



**INTERNATIONAL CERTIFICATION**

**Memorandum of Understanding (MOU) DRAFT COPY**  
**This Memorandum of Understanding (MOU) records**  
**understanding arrived between**

**TGS ULUSLARARASI BELGELENDİRME TEKNİK KONTROL VE GOZETİM**  
**HİZMETLERİ LTD. STİ.**

Serifali Mh. Tavukcucuyolu Cd. No:256/4 Umraniye/İSTANBUL/TURKEY  
Phone: +90 216 327 09 77 Fax: +90 216 546 05 70 E-mail: info@tgsbelgelendirme.com

## **Memorandum of Understanding (MOU) DRAFT COPY**

This Memorandum of Understanding (MOU) records understanding arrived between

**1st Party:** TGS INTERNATIONAL CERTIFICATION , (TGS Uluslararası Belgelendirme Teknik Kontrol ve Gözetim Hizmetleri Ltd. Sti.) Serifali Mah. Tavukcuyolu Cad. No;256/4 Umraniye/ISTANBUL/TURKEY

**2nd Party:** .....SmartWeb Organization.

This agreement has been made on 23th August 2017 between TGS Uluslararası Belgelendirme Teknik Kontrol ve Gözetim Hizmetleri Ltd. Şti. (herein after referred to as TGS) and ..S.W.O..... (hereinafter referred as ..... S.W.O.....) for association with respect to ISO Certification in .... S.W.O.....

TGS is pleased to enter into an agreement with ..... S.W.O..... for services rendered on all the terms and conditions given here under:

Scope: ISO Certification shall be provided by TGS within the scope of the standard which appears in the certificate of approval issued after satisfactory assessment on Quality management system (ISO 9001), Environmental Management System (ISO 14001), Food Safety Management System (ISO 22000, HACCP ), Occupational Health & Safety (OHSAS 18001), Information Security Management System (ISO 27001), Medical Devices Management Systems (ISO 13485;2016)

### **Certification Scheme**

#### **1. Management Systems Certification Scheme**

1.1 The scheme covers assessment by TGS for certification of various management system/s in accordance with the International Standards viz. ISO 9001, OHSAS 18001, ISO 14001, ISO 22000, HACCP, ISO/IEC 27001 and ISO 13485

1.2 Certificates are issued as per the following accreditation/certification schemes:

1.2.1 IAS accredited certificates for QMS, EMS, OHSAS, MDQS, ISMS and FSMS

#### **2. Scope of Accreditation**

The accreditation covers the quality system of the certifying body as well as specified certification scope in working areas described under different IAF/EA code, for which the certification body is authorized to carry out assessment and issue of certificates of approval.

2.1 For TGS accreditations details of particular industry sector authorizations refer to IAS, certificates or visit the following websites; <http://www.iasonline.org>

### **Certification Process**

#### **1. Certification (Registration) of Management Systems**

##### **1.1 Application**

Organization, intending to obtain management system certification from TGS, to fill up the questionnaire, indicating the scope of assessment along with other details. An offer is made to the organization based on required man/days calculated as per the details provided in the questionnaire and after ensuring that the declared scope of assessment is within the authorization of TGS's scope of accreditation.

## 1.2. Submission of Documents

Upon acceptance of TGS offer the Organization submits the 'Order Acceptance and Agreement' Form (application form of TGS) indicating the scope of assessment along with signature and stamp with the documentation establishing management system, for review by TGS auditors. the relevant

1.3 The dates for witness audits & for audits involving TGS auditors would be decided as per mutually convenient dates by ....., TGS and the client. The cases where TGS auditors are not involved in the audit, dates of the audit would be decided as per mutually convenient dates by ..... and clients and the same will be conveyed to TGS for pre-approval. All rules as per ISO 17021(current version) (Standard Certification Bodies) shall be adhered to by TGS and ..... S.W.O..... Followed by

1.4 ..... S.W.O..... ensures that an audit plan is established for each audit identified in the audit to provide the basis for agreement regarding the conduct and scheduling of the audit activities. Before conducting any audit, ..... S.W.O..... will be sending the audit plan to TGS for pre-approval.

