

**AGREEMENT ON
GENERAL TERMS AND CONDITIONS FOR NBSM CERTIFICATION
PURSUANT TO THE ASSESSMENT OF MANAGEMENT SYSTEMS**



**Government of Nepal
Ministry of Industry
Nepal Bureau of Standards and Metrology**

AGREEMENT GENERAL TERMS AND CONDITIONS FOR NBSM CERTIFICATION PURSUANT TO THE ASSESSMENT OF MANAGEMENT SYSTEMS

RECITALS:

Upon the request of ----- (Organization), for -----, Nepal Bureau of Standards and Metrology (NBSM), Kathmandu, has accepted such request, to perform an assessment of the management system of the Organization and/or with regards to the certification of services, an assessment of the service in question for the purpose of obtaining a certificate if all requirements are met in accordance with the norm(s) regarding the use of NBSM's Management System Certification Services.

For Management System Certification services:

It is understood in the event that the standard requires an application guide to a specific area of activity; NBSM shall supply to the Organization the said application guide along with the standard chosen.

The choice of standard(s) and the version(s) thereof appears in the particular terms and conditions.

The later on it shall complete the present general terms and conditions, and specify the activities and the sites covered by the certification, after Certification Committees Decision. This will be done by notification of decision of NBSM or through Certificate of fulfillment of requirements to Clients and Clients acceptance to the notification.

The present contract, which sets out the mutual obligations of the parties, is composed of the following documents:

- 1 the general terms and conditions which describe the operating rules and the mutual obligations of the parties,
- 2 the particular terms and conditions which, until the signature thereof, shall be referred to as the "quotation," and which adapt the contract to the specific situation and needs of the Organization.

The Organization shall accept the present general terms and conditions as of the time that the certification procedure is begun.

These terms and conditions shall prevail over any other document, whether specifically described or not.

THEREFORE, IT HAS BEEN AGREED AS FOLLOWS:

ARTICLE 1: PURPOSE

The purpose of the present contract is to establish the terms and conditions of Management System Certification by NBSM and to define the terms and conditions regarding the use of the corresponding NBSM Certification Mark.

ARTICLE 2: OBLIGATIONS OF NBSM

Article 2.1: Assessment

NBSM undertakes to use qualified auditors and to use all appropriate means:

- a) to assess the management system adopted by the Organization, and/or the service that is to be in conformity with the standard(s) chosen, in accordance with the particular terms and conditions that it has accepted,
- b) to perform, during the period of validity of the certificate issued in accordance with the terms and conditions provided hereinafter, surveillance audits of the conformity of the management system and/or of the service adopted with the standard(s).

The procedures for such audits shall be described in a notice sent by NBSM to the Organization.

Article 2.2: Certification

At the conclusion of the assessment described hereinabove, and if it deems satisfactory, NBSM shall issue a certificate to the Organization certifying that the adopted measures are in conformity with the Chosen Management System Standard(s). The NBSM certificate can be both on electronic version and on paper version. In case of electronic version NBSM has to issue proof of certification on paper.

The certificate and/or proof of certification and/or any attachments issued shall apply only to the activities and sites indicated in the particular terms and conditions and that are approved during the course of the assessment. The certificate(s), the proof(s) of certification or of assessment, any attachments issued by NBSM and the assessment report(s) prepared by NBSM, regardless of the form of the said certificates and audit reports, shall be issued in a standard format established by NBSM and which may be modified without prior notice by NBSM.

The certificate, and the proof of certification (and any attachments thereto) on paper, shall be issued in a standard format established solely by NBSM and which may be modified without prior notice by NBSM. NBSM, therefore, reserves the right, at any time, to add or eliminate any of the indications and/or distinctive signs included on the electronic certificate and/or the proof of certification (and any attachments thereto). In such case, NBSM shall modify and re-issue the documents as modified.

