



# LMS Certifications Pvt. Ltd

## MANAGEMENT SYSTEM CERTIFICATION AGREEMENT

Ref. No

### 1 – PARTIES OF THE AGREEMENT:

**Certification body:** LMS

**Company name:** LMS Certifications Pvt. Ltd. (LMS)

**Location:** 1 Anand Dhaam, Opp. Kukrail Picnic Spot Gate  
Faridi Nagar, Lucknow-226015

**Acting for:** Pushpendr Singh Gaur, Managing Director

**Registered in:** Registrar of Companies, Govt. Of India

**Business Id. No.:** U74140UP2008PTC036356

(Here in after only LMS)

**Client:**

**Company name:**

**Location:**

**Acting for:**

**Registered in:**

**Business Id. No.:**

Both parties understand and agree hereinafter provisions:

### 2 – SUBJECT MATTER OF THE AGREEMENT

The subject matter of the agreement between both parties applies to the provision of conditions for granting the certification which confirms that the management system (system in following) conforms to the specified standard or other normative documents for the system. The client is aware of the fact that the system certification is performed on the basis of a dynamic system audit at the given moment. The client is bound to assure that the relevant provisions of this agreement will be met by the organisation whose management system will be certified (organisation in following). LMS will perform the certification according to the application of the client and the price offer accepted by the client.

### 3 – START OF AGREEMENT VALIDITY

This agreement is applicable after it is signed by both parties, and the LMS price offer is signed by both parties and the filled in LMS form APPLICATION FOR MANAGEMENT SYSTEM AUDIT is signed and submitted by the client, all included without any exclusions.

### 4 – SYSTEM CERTIFICATION PROCEDURES

Besides provisions given in 9 – TEMPORARY PROVISIONS, both parties agree with keeping the steps and relevant provisions of the certification programme and bind to do everything necessary to keep the correct fulfilment of this procedure. LMS is authorised to submit unilaterally non-essential amendments to this procedure that do not influence the content of the agreement between the parties. LMS can utilise subcontractors to meet the purpose of this agreement.

#### 4.1 – DOCUMENTATION

By signing this agreement the client agrees to submit the following documentation to LMS or its representative before the beginning or during the certification audit:

- List of the system procedures indicating the dates of their issue
- documentation indicating in broader connections how the requirements for the system are met (usually "manual")
- list of services and/or products produced in the system to be certified.

The client confirms that these documents reliably define the system status on the date of the certification audit and that they identify the scope and fields of activities which are the subject of the certification.

#### 4.2 – SYSTEM AUDIT

The certification audit consists of the document review and of the audit in situ by the auditor(s) nominated by LMS. The degree of conformity of the system and the system standard is assessed. The client can appeal against the auditors nominated by LMS. To be valid, the appeal has to be written and submitted within eight days after the names of auditors are announced in writing to the client by LMS.

In such a case, LMS has to nominate new auditor(s) and is authorised to change the date of the audit. After the audit, LMS shall submit to the client the list of nonconformities and observations with the corrective action(s) request and the audit report.

The client / organisation binds to propose and carry out corrective action(s) without undue delay and LMS shall assess whether the content and the term for carrying them out is acceptable.

In some cases LMS can decide to perform an extraordinary audit of implementation and effectiveness of the corrective actions. This assessment represents minimum 1/2 – day audit.

#### 4.3 – CERTIFICATION

Based on the audit report, the list of nonconformities and the action plan of the client taking corrective actions, LMS will decide autonomously about granting, postponing or the rejection of the certification. This decision is made in writing to the client.

**4.3.1 – GRANTING CERTIFICATION** If the certification is granted, the certificate is issued in the language and for the activities according to the application, and is sent to the client and recorded into the LMS list of certificated organisations.

- a) Certification is valid only for the certificated organisation, i.e. for the system recorded in the certificate applicable for the products / services recorded in the certificate. Any transfer of the certification and the certificate is explicitly forbidden.
- b) Certification is valid for one year however total validity is 3 years subject to surveillance audits are performed (see below) and the certification is not suspended or withdrawn by LMS.
- c) The surveillance audit represents a visit of an auditor, nominated by LMS to ensure the maintaining of the system level. Surveillance audits will be performed every 12 months. However, this number could be changed if it is imposed by any official regulation or based on the recommendation of the auditor.
- d) LMS can perform follow-up audits out of the regular cycle, if the system amendment (see 8.2) is considered by LMS to be the principal or if the scope of the application is changed.

#### 4.3.2. – POSTPONMENT OF GRANTING CERTIFICATION

LMS can decide autonomously to postpone its decision on certification while the required corrective actions are implemented by the organisation. After these actions are executed, the auditor will perform a new audit. Based on this, LMS will decide autonomously about granting the certification. The extent of this new audit depends on the extent of the nonconformities and relevant corrective actions.