1.5 This audit plan shall be based on documented requirements of TGS, drawn up in accordance with the relevant guidance and normative references of other management standards.

1.6 The audit reports shall be evaluated by TGS on successful completion of the audit/or other criteria defined & administered by TGS.

1.7 Certificate of Approval is valid for three years subject to maintenance and improvement of the system, which will be verified by TGS and through annual surveillance audits.

1.8 An initial witness audit will be performed for each of the standard before qualifying the ..... S.W.O..... auditor for carrying out individual audits.

1.9 Auditors of .... S.W.O..... will be qualified to do the audits only if the performance in the witness audit is satisfactory.

1.10 All the documents related to certification including the auditors qualification documents will be only in English.

1.11 Auditors performing the audit needs to have the required NACE codes which will be provided by the TGS based on their qualification and experience

Note: Kindly refer annexure 2 for detailed audit process

## 2. Contract Review

2.1 ..... S.W.O..... or client shall provide TGS with dully filled TGS

Questionnaire and required forms for contract review. The contract review will evaluate the number of mandays procedure as per TGS and will send ..... S.W.O..... the mandays to be covered.

**2.2** The quotation shall be generated by TGS to .... S.W.O..... as per the fixed fee as defined in the Annexure I attached to and forming part of this MOU.

**2.3** Order acceptance of the quotation along with company sign and stamp including Terms & Conditions shall be sent to TGS by .....

### **3. Audit Program**

**3.1** ..... will develop the audit program for the full certification cycle to identify the audit activity (s) required to demonstrate that the client's management system fulfill the requirements for certification to the selected standard(s) or other normative document(s) and same has to be sent to TGS for pre-approval.

**3.2** The audit program includes a two-stage initial audit, surveillance audits in the first and second years, and a recertification audit in the third year prior to expiration of certification. The three-year certification cycle begins with the certification or recertification decision. The determination of the audit program and any subsequent adjustments shall consider the size of the client organization, the scope and complexity of its management system, products and processes as well as demonstrated level of management system effectiveness and the results of any previous audits.

**3.3** ..... shall justify and record any adjustment to the audit program while taking account of certification or other audits already granted to the client and would convey the same to TGS.

### **4. Scheduling of planned activities**

**4.1** Stage 1 Activity: Stage 1 Activity is scheduled after formal confirmation from the client regarding the readiness of the management system. Once Stage 1 audit is completed a report has to be sent to TGS for review. TGS will then give a go ahead for Stage 2 audit after reviewing the same.

**4.2** Stage 2 activities: Stage II activity shall be scheduled within 90 days from the completion of the Stage I activity. Any deviation shall not exceed 180 days and shall be recommended upon by the Lead auditor upon completion of the Stage I activity and approved by the Nominated Representative or Head – TGS.

**4.3** Surveillance visits: The date of the first surveillance audit following initial certification shall not be more than 12 months from the last day of the Stage 2 audit. Subsequent surveillance audits shall not be more than 12 months from the last day of the Stage 2 audit.

4.4 Re-certification audits shall take place at such a time that the client is being provided enough time to implement necessary corrections and corrective actions prior to the expiration of the certification (target: 90 days prior to the expiration of the certification).

## 5. Audit Plan process

5.1 Cross Reference: ISO 17021, CB rules latest applicable edition & ISO 19011.

5.2 Applies to all on-site audit activities. The Team Leader is responsible for preparing the audit plan and forwarding it to the client and other members of the team.

5.3 Completed audit plan shall be forwarded to the client preferably within 2 working days from receipt of audit confirmation for review and acceptance.