The certificate, the proof of certification and/or the certificate of assessment shall remain the property of NBSM and shall not be unilaterally modified or altered by the Organization in any manner. The certificate issued by NBSM, as well as the proof of certification, shall be issued for a period of three years, except in the case of legal provisions to the contrary by which NBSM is bound and which the Organization hereby accepts unreservedly. They may be renewed for consecutive periods of three years, except in the case of legal provisions to the contrary by which NBSM is bound and which the Organization hereby accepts unreservedly, provided that NBSM continues to deem the assessment satisfactory. The certificate, along with the proof of certification and any attachments thereto, is non-transferable.

Article 2.3: Appeals

The Organization shall have the right to bring a appeal to Appeal Committee against the Decision of Certification Panel.

An appeal brought against a penalty applied by NBSM shall not have the effect of suspending such penalty.

ARTICLE 3: OBLIGATIONS OF THE ORGANIZATION

Article 3.1: Obligations Prior to the Assessment

Pursuant to the present contract, it shall be the duty of the Organization to cooperate with NBSM by facilitating all operations intended to verify compliance with the rules for certification and/or assessment as freely accepted by the Organization, and to pay all dues owed to NBSM. The Organization gives NBSM the undertaking that it will comply with all legal provisions.

With regards to the Organization, the foregoing means:

- a) to supply NBSM or its authorised representatives all necessary working documents, and in particular those used by the Organization, sufficiently in advance to allow NBSM to perform its services,
- b) to provide NBSM all means of access to the sites to be visited and transportation within the sites to be visited, as well as all equipment required for the performance of the audits,
- c) to ensure that all safety measures for those personnel involved in NBSM Audit, regarding working conditions, sites and equipment are in conformity with applicable regulations based on current awareness of risks
- d) to take all measures necessary to remove any impediment or resolve any difficulty that would hinder the proper performance of NBSM's audits and to conduct itself in a fair and honest manner,
- e) to accept the presence of a silent observer, at the Organization's expense, in the event that such presence is imposed on NBSM by international standards or by international agreements to which NBSM is signatory and of which the Organization is beneficiary (see article 2.2 Recognition Marks).
- f) The Organization undertakes to return, duly signed, the notifications forwarded by NBSM prior to all audits within the timeframes indicated. In the event that no reply is received within the said timeframes the Organization is deemed to have accepted the said notifications.
- g) The Organization undertakes to provide to NBSM data and information that is accurate, genuine and complete and to supply all information or data, of any type whatsoever that may have an effect on the assessment, audit or certification procedures. Specifically, the Organization shall inform NBSM of any prior certification and/or assessment procedures that it may have undergone and the results thereof (e.g., refusal or withdrawal of a certificate, etc.).

Article 3.2: Obligations Related to the Holding of a Certification

Article 3.2.1: The Certification Cycle

The Organization shall be obligated:

- a) to notify NBSM without delay of any significant change(s) affecting , in particular, with regard to the identity of the Organization, its organisation, its activity and/or its management system and the persons having decision making authority and/or their representative(s). NBSM shall have the right to evaluate the effect of such changes on the continued validity of the certificate.

Such notice shall be given no later than one calendar month after such change.

In such case, the holder of a certificate shall ensure that during the transitional period and

until it is finally implemented, the new state of the system continues to comply with the requirements of the standard. These various states of the system must be capable of being identified and monitored.

In case of doubt, it shall be the responsibility of the Organization to notify NBSM thereof for the purpose of finding a joint solution to the problem encountered.

b) to authorise all annual surveillance audits or more frequently if the Organization desires, during the period of the certificate's validity as well as additional audits judged necessary by NBSM.

During the period of validity of the certificate, there shall be at least two such audits.

The expenses of all such aforementioned audits shall be borne by the Organization.

c) to comply during the period of validity of the certificate issued by NBSM with the requirements of the standards and of any application guides.

d) During the valid period of certification if Accreditation Body of NBSM requires to carry out validity assessment of the certification, the organization shall accept such assessment with or without presence of NBSM without any reservation.