#### 4.3.3 – REJECTION OF CERTIFICATION

In case the certification is rejected, the validity of this agreement automatically comes to an end three months after the rejection is announced to the client, if the client does not submit an appeal (see 6) or will not submit a new application for audit. The costs will be charged by LMS to the client in accordance with the beforehand agreed prices regardless to any appeal.

#### 5 – RENEWING CERTIFICATION

The certification must be renewed before its expiry. Renewal of the certification requires a total audit. This agreement is the order for certification renewal. Also, a new LMS price offer must be agreed by the client.

#### 6 – RESTRICTING, SUSPENDING, WITHDRAWING AND EXPIRY OF CERTIFICATION

Provisions 6.1 to 6.3 are valid for the entire scope of certification or for its part.

##### 6.1 – RESTRICTING CERTIFICATION

Restricting certification is a temporary arrangement, not exceeding a 3 months period and will be applied if the critical nonconformities of the system are identified (e.g. during surveillance audits), or if the certified organisation does not submit adequate corrective actions for identified nonconformities in time. Restricting will be announced to the client and organisation in writing and becomes valid 30 days after it is announced to the client, except if the client appeals within time, according to the procedure given in clause 7.

##### 6.2 – SUSPENDING CERTIFICATION

LMS is authorised to suspend the certification in case of detecting (e.g. during the regular, follow-up, or surveillance audit) that the system is not in conformity with the standard or in case the obligations of this agreement including financial obligations are not kept to by the client / organisation. Suspension can come with or without previously restricting the certification. Suspension will be announced to the client and the organisation in writing, and becomes valid 30 days after it is announced to the client, except if the client appeals within time, according to the procedure given in clause 7.

##### 6.3 – WITHDRAWING CERTIFICATION

The certification will be withdrawn:

- a) when the activities subjected to the certification cease to exist e.g. suspension of the activity, bankruptcy etc. (in case of bankruptcy the certification loses its validity on the day the bankruptcy is announced)
- b) in case the agreement is cancelled (see 10).

##### 6.4 – EXPIRY OF CERTIFICATION

The certification automatically and legally loses its validity after expiry, unless it is renewed.

##### 6.5 – CONSEQUENCES

In case of restricting the certification, neither the client nor the organisation may either lay claim to the certification or refer to the certification in external contacts (e.g. offer, negotiations about a contract, publication, advertisement) during the time of restriction.

In case of suspending, withdrawing or expiry, the client / organisation is obliged to immediately send the certificate to LMS and to stop any use of the certification or any reference to it. Any misuse or misleading of this, will lead to penalties. Besides this, LMS can publicise the suspension and the withdrawal. In case of suspension, withdrawal or expiry, obligations to LMS will legally cease to be.

#### 7 – APPEAL AND CLAIM PROCEDURE

##### 7.1 – RESOLVING OF APPEALS AND COMPLAINTS

LMS shall constructively and quickly resolve all Appeals and complaints from the client. In case it is not possible to come to an acceptable solution, or a



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suggested procedure is not acceptable, the client can appeal according to the following provisions.

### 7.2 – INTERNAL APPEAL

In case of dissatisfaction with resolving a complaint or appeal, also the rejection, restriction or suspension the certification, the client can appeal. This appeal has to be presented within 30 days after LMS announces its decision.

LMS is bound by the agreement to examine this appeal with the necessary attention and independence, and announce its decision with explanation in writing within 30 days. If LMS agrees to the appeal, it shall accept the new decision. If LMS decides to reject the appeal, it will be of the same effect as the original decision, with the notification that the procedure of another internal appeal is not possible. Each party bears its own costs connected with this procedure of an internal appeal.

### 7.2 – EXTERNAL PROCEDURE

After the procedure of an internal appeal is completed, or if it was not acted in accordance with the procedure for an internal appeal, each party can submit a disagreement related to this agreement for arbitration through the accreditation body or an independent third party, or legal interpretation if necessary. This procedure has no suppressive effect to the LMS decision.

## 8 – SPECIAL OBLIGATIONS OF THE CLIENT / ORGANISATION

### 8.1 – ACCESS

The client / organisation is bound by the agreement to perform all necessary arrangements to meet the purpose of this agreement, to permit LMS representatives access to buildings and establishments of the organisation with an accompaniment of the organisation during regular working hours, and instruct them about keeping provisions on work safety, fire safety and protection of the environment. It also guarantees the right to review all the documentation, data, records and activities considered by LMS as important, to interview its personnel and to gain their full co-operation.

### 8.2 – OBLIGATION TO REPORT

The client / organisation is bound by the agreement to inform LMS immediately in all cases and especially during periodical and follow-up audits, or during the renewal of certification about all planned and executed amendments of the system legal, commercial .status of ownership, organisation & management, contact address & sites and its scope compared to the certificate. Neglecting this obligation to inform about the forthcoming changes can lead to the suspension of the certification.