5.4 Any objections by the audit should be resolved with the audit team leader. Any revised audit plan should be agreed among the parties concerned before beginning and/or continuing the audit.

5.5 To develop the audit plan or schedule, this shall describe the activities and arrangements for an audit

5.6 Surveillance Audit: Surveillance audits shall be conducted at least once a year. The date of the first surveillance audit following initial certification shall not be more than 12 months from the last day of the stage 2 audit.

The surveillance audit plan shall cover (where applicable) the following:

5.6.1 The areas identified in Surveillance Plan

5.6.2 If any area/department/processes is missed or not covered as per Surveillance Plan then Team Leader shall provide justification.

### 5.7 Re-Certification Audit:

The re-certification audit plan shall cover (where applicable) the following:

5.7.1 The areas as identified under Stage II

5.7.2 The performance of the management system over the period of certification, and include the review of previous surveillance audit reports.

In the case of multiple sites or certification to multiple management system standards: Ensure adequate on-site coverage to provide confidence in the certification.

### 5.8 Audit days

5.8.1 Audit day = 8 hours on-site (excluding Lunch and travel time)

5.8.2 Multiple segments. Auditor - days can be broken down into 8 and 4 hour

5.8.3 Other arrangements on allocation of hours should be handled locally with client.

Note: The number of audit - days assigned may not be reduced at the initial planning stage by programming longer hours per workday.

## 6. TGS Audit execution process

6.1 Submission of Audit Report to TGS within 7 Working days from the Date of Audit.

6.2 Submission of Root Cause, Correction & Corrective Action within 30 Days.

6.3 Submission of Objective Evidence within 60 Days.

6.4 Implementation to be checked within 90 Days.

6.5 Errors free Audit Reports.

7. Competence requirements

7.1 Refer to Qualification and Evaluation of certification personnel ( TGS - PR: 06)

## 8. General Terms and Conditions

### 8.1 Responsibility of TGS

It is the responsibility of TGS to provide Assessment and Certification in accordance with the current issue of TGS Document "Certification Scheme". Please note that in meeting its Policy of continual improvement of service, TGS reserves the right to modify the contents of "Certification Scheme" as may be necessary from time to time.

### 8.2 Responsibility of ..... S.W.O..... and Audit Organization

8.2.1 It is the responsibility of .. S.W.O..... auditors to provide TGS with all documents, information, facilities and changes as and when it takes place as necessary to enable TGS to provide the services under these terms and conditions.

8.2.2 It is the responsibility of ..... S.W.O..... & client to provide accreditation bodies of TGS with all documents, information and visits as necessary to enable verification of audits carried out by TGS Accreditation.

## 9. Fees & Expenses

9.1 The basic charges for services requested are based on the assumption that the information supplied by the organization was accurate and complete.

9.2 TGS shall charge the fee as defined in the Annexure I attached to and forming part of this MOU. (All fees are exclusive of travel, lodging and incidental expenses)

9.3 Certificates will be issued after the receipt of the payment.

9.4 Special Surveillance Visits if any shall be taken care by .....SW.O..... TGS will be charging the fees for special visits similar to surveillance audit fees as per Annexure 1.

9.5 Auditor travel, auditors fees and incidental expenses of auditors: Airfare, Visa, Internal travel, hospitality, contingencies taxes, audit fee shall be taken care by ..... S.W.O.....

9.6 Statutory Taxes: All fees and expenses quoted are exclusive of any statutory taxes which will be charged at the current rate, if applicable.

9.7 Invoice: TGS will send invoice to ..... S.W.O..... after final review of audit report submitted by ..... S.W.O..... As TGS is a division of TGS, the

invoices would be as per TGS invoice format.

**9.8** Payment: All payments should be made in the name of "TGS Uluslararası Belgelendirme Teknik Kontrol ve Gözetim Hizmetleri Ltd. Şti. " by electronic transfer to TGS International Certification Bank account within 7 days of receipt of the invoice. Amounts remaining unpaid for more than 30 days from invoice date will be liable to interest at the rate of 15% per annum.