Article 3.2.2: Short Noticed Audit

An exceptional detailed audit may be undertaken in short notice in the event that NBSM obtains credible information that calls into question the granting of the certificate and/or which is related to the non-compliance with one or more contractual obligations set forth herein. For this audit prior approval of the auditors shall not be applicable.

If such information proves to be unfounded, the expenses related to such audit shall be borne by NBSM. If the contrary proves true, such expenses shall be borne by the Organization.

Article 3.3.3: Information of Changes of requirements.

NBSM will inform client organization about changes in requirements such as standards and time to implement them. Client organization shall follow such requirements without any reservation. NBSM shall verify for compliances of such implementation.

Article 3.3: Obligation to Provide Information

The Organization shall inform NBSM if the activity or activities to be certified are subject to statutory and/or regulatory provisions. Compliance with such provisions shall be the sole responsibility of the Organization, unless otherwise expressly agreed by NBSM.

ARTICLE 4: CONFIDENTIALITY

The Organization authorises NBSM to communicate all information which NBSM possesses on the Organization to process the certification activities.

NBSM hereby agrees that it shall not communicate, including partially, to third parties, with the exception of the aforementioned, any information that it learns during the performance of the present contract and which the Organization has stated to be confidential, without its prior written permission. However if required by law NBSM can publish or communicate any information of the organization without prior consent of the organization.

The Organization hereby agrees that, after the signature of the present contract between the parties, NBSM keeps such information completely confidential

The auditors, whether service providers or employees, and all persons participating in the certification procedure shall be bound by a professional confidentiality agreement.

The same provisions shall apply to any silent observer, witness assessor(s) proposed by NBSM and whose presence at the site of the audit shall have been accepted by the Organization. NBSM shall inform the client organization about the confidential information it has provided to accreditation body, regulators or agreement group of peer evaluators

NBSM maintain confidentiality of the information obtained from the other sources including complains.

In the event of the termination of the present contract, NBSM shall destroy all documents that it no longer requires and/or return to the Organization, at its request, all documents supplied to it.

ARTICLE 5: COMMUNICATION REGARDING AUDIT REPORTS AND THE CERTIFICATE

NBSM shall authorise the Organization to use/communicate any audit report prepared for the purpose of issuing a certificate, for maintaining its validity and for its renewal. The Organization is obliged not to modify the original report.

The Organization shall authorise NBSM to communicate all of the information appearing on the certificate and/or the proof of certification and/or any attachments thereto and to cite at all times said information on NBSM's Internet site, in particular, in the directory of certified Companies.

ARTICLE 6: TERMS AND CONDITIONS CONCERNING PAYMENT AND INVOICING

6.1 The Fee(s) to be paid to NBSM shall be fixed and specified in the particular terms and conditions of the present contract.

NBSM reserves the right to review its Fee(s) on after the period of one audit cycle.

Fees are quoted in Nepalese Currency.

All the expenses required for audit such as auditors' allowances, Transportation, food and accommodation, shall be borne by the Organization.

If the procedure for issuing a certificate is halted for any reason whatsoever, the amounts corresponding to the work performed or begun by NBSM shall be due, or if such amounts have already been paid, they shall remain the property of NBSM.

The Organization may be invoiced for additional expenses in the event of an exceptional detailed audit.

In the event that the Organization unilaterally cancels an audit/certification, NBSM shall forfeit all the down payment made.

6.2 Mode of Payment

Initial certification stage:

- A down-payment of 30% of the initial certification fee, upon the signing of this General terms and conditions of certification, shall be paid by the Organization to NBSM.
- Remaining 70% of Initial Certification fee shall be paid upon the decision on certification.
- Annual Surveillance fee shall be paid before the commencement of audit.
- Recertification fee shall be paid before the commencement of audit.

6.3 Payment procedures

The invoices prepared by NBSM are payable, by cheque or bank transfer only, upon receipt of the invoice.

Validity of the quotation:

The quotation shall be valid for six months as of the date it is prepared.