### 8.3 – LIST OF COMPLAINTS

The organisation is bound by the agreement to maintain the list of all complaints and corrective actions (internal and/or external) obtained in the certified system which shall be submitted to LMS representatives during each audit. Maintenance of the list is an imperative part of the system and it is the condition for maintaining or renewing the certification.

### 8.4 – MAINTAINING SYSTEM

The client / organisation is bound by the agreement to do everything necessary to ensure the functionality of the system and its conformity with the standard.

### 8.5 – UTILISING CERTIFICATION

An organisation can utilise its certification and LMS certification mark in commercial relations and in the media (e.g. in documents, brochures, advertisements etc.) in accordance with LMS conditions. The organisation can utilise its certification only to express that the system meets the specified standards or other normative documents, still for the activities certified. The organisation can neither use its certification nor the certification mark to mark its services, products and coverings, nor any other way indicate that the product or the service are conforming or approved by LMS. The organisation must not use its certification in a way that could endanger LMS reputation and must not make statements which could be considered by LMS as misleading or unauthorised. The client / organisation shall ensure that no certification document, mark, report or any of their parts be used in a misleading way. Any use or reference which could lead to a mistake will cause immediate suspension of the certification. In such a case, LMS will be entitled to require correction in the pertinent publication on the client's expenses without the possibility of presenting a claim to recompense possible losses. The client / organisation must not in any circumstance allow a third party to use the Certification and the certification mark neither free nor for a charge. LMS is entitled to claim compensation of any damage caused by incorrect use of the certification.

## 9 – TEMPORARY PROVISIONS

If any national or international regulation concerning the system certification becomes valid, both parties agree to keep and if necessary to amend this agreement in accordance with this regulation.

## 10 – VALIDITY AND VOIDING OF THE AGREEMENT

This agreement was concluded for an unlimited period. Both parties are entitled to terminate this agreement unilaterally with a 6-months notice period upon written notice communicated to the other party by a recommended letter. The

notice period begins on the day of the postal stamp of the registered letter. LMS is entitled to give notice of this agreement at any time without the notice period. If the client / organisation does not comply with this agreement, including financial obligations. LMS is entitled to present a claim for compensation of losses resulting from it. Notice of this agreement has the same results as withdrawal of the certification according to clauses 6.3 and 6.5.

## 11 – CONFIDENTIALITY

Both parties are bound by the agreement to keep confidentiality towards third parties. The obligation of confidentiality remains valid for both parties, also after this agreement is finished. information shall not be disclosed to a third party without the written consent of the both parties. Where the certification body is required by law to release confidential information to a third party, the client or individual concerned shall, unless regulated by law, be notified in advance of the information provided.

## 12 – PUBLICITY

Both parties and the organisation are entitled to make public the fact that the certification of the organisation is going on or has finished. If a previous agreement is not contrary.

## 13 – PROHIBITION OF TRANSFER

The client / organisation must not transfer its rights and obligations unless LMS gives written permission.

## 14 – PRICES, PRICE ADJUSTMENTS AND MATURITY PERIOD

Financial conditions are agreed between the client and LMS or, a LMS representative in the residential country of the client.

## 15 – RESPONSIBILITY AND LEGAL CLAIM

This agreement is an agreement on work, not on the result. LMS shall be responsible only for the direct losses caused to the organisation resulting from material negligence or a serious mistake by LMS, its bodies, appointed persons, subordinates, representatives or suppliers. This responsibility is limited to the amount equal to 10 multiple of the amount accepted by LMS or its nominated representative based on the survey of results of the material negligence or serious mistake.

All claims to compensation lose their validity six months after the event that the claim is based on.

## 16 – RECRUITMENT OF PERSONNEL

The client is bound by the agreement not to recruit LMS personnel and representatives or use their services except from previous written approval by LMS. Breach of this agreement gives LMS the reason to terminate this agreement immediately, and legally entitles LMS to claim financial compensation for the losses in the amount of the gross annual income of the person whose services were lost for LMS, minimum in the amount of seventy multiple of the minimal monthly salary in the client's country in the time the LMS's person has left. To prevent misunderstanding, the client / organisation has to always consider all the persons taking part in the performing of this agreement are the employees of LMS.

## 17 – APPLIED LAW AND COMPETENCE

Both parties agree to apply the law of the Indian Govt. for this agreement. Any doubts considering the wording or interpretation of this agreement will be solved by mutual agreement of both parties; in a contradictory case the procedure given in point 7 of this agreement will be used.

Both parties agree that contractual relationships arising out of this agreement shall be governed in parts not provided for in this agreement by the relevant provisions of applicable legal regulations of the INDIA, in particular by the Commercial Code, without the application of the conflict of laws clauses..

The Parties proclaim they have read this Agreement, have understood its contents, and, expressing their free and serious will, in witness whereof, they have signed it by their own signatures.

In	On
Client Organisation (Sign and Stamp)	
In	On
LMS Certifications Pvt. Ltd. (Sign and Stamp)	