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| **Contract No.** |  |

**Shanghai POSI Certification Co., Ltd.**

**Management System Certification Contract**

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| **Client (Party A)** |  |
| **CB (Party B)** | **Shanghai POSI Certification Co., Ltd.** |

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| In accordance with the provisions of the Civil Code of the People's Republic of China, Party A and Party B enter into this contract on the basis of true and full expression of the will of each party through equal consultation for the management system certification project, and both parties shall abide by and perform it.   1. **Contents and Requirements of Management System Certification Projects** 2. Party A applies following management system certifications from Party B | | | | | | | | | | | | | | | | | |
| Quality Management System | | | | | | | | | Environmental Management System | | | | | | | | |
| Occupational Health and Safety Management System | | | | | | | | | Medical Device Quality Management System | | | | | | | | |
| Information Security Management System | | | | | | | | | Hazardous Substances Process Management System | | | | | | | | |
| Information Technology Service Management System | | | | | | | | | Food Safety Management System | | | | | | | | |
| Cosmetics Quality Management System | | | | | | | | | Business Continuity Management System | | | | | | | | |
| Asset Management System | | | | | | | | | Security Management System for the Supply Chain | | | | | | | | |
| Integrity Management System of Enterprise | | | | | | | | | Hazard Analysis and Critical Control Point (HACCP) System | | | | | | | | |
| Other: |  | | | | | | | | | | | | | | | | |
| **The criteria that Party A establish a management system based on, the type of certification** **applied for, the accreditation symbol applied for and the sites applied for and other basic information can be seen in the relevant Management System Certification Application Form.** | | | | | | | | | | | | | | | | | |
| 1. The production, operations and services activities scope covered by Party A's applied management system certification(which will be finally confirmed after the certification decision making by Party B) | | | | | | | | | | | | | | | | | |
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| 1. Total number of employees covered by Management System of Party A | | | | |  | | | the date of on-site audit that Party A would like to be based on the final  consensus of both parties. | | | | | | | | | |
| 1. Party A's signature on Party B's Audit Plan serves as confirmation of contract performing. Once the audit cannot be conducted due to one party's reasons, the other party shall be notified in writing seven days in advance. | | | | | | | | | | | | | | | | | |
| 1. Certification Type | |  | | Initial certification | | |  | | | Re-certification | | |  | Other |  | | |
| 1. **Implementation of the management system certification project** 2. Party B shall conduct certification audit for Party A according to the certification procedures, and after confirming that the management system conforms to the audit basis agreed in the contract, Party B shall apply for certification registration for Party A and issue or renew the management system certification certificate. The certificate is valid for three years. 3. On-site audits shall be conducted during normal operations of activities covered by Party A's management system, in which:   1）The initial certification audit process (initial audit) is divided into two stages (stage 1 and stage 2);  2）Surveillance audit: The first surveillance audit after the initial certification shall be conducted within 12 months from the date of the certification decision. Thereafter, the surveillance audit shall be performed at least once per calendar year (except for the year in which the recertification shall take place) and the time interval for the two surveillance audits shall not exceed 12 months. (Seasonal production should be monitored during the production season), if there is a significant change in Party A's management system, or if changes in its certification basis are affected, it is desirable to increase the frequency of surveillance.  3）Recertification audit: Recertification audits should be conducted before the expiration of the three-year validity period of the certificate (Party A shall apply for and pay the certification fees according to the requirements of this contract at least 3 months prior to the expiration of the certificate), and the nonconformities found during the audit shall be completed by Party A within the validity period of the certificate and verified by Party B.  a) When the recertification audit exceeds the current certification validity period, the certification fee will be charged according to the initial certification requirements and the audit will be conducted.  b) If Party A fails to accept Party B's re-certification audit on time, Party B will suspend Party A to use the certificate and logo.  c)When Party A has significant changes in the management system or its operating environment (such as changes in the law) after the certification, the recertification audit may require a stage 1 audit.  4）Special audit: When Party A apply for scope extension certification after obtaining a certificate or Party B investigate complaints, or carry out tracking to Party A’s changes or certification suspension, Party B may need carry out a special audit.Special audit can carry out combined with the surveillance audit. | | | | | | | | | | | | | | | | | |
| 1. **Certification service fees and payment** | | | | | | RMB  Other | | | | | |  | | | | | |
| 1. Party A shall deliver the following fees to Party B | | | | | | | | | | | | | | | | | |
| Certification type | | | | | | | | | | | Fee | | | | | | |
| Initial Certification fee (including certificate) | | | | | | | | | | |  | | | | | | |
| Surveillance fee | | | | | | | | | | |  | | | | | | |
| Re-certification fee. | | | | | | | | | | |  | | | | | | |
| Fees for an additional certificate(Chinese/English certificate) | | | | | | | | | | |  | | | | | | |
| 1. Party A shall pay 50% of the certification fee to Party B within 30 days from the date of signing this contract. The remaining fee shall be paid in full before the on-site audit. 2. Party A shall bear Party B assigned auditor’s accommodation and traffic fees. 3. If the audit duration or expenses increase due to reasons of the responsible Party, the increase shall be borne by the responsible Party. | | | | | | | | | | | | | | | | |
| 1. Other requirements | | |  | | | | | | | | | | | | | |