NBSM reserves the right to modify it, in particular with regard to the duration of the audit, after a review of any additional documents and information supplied or found.

The quotation does not include the costs of any additional activities that may be necessary to undertake.

ARTICLE 7: EFFECTIVE DATE - TERM

The present contract shall be effective as of the date of the signature by both parties and shall come to an end upon the expiration of the validity of the certificate.

It is automatically renewed by successive three-year periods, except in the case of legal provisions to the contrary by which NBSM is bound and which the Organization hereby accepts unreservedly.

The contract may be terminated by giving six months' prior notice by official letter with return receipt requested.

The Organization shall authorise the renewal audit approximately four months prior to the expiration date of the certificate in order to allow it the time to perform any corrective actions necessary to ensure the conformity of its management system with the standard.

ARTICLE 8: SUSPENSION

The certificate of the Organization may be suspended in the following cases:

- a) at its request, particularly in the event of a reorganisation preventing it temporarily from maintaining conformity with the standard,
- b) upon the initiative of NBSM due to deviations observed with regards to the standard or in the event of serious breaches of contractual obligations or improper use of the certificate, in the event of a sequence of audit reports calling into question, the conformity to the management system with the standard, or in the event of non-compliance with the regulations concerning the use of NBSM's Certification Marks and/or in the event of non-payment of an invoice after a request for payment thereof.

Such suspension shall be effective for a maximum period of 6 months. The timeframe includes the implementation of the measures required to have the suspension lifted.

NBSM shall have the right to publicize such suspension, in particular on its Internet site, and NBSM reserves the right to specify, in particular on its Internet site, whether such

suspension occurred upon the initiative of the Organization or at the initiative of NBSM. Upon notice by NBSM of the suspension of its certificate, the Organization shall refrain from producing or creating promotional and/or technical documents that mention or make reference to its certification, and shall refrain from making any type of communication to that effect.

Except in the event of an exceptional and expressed exemption, non-compliance with this obligation shall result in the withdrawal of the certificate.

In order to lift the suspension of the certificate, NBSM shall either perform a complete re-evaluation of the management system and/or of the service in the case of certification of services or follow-up audit normally scheduled with eventual extension of its duration. Depending on the result of the audit conducted, NBSM's decision-making body will decide whether the certificate is to be restored or withdrawn.

Suspension of the certificate does not give rise to extension of the said certificate's period of validity.

ARTICLE 9: TERMINATION – WITHDRAWAL OF CERTIFICATE

If one of the parties breaches its obligations, the other party shall have the right to give formal notice to the party in breach to perform its obligations within one month of the date of letter giving such notice.

In the event that the party in breach does not comply with such notice, the party giving such notice shall have the right to terminate the present contract at any time by giving two months' notice by official letter with return receipt requested.

If the Organization does not obtain a certificate after three years of process initiated, the present contract shall be terminated as of right, without the Organization having any right to claim compensation.

In the event that the certificate is withdrawn or not renewed, the present contract shall be terminated as of right, without the Organization having any right to claim compensation. NBSM reserves the right to terminate immediately the present contract if NBSM considers that the Organization is directly or indirectly involved in activity (ies) liable to impact interests of NBSM adversely.

In the event that NBSM decides to suspend the certificate of an Organization in breach pursuant to article 8 hereinabove, and if the Organization does not take the steps required to lift the suspension, the contract shall be terminated as of right, one month's prior notice to the Organization.

The termination of the contract shall result in the withdrawal of the certificate.

NBSM shall have the right to publicize the withdrawal of the certificate, in particular, on its Internet site, daily Newspaper. NBSM reserves the right to specify such withdrawal occurred, whether on the initiative of NBSM or of the Organization.

Even upon the termination of the certification, NBSM holds rights to access in the client organization's premises and other related places to control the miss-use of NBSM's logo and certification statement.