**9.9** Bank transaction cost if any will be borne by ..... S.W.O..... and Net amount as per the annexure 1 will be transferred to TGS account without any deduction.

**9.10** The Certificate(s) of Approval cannot be released until full payment has been received by TGS.

**9.11** Administrative Fees shall be charged towards issuance of Additional Certificate against demand & for issuance of Certificate against Modification including changes in the version of the Standard / upgradation

**9.12** One hard copies of certificate will be issued for free to every client. For issuing a extra hard copy of the certificate, \$50 per copy will be the applicable charge. In addition to this, the delivery charges and other extra charges (if any) will be charged at actual.

**9.13** Courier charges for all the certificates will be charged at actual and the same will be added to invoice

**9.14** Initial evaluation for qualifying auditor and team leader status would be witnessed by TGS evaluator at site for all expenses shall be taken care by ..... The witness audit fees will be charged at USD 300 per manday.

**9.15** The competent evaluator auditor fee for witnessing and all the travel, lodging, visa, food & other incidental expenses related to the same shall be taken care by .....

**9.16** If any witness audit is required by the accreditation body then all the charges related to the same inclusive of travel, visa, lodging, food and other incidental expenses will be borne by .....

**9.17** A security deposit of USD 2000 USD (For each Country) needs to be deposited by ..... S.W.O..... at the time of signing of MOU.

**9.18** For every audit, a document pertaining to conflict of interest clause will have to be signed and submitted by ..... S.W.O..... The document will have a declaration by ..... stating that ..... is not involved with the consultancy of the client that is being audited by ..... S.W.O..... auditors.

## **10. Fundamental Term**

**10.1** .....S.W.O..... hereby warrants and covenants with TGS that it will at all times during the subsistence of these terms and conditions comply with all reasonable requirements necessary for the issuance of the Certificate of

Approval including (but without prejudice to the generality thereof) all statutes, rules, regulations issued by any statutory or any other competent authority, all recommendations, codes and similar matters issued by any authority, pursuant to which or in compliance of which or for the purpose of which the Certificate of Approval is issued or such other reasonable requirements of TGS as are necessary to enable the Certificate of Approval to be issued and maintained in force in conformity with standards of high quality of certification.

10.2 .....S.W.O..... hereby warrants the completeness and accuracy of all documents and accuracy of all information supplied to TGS for the purposes of these terms & conditions for assessment.

## 11. Certificates and Use of Logo(s) and Complaints Procedure

11.1 Upon successful completion of Initial Assessment TGS shall issue Certificate(s) of Approval to the organization detailing the quality standard(s) to which assessment was made, declaring the scope of supply. The Certificate(s) of approval is/are valid for a period of three years from the date of issue subject to satisfactory maintenance of the quality systems through surveillance audits.

11.2 Certification under this scheme does not imply certification of the organization's product or service and does not therefore exempt him from his legal obligations.

11.3 For details of LOGO Usage, kindly refer TGS – TL.01 Instruction for logo Usage

11.4 ..... S.W.O..... undertakes to institute a system of registering all complaints received from any source. The corrective action(s) taken and review by ..... S.W.O....., management of such actions shall be made available for verification. They will inform that the complainant can also write to TGS.

## 12. Liability

12.1 Whilst TGS International Certification (hereinafter referred to as TGS) and its Committees use their best endeavors to ensure that the functions of TGS are properly carried out, in providing services information or advice neither TGS nor any of its employees or agents warrants the accuracy of any information supplied. Except as set out herein neither TGS nor any of its employees or agents (on behalf of each of whom TGS has agreed this clause) shall be liable for any loss damage or expense whatsoever sustained by any person due to any act or omission or error of whatsoever nature and howsoever caused by TGS, its employees or agents or due to any inaccuracy of whatsoever nature and howsoever caused in any information or opinion given in any way whatsoever by or on behalf of TGS, even if held to amount to a breach of warranty. Nevertheless, if any person uses services of TGS, or relies on any information or advice given by or on behalf of TGS and suffers loss damage or expenses thereby which is proved in a court of law of relevant jurisdiction to have been due to any negligent act omission or error of TGS, its



employees or agents or any negligent inaccuracy in information or opinion given by or on behalf of TGS, then TGS will pay compensation to such person for his proved loss up to but not exceeding the amount of the fee charged by TGS for that particular service, information or opinion to ..... S.W.O..... .

**12.2** Any notice of claim for loss, damage or expense as referred to in 12.1 shall be made in writing to TGS Head Office within six months of the date when the service, information or advice was first provided, failing which all the rights to any such claim shall be forfeited and TGS shall be relieved and discharged from all liabilities. Similar conditions of liability will be applicable to ..... as well.

**12.3** ..... S.W.O..... will be responsible for any legal issues raised by any organizations related to certifications and other related activities. The legal charges and any subsequent claim and charges related to the same will be borne by ..... S.W.O..... TGS will only be responsible for paying back the fees charged to ..... S.W.O..... for that particular client in that particular year and will not be responsible for any other charges and claims.

#### **12.4 Indemnity**

**12.4.1** ..... S.W.O..... shall fully and effectually indemnify TGS agents all costs, claims, actions and demands arising from;

**12.4.2** The service provided by TGS save to the extent only that such claims arise from the neglect of TGS, its employees or agents.

**12.4.3** The misuse by the organization of any certificate, license, mark of conformity provided by TGS in accordance with these terms & conditions.

**12.4.4** Any breach of these terms & conditions.

#### **13. Force Majeure**

TGS shall not be liable in any respect should it be prevented from discharging such obligations as result of any matter beyond its control which could not be reasonably foreseen.

#### **14. Confidentiality**

**14.1** Except as may be required by Law, TGS and ..... S.W.O..... will treat as strictly confidential and will not disclose to any third party without prior written consent of the other, any information which comes into their possession, the possession of their employees, agents or other by virtue of these terms & conditions.

**14.2** All information obtained during the course of audit shall be available for verification to TGS personnel (as part of internal Certification Process) & personnel from relevant accreditation body (as part of Accreditation Process). Audit organization shall be informed in writing by TGS if the outcome of the review by Internal personnel or Accreditation Body personnel influences the interest of the audit organization.

#### **15. Law**

These terms & conditions are governed by the law of TURKEY and the parties submit the jurisdiction of the Courts of justice in ISTANBUL and all notices and proceedings served will be deemed to be duly served if send by pre-paid registered mail to the address of the party as herein above appearing or as may be subsequently notified by the other.

#### **16. Arbitration**

Any disputes or differences arising between the parties other than in respect of the payments of TGS charges shall be determined by single arbitrator to be appointed by the parties in default of these terms & conditions, failing which the terms & conditions of the Turkey Arbitration & Conciliation Act, shall apply.

#### **17. Maintenance of Approval**

Certificate of Approval is issued to the Organization on the understanding that the relevant management system will be maintained at all times and for this purpose, ..... will conduct Surveillance Audits on behalf of TGS in accordance with the TGS Surveillance Plan which will be notified to the Organization along with his Certificate of Approval. During Surveillance audit, it is ensured that all the relevant Management system are examined at least once during the validity period of three years of the certificate of Approval. The interaction between the initial certification audit and the first and second surveillance audit shall not exceed one year from the last date of audit. At the end of three years duration, if the Organization desires to continue Certification, Renewal Audit shall be carried out.

#### **18. Suspension, Withdrawal or Cancellation**

The Certificate of Approval shall be suspended, withdrawn or cancelled if it is found that:

18.1 The Organization does not agree for surveillance within the specified time frame

18.2 The Organization does not complete corrective action within the agreed time scale

18.3 The Organization fails to conform to the requirements of relevant standards

18.4 The Organization fails to comply with the financial requirements of the agreement of Certification

18.5 The Organization undertakes actions which may bring TGS into disrepute

18.6 The Certificate or Logo is misused in any way.

18.7 The organization goes to liquidation or ceases to exist or ceases its activities for which it has been certified.

18.8 The activities of the organization are stopped by directives from court / statutory authorities

#### **19. Appeals**

It would be the Endeavour of TGS to provide efficient and satisfactory services as

detailed in the Request Form. However, in case it is felt that any decision or the conduct of TGS is unjust and prejudicial to any party, that party can appeal to TGS and seek redressal. These appeals are to be sent to TGS in writing.

## **20. Disclaimer**

While this document is intend to provide guidance to prospective/existing clients of TGS and every effort is made to keep its content accurate and up to date, it should not be construed to be comprehensive or conclusive in its contents and applicability. Assessment audit/ Certification/ Surveillance being activities that always call for auditor's judgment based upon the facts and circumstances of each case/situations, this document cannot be construed to be binding TGS in the scope, interpretation and applicability of its certification activities.

## **21. Forms and other Documents**

TGS will provide necessary information and relevant documentation / publications to the .....S.W.O..... for reference, which are to be the basis for his / her duties, relevant to this agreement. TGS will also provide forms and stamps as required.

..... S.W.O..... is obliged to keep records of provided services and related activities performed for TGS during duration of this agreement. Records shall include information

- Relevant authorization and written instructions received from TGS
- All records
- TGS documents and TGS's customer supplied documents
- TGS formats and stamps.

All documents, records and stamps supplied by TGS remain the property of TGS and are to be handed over in proper condition to TGS upon completion of the specific assignment and / or on the termination of this agreement.

## **22. Validity and Termination of Agreement**

**22.1** This Agreement remains valid from the date of commencement till any amendment is introduced in this document. Either party may terminate this request for assessment.

**22.2** By notice: 3 months written notice may be given by either party to the other.

**22.3** By default: Immediately upon either party being notified by the other of any material breach of this request for assessment.

**22.4** On termination of the agreement, the Empanelled Resources shall promptly return any company property or confidential or proprietary documentation in his /

her possession to TGS without any undue delay.

**22.5** If either party goes into liquidation or a receiver or administrator is appointed for all or part of the undertaking thereof.

**22.6** If due to negligence of ..... S.W.O....., TGS image or accreditation is hampered then the agreement will be terminated immediately without any prior intimation. .... S.W.O..... . will be liable to pay the damage/loss incurred by TGS arising from such negligence.

**22.7** If ..... S.W.O..... is found to be delivering any services to the competitors or other organizations without getting the consent of TGS

**For & on behalf of TGS**

**For & on behalf of ..... S.W.O.....:**

**Annexure 1:**

TGS would be charging ..... S.W.O..... on per client basis. Below given is the complete description for the same. This model will be followed for all standards

This is applicable for ISO 9001, ISO 14001, OHSAS 18001, ISO 13485, ISO 27001 , ISO 22000 wherein ..... S.W.O..... will be using their own local auditors for the audit. TGS will be charging a fixed fee against the operational cost. The auditor payment and other incidental expenses are to be borne by ..... S.W.O.....

No	Certification	Fee
1	ISO9001	300 USD\$
2	ISO14001	300 USD\$
3	OHSAS18001	300 USD\$
4	ISO 13485	450 USD\$
5	ISO 22000	300 USD\$
6	ISO27001	450 USD\$
7	ISO50001	450 USD\$
8	NON-ACC	150 USD\$

In case TGS auditors are used for the client audits and for witness audits TGS will charge 300 USD per audit day. Also 2 travel man/day will be considered per auditor per visit and will be charged at the rate of USD 200 per travel day.