

7 ANNUAL REGISTRATION AND SURVEILLANCE

After the issue of a certificate, to maintain annual registration, surveillance visits will be carried out at the client's premises (announced visits) at least once per year. If areas of concern are identified, more visits may be carried out at the discretion of the President/ Vice President / Operations Manager. The client agrees to meet the extra costs relating to such increased surveillance. Any changes to scope, services, products or manufacturing processes must be communicated to ISOQAR Inc (see 8 below) .

8 EXTENSION TO THE SCOPE OF REGISTRATION

This may be applied for in the same way as the initial audit, indicating the increased scope of registration being required. Audit will be carried out in the areas not previously audited. If successful, a new certificate indicating the new full scope will be issued by ISOQAR Inc. There will be a charge for extensions to scope and re-issue of the certificates.

9 PUBLICITY

Once a certificate has been issued, the client has the right to publish the fact. The relevant logos can be used on the client's stationery relating only to the audited scope of registration and the relevant part of the standard.

10 CERTIFICATE MISUSE

ISOQAR Inc will take all reasonable precautions to see that there is no misuse of their certificate in client advertising etc. The client undertakes only to use certification marks or accredited certification marks as appropriate to its audited scope of registration and relevant Standards.

11 FEES

All fees for audit and annual registration are available on request.
All fees paid to ISOQAR Inc are strictly non-refundable.

12 CERTIFICATE SUSPENSION OR WITHDRAWAL

See also section on Appeals Procedure.

Following a successful audit of a client's management system to the appropriate Standards,, the certificate may be suspended or withdrawn as follows:

- (a) Suspended for a short period due to:
 - (i) Continued misuse of logos.
 - (ii) Failure to apply corrective action as a result of discrepancies found at audit visits.
 - (iii) Failure of a client to settle financial account.
 - (iv) Any other breach of ISOQAR Inc's Rules of Registration.
- (b) Withdrawn due to:
 - (i) Failure to respond to requests made by ISOQAR Inc after suspension of certificate.
 - (ii) Failure of a client to settle financial account. The client will not be reimbursed for any previous audit paid for.
- (c) At the client's request.

13 APPEALS PROCEDURE

If for any reason a client is not in agreement with the Lead Auditor's verdict after an audit, including suspension or withdrawal of a certificate, he/she is at liberty to lodge an appeal with the Operations Manager of ISOQAR Inc.. The Appeals-Committee will hear evidence from the client's representative and the relevant Lead Auditor. The decision of the committee is final and binding on both the client and ISOQAR Inc. No counter claims will be allowed by either party. No costs, for whatever reason, will be allowed for either party as a result of an appeal. Expenses of the Appeal will be met in full by the party who has the decision against them.

14 CLIENT COMPLAINTS AGAINST ISOQAR Inc PERSONNEL

If a client has a complaint regarding any employee of ISOQAR Inc, this should be sent in writing to the Operations Manager of ISOQAR Inc. If the complaint involves the Operations Manager then the complaint is to be addressed to the President of ISOQAR Inc.

15 TERMS OF PAYMENT

- (a) Audit / Re-audit
 - All application fees to be sent with the Application Form and Agreement.
 - Audit fees to be paid following the audit and on receipt of ISOQAR Inc invoice .
- (b) Surveillance or subsequent visits as a result of non-compliance.
 - Surveillance fees to be paid following the surveillance visit and on receipt of ISOQAR inc invoice.
 - Extra visits or office close outs as a result of non-compliance will be chargeable at ISOQAR Inc's standard fee at the time.

Cancellation of audit or surveillance dates by the client within twenty working days of the agreed dates will result in ISOQAR Inc claiming an extra levy of \$800 from the company for each staff day cancelled plus any expenses already incurred.

16 LIABILITY

Neither ISOQAR Inc nor any of its servants or agents warrants the accuracy of any audit, review, information, certification, service or advice supplied. Except as stated in this document, neither ISOQAR Inc nor any of its servants or agents shall be liable for any loss, expense or damage however so sustained by any company, client or person due to any act whatsoever taken by ISOQAR Inc or its servants or agents, save to the extent that any attempted exclusion or liability would be contrary to law.

17 INDEMNITY

The client will indemnify ISOQAR Inc against any claims or losses suffered by ISOQAR Inc as a result of misuse by the client of any approval or registration given to the client by ISOQAR Inc under its rules of registration.

18. ANAB WITNESSED AUDITS

It is a condition of the rules of registration that all ISOQAR Inc certificated clients should, if requested, allow ANAB auditors, and Sector Scheme and Regulatory Authority representatives to witness ISOQAR Inc staff carrying out their audits. Failure to allow this could jeopardise the client's registration.

ISOQAR Inc reserves the right to change these rules of registration herewith without prior notification. Clients and potential clients are recommended to request from ISOQAR Inc regular updates to the Rules of Registration.