ARTICLE 10: COMMUNICATION REGARDING THE CERTIFICATION MARK AND THE INTERNET LINK

The Organization hereby agrees that during the period of validity of its certificate any reference to the actions of NBSM regarding the issuing of its certificate shall be in accordance with the provisions of the regulations and norms concerning the use of NBSM's Certification Marks.

For any other use, it shall obtain the prior consent of NBSM.

NBSM shall have the right to mention the Organization in its promotional literature.

The Organization shall have the right to place NBSM's Certification Mark(s) on its Internet site, in compliance with the provisions of the regulations concerning the use of NBSM's Certification Marks with necessary statement, and to link it (or them) directly to its electronic certificate and/or NBSM's Internet site, without the prior consent of NBSM. However, the Organization hereby agrees that it shall remove such link, without delay, upon the initial notice of NBSM, it hereby being specified that NBSM will make such a notice if it deems that the contents, in whole or in part, of the Internet site of the Organization does not conform to its ethical standards and/or that they violate any legal provision whatsoever and/or that they are obscene and/or defamatory and/or offensive and/or violate the rights of any person whatsoever and/or that they are of a type, in any other manner, to prejudice the interests, whether direct or indirect, of NBSM.

The Organization shall not use NBSM's Certification Marks after the expiry of the certificate.

ARTICLE 11: AMENDMENT OF THE GENERAL TERMS AND CONDITIONS

If, during the performance of the contract, NBSM decides to make a significant change to the present provision regarding the certification services, NBSM shall inform Organization about the modification made in the general terms and conditions, before the commencement of the renewal process of the certificate.

If no agreement is reached on the modified general terms and conditions, the contract between the parties shall not be renewed, and neither party shall have the right to claim any compensation whatsoever from the other party.

ARTICLE 12: END OF THE CONTRACT OF CERTIFICATION

In the event that the certificate is no longer valid, for any reason whatsoever (non-renewal, Withdrawal), the Organization shall:

- a) return the Certificate and related documents to NBSM within one week, upon the notice received by the organization
- b) as of the time it receives such notice, refrain from producing or creating promotional and/or technical documents on which it mentions or makes reference to its certification, and refrain from making any type of communication to that effect.
- c) as of the time it receives such notice, the Organization shall immediately, remove all mention(s) of the certificate and the Certification Mark from all display windows, packaging, documents and promotional or advertising material(s), being used.

The use of the NBSM certification mark, the mention of the certificate in any format whatsoever, or the mere active mention thereof shall be strictly forbidden, as of the time that the certificate becomes invalid.

The name of the Organization shall no longer be included on the list of certified Companies appearing on the Internet.

The Organization shall maintain the complete list of technical documents and promotional materials that it has used and destroyed after the notification of the termination notice for the purpose of the verification by NBSM.

NBSM hereby reserves the right to publicize the fact that the certificate is no longer valid and to specify whether such invalidity is from the initiation of the Organization and/or from NBSM.

ARTICLE 13: LIMITATION OF LIABILITY

NBSM undertakes to use all due care, in accordance with the state of the art, in the performance of its services, and it undertakes to dedicate the necessary means to the performance thereof. NBSM shall not be liable for the losses occurred during the time of assessment whatsoever the reason

In the event that a third party files a claim with NBSM or against NBSM regarding any of the certificates, the Organization shall provide access to NBSM, to all documents necessary to defend the claim.

When NBSM issues a certificate, the Organization shall have the right to use it properly, indicating that the Certification is only the assessment, not the guarantee.

The Organization agrees, therefore, that in the event that a third party makes a claim against it, it will not bring any action against NBSM regarding the interpretation intended as to the significance of the certificate.

Issuing a certificate and/or any document whatever the media, or further, any intervention on the part of NBSM does not signify that the Organization has complied with, complies with or will comply with the legislation and/or regulations.

Similarly, issuing a certificate does not in itself constitute notice of conformity with regulatory and/or statutory requirements imposed by national or international authorities..More generally, and unless expressly provided otherwise by NBSM, the NBSM audit does not have, as its purpose and the means to verify compliance by the Organization with the regulations and/or the law applicable to it.