| 1. **Rights and obligations of the parties**  1. Rights and obligations of party A.Rights: 1）Have the right to put forward the requirements of the scope of management system certification (including products/services/activities/sites) under the premise of complying with relevant laws and regulations and relevant requirements.  2）Have the right to file appeal or complaints against Party B's violations and certification audit conclusions during the certification service process or activities. Obligations: 1） Observe the relevant provisions of laws, regulations, and certifications (see the public documents provided by Party B), pay and bear all costs on time. Overdue payment shall pay Party B's breach of contract damages in accordance with the total amount of arrears 5‰ a day.  2）When Party A submits a management system certification application, it shall also provide the relevant documents and information of the certification application in accordance with the requirements of the management system certification application. (e.g: proof of legal status, qualification documents, etc.).And Party A must ensure that the documents and materials provided are true and legal.  3）Make comprehensive and reasonable arrangements for Party B's on-site audit (if applicable, provide conditions for admission of observers (such as accredited assessors or intern auditors), Including:  Provide Party B with documented information required for initial, surveillance and re-certification audits, open the places required by auditors (confidential areas shall be explained to Party B in advance), and provide sufficient evidence to prove the effectiveness of system operation. The initial audit shall provide no less than 3 months of effective evidence of system operation, including effective internal audit and management review. If it is found on the audit site that the operation of the management system has not exceeded 3 months or it cannot be proved that the operation has exceeded 3 months, Party B will terminate the audit.  4）Ensure the truth and accuracy of the information related to the management system (including the qualification required by the corresponding regulations, the actual employees number, etc.). Due to the concealment of the organizational structure covered by the management system, the number of people, the number of multiple sites and the results of the supervision department (when it occurs), etc., resulting in insufficient number of auditors, insufficient sampling amount of multiple sites, invalid audit results or invalid certification certificates; Party A shall bear the full responsibility for the losses caused thereby, and bear the economic and reputation losses caused to Party B.  5）Within the year before the date of applying management system certification, Party A promises that no one of the following situations has occurred:  a）Other certification bodies have concluded that they do not recommend certification registration (Initial audit), do not recommend re-certification registration, or do not recommend the continued use of certification certificate (surveillance);  b） Other certification bodies have made decisions to suspend or revoke certification certificates.  If the certification certificate is invalid due to Party A's failure to truthfully declare the above information, Party A shall bear any losses caused to Party A.  6）After obtaining the certificate, Party A shall continue to operate the management system effectively; It shall comply with the relevant laws, regulations and rules of certification and accreditation, cooperate with and assist the supervision and inspection carried out by the CNCA and local certification supervision and management departments, and truthfully provide relevant materials and information for the inquiry and investigation of relevant matters.  7）After obtaining the certificate, Party A shall correctly use the certification certificate, certification mark and relevant information according to the requirements of Party B's public documents and correctly quote the certification status. It shall not use the management system certification certificate and related words and symbols without authorization to mislead the public to believe that its products or services have passed the certification. ; only promote the scope of the approved certification. Party A shall not use the certification certificate, certification mark or reference certification information in any way during the suspension of the management system certification certificate. If the management system certification certificate is revoked, Party A shall immediately stop using any advertising materials that cite the certification qualification and return the certificate to Party B. If the scope of certification is reduced, Party A shall modify the relevant documented information. Party A shall not make misleading statements regarding the qualifications of the certification, and shall not use the certificate or any part thereof in a misleading manner. Party A shall not damage the reputation of Party B or the certification system and lose public trust when using the certificate;  8）After Party A obtains certification, the following situations occur: The certification body shall be notified in a timely manner and shall accept the special review or on-site verification decided by Party B in accordance with the relevant regulations, and pay the costs incurred by Party B for review (including the food, accommodation and transportation costs of the auditor).  a）Customers and related parties have major complaints  b）The products or services that are produced or sold are Identified as unqualified by the quality or market regulator.  c）The occurrence of product or service quality and safety, environmental or safety accidents  d）Changes in the relevant circumstances, including legal status, production and operating conditions, organizational status or ownership changes. Change in the qualification of the administrative license obtained, mandatory certification, or other changes to the qualification certificate. Legal representative and top management change. Change of workplace for production, operation or service. Changes in the scope of activities covered by the management system, the number of people, and the number of multi-sites. Major changes in management systems and important processes.  e）Other important situations that occur and affect the operation of the management system.  f）Party A shall inform the Party B, without delay, of the occurrence of a serious incident or breach of regulation necessitating the involvement of the competent regulatory authority. | | | | | | | | | | | | | | | | |
| 9）Accept the task of witness review and the necessary special audits arranged by party b and relevant authorized institutions, Accept the non-routine inspection of the certification authority, The accredited institution directly conducts on-site verification of the operation of the certified organization management system and the audited process, and gives the necessary cooperation in the process of witness assessment or non-routine inspection or field verification.  10） If Party A's certification scope of products covered by the “export only”, can not be sold in the domestic market, such as sales in the domestic market by the local administrative departments to investigate and deal with, resulting in Party B subject to administrative penalties and other joint and several liabilities, Party A shall be held fully responsible, and Party B retains the right to appeal to Party A for compensation.  11）The recertification contract can’t be conducted before the validity of the certificate for the reason of Party A; Or Party A can’t make the corrective actions and submit the object evidence to make sure the approval of certification decision, Party A will take charge of all the responsibilities and the loss of Party B. 2. Rights and obligations of party BRights: 1）If Party A fails to provide the “relevant documents and materials for the application for certification” as requested in the management system certification application, Party B has the right to refuse to arrange the review.  2）Party B has the right to define the certification range of Party A pursuant to relevant laws and certification regulations, and decide whether to approve the registration and award of certificate to Party A.  3）Based on Party A's violations, it has the right to suspend or revoke the qualifications of Party A's certification and to withdraw the certificate.  4）The right to arrange special audit in time when abnormal situation occurs in Party A's management system; The time and expenses shall be separately agreed upon by both parties.  **Obligations:** 1）Strictly comply with national laws, regulations and the provisions of the approved body  2） In accordance with the standards of certification procedures and certification and the provisions of this contract, the certification service shall be provided to Party A in an objective and fair manner.  3）Strict confidentiality commitment shall not disclose to any third party any non-public information of party a in operation, production, technology, management and other aspects. Except: a) Party A's public information; b) the written consent of Party a; b) when required by law.  4）Responsible for publishing Party A's certified registration information on related media.   1. **Effectiveness of the contract**   1.This contract is made in two copies. It shall take effect on the date of signing and stamping by both parties and signing. The parties A and B shall each hold one copy and shall have equal legal validity.  2.During the execution of this contract, all official information of both parties shall be expressed in written form (facsimile is allowed)  3.This contract shall be valid for a long period of time until a new contract is signed, except in the case where our certification expires naturally and is not re-audited, revoked or canceled.   1. **Handling of contract disputes**   The disputes arising out of the execution hereof shall be settled by both parties through negotiation. If the mediation fails to be reached, the procedure may be legally filed with the court where Party B is located.   1. **Liability for breach of contract**   Party A and Party B must seriously implement the contract. If one party fails to perform the contract after the signing of the contract, both parties shall negotiate a settlement. The economic losses caused by the unilateral termination of the contract shall be borne by the responsible party. Except for cases of force majeure (force majeure shall be legally recognized)   1. **Contract change**   During the period of validity of the contract, when a party to the contract proposes to change the terms of the contract, the two parties shall sign the *Contract Supplemental Agreement* after mutual communication. After the new clause in the Supplemental Agreement comes into force, the clauses in this contract that are inconsistent with it shall become invalid.   1. **Other matters**   1.Party A shall submit relevant information for contract review in accordance with the requirements of the *Management System Certification Application Form*.  2.After the contract is signed, the audit planning can be started.  3.If the contract is inconsistent with the existing laws and regulations and rules, it shall be subject to the existing laws and regulations, the rules shall be subject to and promptly amended, and both parties shall comply with the provisions.  4.Phone number for application/complaints: **021-68583895** Application /complaint process can be accessed: **[www.posicert.com](http://www.posicert.com)** | | | | | | | | | | | | | | | |
| All branches of Party B are non-critical location, and the specific address and contact information can be found on Party B's  official website www.posicert.com. | | | | | | | | | | | | | | | |
| 5.Party B determines the audit time according to the regulatory and accreditation requirements, and informs Party A in the form of *Audit Program Planning* attached to the contract review form after determining the audit time, and the *Audit Program Planning* is part of this contract. When Party A has any objection to the audit time in the *Audit Program Planning*, it should raise the objection in writing, and Party A has the responsibility to explain the reasons for the determination in order to reach a consensus. | | | | | | | | | | | | | | | |
| 6.For matters not covered herein, Party A and Party B may negotiate and sign the *Supplementary Agreement on Modification of Contract* as an annex to this Contract, which has the same efficiency as this Contract.  7.The audit report may be submitted to the regulatory body when required. | | | | | | | | | | | | | | | |

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| **Party A (Seal)** |  | **Party B (Seal)** | **Shanghai POSI Certification Co., Ltd.** |
| **Representative** |  | **Representative** |  |
| **Date** |  | **Date** |  |
| **Address** |  | **Address** | **Room 1402A, No. 1500, Century Avenue, Pilot Free Trade Zone, China (Shanghai)** |
| **Contact** |  | **Contact** | **Yulan Wang** |
| **Tel** |  | **Tel** | **021-68583897** |
| **E-mail** |  | **E-mail** | **market@posicert.com** |
| **Web** |  | **Web** | **www.posicert.com** |
| **Account name** |  | **Account name** | **Shanghai POSI Certification Co., Ltd.** |
| **Account bank** |  | **Account bank** | **China Construction Bank Corporation, Dongfang Branch, Shanghai** |
| **Tax No.** |  | **Tax No.** | **91310115MA1K3UNX1B** |
| **Account No.** |  | **Account No.** | **31050161363700000286** |

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