The Organization shall in no event claim that it or its products or services are in compliance with applicable regulations and/or the law by the mere fact that it holds a certificate.

ARTICLE 14: GRANT OF JURISDICTION

The parties shall attempt to settle any disputes amicably that may arise regarding the interpretation or the performance of the present contract. In the event that such attempts prove unsuccessful, either party shall have the right to settle the dispute as per prevailing law of Nepal.

ARTICLE 15: APPLICABLE LAW

The present general terms and conditions as well as the particular terms and conditions of the agreements or contracts entered into pursuant to the present contract shall be governed by Nepalese law.

ARTICLE 16: ADDRESS FOR RECEIPT OF NOTICES

Two months' prior notice, of any change in the address designated for receipt of notices or in the Organization name of a party shall be given to other party in order before such change is effective as against the other party.

ARTICLE 17: GOVERNING CONDITION FOR THE USE OF LOGO

17.1 Introduction

The NS Mark is issued by Nepal Bureau of Standards and Metrology with the authority of Nepal Standards Certification Marks Acts 2037 and Regulation 2040 for the compliance to Nepal Standards.

17.2 Use of the NS Certification Mark

A Certified Organization is entitled to display the Mark or make reference to registration on its stationery or electronic media subject to the conditions set out in clause 17.3.

Certified Organization is entitled to use the Mark for Publicity and advertising material subject to the conditions set out in clauses 17.3

NBSM auditors will review the use of the mark during audits.

If in doubt about the use of the NS Certification Mark, a proof showing the intended use can be sent to NBSM for review and, if acceptable, written approval.

17.3 Restrictions on the use of the NS Certification Mark

There is a distinction between Product Certification and Management System Certification which affects how the Mark can be used. for eg for ISO 9001:2008



NS/ISO 9001:2008 Quality Management System

In the case of Management System Certification, the mark shall not be displayed on the product, the primary packaging or otherwise used to imply Product Certification.

The Management System Certification Mark shall not be used on laboratory or calibration test certificates (even internal).

On notification of revocation or withdrawal of Certification, The Organization shall immediately cease to issue documentation or literature, in print or electronically, displaying the Mark or implying in any way that they are an NS Certified Organization

It is not permissible to use, in any way, the logos of International Standards bodies such as ISO, IEC.

The client shall not use the mark or certification documents in a misleading manner and must amend all advertising matter when the scope of certification has been reduced.

The client shall not use its certification in any manner that would bring NS or the certification system into disrepute and lose public trust.

In the event of accredited Certification client has to follow the norms of Accreditation Body regarding the use of Logo. NBSM shall provide such norms to the client after

certification decision.

17.4 Multiple Certification

In instances where the Organization is Certified by NBSM for more than one Standard, a single Mark may be used with a list of the numbers of the applicable standards located underneath. The following is an example:



**NS/ISO 9001:2008 Quality Management System
NS/ISO 14001:2004 Environment Management System**

If multiple Marks include a Management System Standard, they must comply with the restrictions of use for Management System Standards.

17.5 Organization Statement

Notwithstanding Clause 17.3, a Organization Certified to a Management System Standard may display on its product and / or its primary packaging the following statement:

ISO 9001:2008 Certified Company
or other terms appropriate to the organization's activities and commensurate with their scope of certification.

ARTICLE 18: MISCELLANEOUS PROVISIONS

If any of the provisions of the present agreement is held to be invalid or inapplicable, all other provisions shall remain in effect, provided that the severance of the provision held to be invalid or applicable does not render the contract meaningless.

The titles of the articles appearing in the present agreement are merely descriptive and in no event shall affect the meaning or the interpretation of such articles.

The fact that a party does not assert, or delays in asserting, its rights pursuant to any provision of the present contract shall not be interpreted as a waiver of the right to assert such provision in the future.

CEO
Organization
Date:

Director General
Nepal Bureau of Standards and Metrology
Date: