

Rule for the Management of Surveillance and Recertification Audit and Maintaining, Extending, Reducing, Suspending, Canceling and Withdrawing of the Certificate after the Management Systems Certification

1 BCC Inc. (BCC hereinafter) will conduct the surveillance audit and recertification audit of the management system of the certified client within the certificate validity and verify the competence to conform to the certification requirements continually.

1.1 The validity of initial certificate is three years according to the relevant requirements. The three-year certification cycle begins from the date of approval of the initial or recertification decision. The effective date of recertification begins from the certification decision and the expiry date is three years after the expiry date of the last certificate.

1.2 The surveillance audits: The management system certified clients except SA management system (SA 8000) shall accept the surveillance audits in 1st and 2nd year and recertification in 3rd year. The 1st surveillance audit following initial certification is suggested to be conducted in the 10-12 months from the last day of the stage 2 audit or recertification, and shall not be more than 12 months. The 2nd surveillance shall be in the 12 months from the last day of the 1st surveillance. If the certified client cannot accept surveillance audit within 12 months due to reasons such as stop production and relocation, the surveillance audit shall be finished at least in every calendar year. The time interval between the two surveillance audits shall not exceed 15 months. For certified organizations of social responsibility management system (SA 8000):1) Multi-site certification organizations should conduct surveillance audits every 6 months. and the first surveillance shall be conducted within 6 months from the date of first certification or recertification. At the same time, at least one surveillance audit in each year shall be in the peak or peak of organizational activities. When a complaint, a major change, or a serious inconformity happened in the certified organization, it may be necessary to add additional non notification to the client.2) For single-site certification organizations, the first surveillance audit should be conducted within 6 months of the initial certification or recertification decision, and then the site surveillance audit once a year. There was a follow-up review between the two on-site supervision audits.

1.3 Recertification: The certified client shall present the written application to BCC three months before the validity of the certificate and sign the recertification contract. The client shall accept recertification onsite audit. Pay the fees and meet the certification requirements to insure to be approved. If the certified client has not fulfilled the previous obligations under the schedule, which leads to the failure of approval of the certificate, BCC will not bear any responsibility. The recertification audit shall be conducted within 12 months from the last date of the second surveillance audit. When the certified client is unable to carry out within 12 months due to the reasons for stop production or relocation, etc., the end date of the recertification audit shall not exceed the date of the expiry date of the current certification. If there is significant change in the system or operation environment of the clients, such as laws, regulations, standards, etc., a first stage audit will be necessary for the recertification after evaluation.

1.4 If the certified client, who has not accepted the surveillance and recertification audit as scheduled, shall suspend, stop using the certificate and certification marks in accordance with the relevant regulations.

1.5 Surveillance and recertification procedures please refer to initial audit procedures.

2 If the significant variation of the certified client has affected the basis of management system, the surveillance audit shall be conducted against the special regulations.

2.1 The significant variation of the management system may include:

- a) The shift of the primary responsible personnel of the certified client;
- b) The signification variation of the product in the management system, e.g. the scope extended or reduced;
- c) Great revision to the management system documents;
- d) Serious complaints by the customer or interested party;
- e) Important shift of the organizational structure, e.g. the structure extended or reduced (including the important personnel, equipment, facilities or other vital resources);

2.2 Once any case mentioned in the above 2.1 a)- e)

- a) The certified client shall evaluate the conformity to the laws and regulations by itself and take corrective actions to the nonconformities.
- b) BCC Inc. shall verify the conformity and effectiveness of the operation conducted by the certified client.
- c) BCC Inc. will simultaneously decide whether to conduct an unscheduled surveillance apart from a regular surveillance or to add any more contents in the regular surveillance.

2.3 The decisions will be made according to the nonconformities confirmed or the major nonconformities/serious problems of the surveillance in the certified client identified in the surveillance with the consideration of the severity and correction:

- a) Reduction of the certification scope;
- b) Suspension of the use of certificate and certification marks;
- c) Withdrawal of the use of certificate and certification marks;

2.4 For the extension of product scope, the certification scope may be extended through a surveillance audit or a special audit arranged.

2.5 BCC may implement a QMS/EMS advanced surveillance and certification procedure to the certified client in QMS/EMS who has had a full certification circle with the condition that the certificate has been continually effective. BCC will consult with the certified client on the appropriate performance indicators to confirm that the performance targets had been achieved by the client, and utilize the results of internal audit and management review to reduce the audit may-day appropriately.

3 Variation, Extension and Reduction of the Certificate

If there is any change to the standards or certification scope, the certified client shall apply for renewal of accreditation certificates in accordance with the rules. The certificate will be re-issued with the confirmation and approval by BCC Inc. The causes of re-issuing the certificate include:

3.1 Registration information of the certified client had been changed;

3.1.1 Name of the certified client had been changed with the exclusion of the cases mentioned in 2.1. The registration information will be changed and the certificate will be re-issued after confirmation. (The re-issuing of the certificate will be conducted with the surveillance if necessary.)

3.1.2 When the business address of the certified client changed, BCC shall evaluate the change of production equipment and facilities to confirm the impact on the product quality, environment and occupational health and safety. BCC shall also evaluate whether the applicable local environmental and occupational health and safety regulations and requirements have been changed. The registration information will be changed and the certificate will be re-issued only if the administrative division/ geographical name has been changed but not involving in the change of production, change of applicable local environmental and occupational health and safety regulations and requirements. The change of the latter will be reviewed after the documents supplied by the certified client have been evaluated. The certificate will be re-issued after the evaluation and review. If necessary, the certificate will be re-issued after an on-site audit had been conducted and the registration information had been changed with the approval of review.

3.1.3 BCC will determine the device of certification review in the special case of the change mentioned above.

3.2 Extension of the Certification Scope

BCC will review and decide whether to accept the application of extension when the certified client applies the extension in written and provide the management manual that is applicable to the scope extended. The contract of extension will be signed after the application has been accepted. BCC will arrange a certain auditor to conduct the document review and on-site audit. The on-site audit will focus on the relevant process, activity, department, production premises of the extension scope. The audit shall be conducted in accordance with the *General Procedure for Management System Certification*. The extension of certification scope will be approved by the General manager after the review and the certificate will be re-issued.

3.3 Reduction of the Certification Scope

3.3.1 The certification scope may be reduced when BCC discovers that the audit scope of the certified client

does not conform to the certification scope in regular surveillance/recertification audit, or some of the product is not in production. The reduction shall be stated in the audit report. The reduction of certification scope will be approved by the General manager after the review and the certificate will be re-issued.

3.3.2 The reduction of certification scope will be approved by the General manager after the review and the certificate will be re-issued when BCC discovers that the part of the scope of the certified client does not conform to the requirements of laws, regulations and standards through the unscheduled surveillance or social information collected.

3.3.3 The written application with the reason of reduction shall be submitted to BCC if the certified client requires reducing the certification scope. The reduction shall be stated in the audit report. When BCC received the application of the certified client, the reduction of certification scope will be reviewed. The certificate will be re-issued after the approval of the General manager.

4 BCC may be possible to conduct audit of certified client at short notice to investigate complaints, or in response to changes, or as follow up on suspended clients.

5 Change of certification requirements including transition of certification standards

When the certification requirement changed, BCC Inc. shall notify the certified client and applicant in advance for the certified client to adjust the management system and apply the measurements in accordance with the new requirements to ensure the maintenance of the certificate. Not within the validity of the conversion, the new certification of the conversion of the certified organization, the original expiry date for registration of qualifications, such as after the conversion is valid, then the end of the conversion period BCC will expire the registration of their qualifications and in accordance with the relevant provisions of the relevant website to update the registration qualification information.

6 Maintenance of the certification

6.1 The effectiveness of the certificate will be ensured through the surveillance to the certified client.

6.2 BCC will issue the Notification of the Surveillance Result to the certified client after the certified client has been qualified in the surveillance and has paid the related fees.

7 Suspension of the Certificate

BCC Inc. will suspend the certificate and marks of the certified client in any case of the following. Normally, the suspension period of the certification certificate does not exceed 6 months, and the suspension period of the social responsibility management system (SA8000) certification certificate is 3 months.

7.1 the customer management system of continuous or seriously does not meet the certification requirements, including requirements for the effectiveness of the management system, food safety management system covering products, HACCP system or related products do not meet the requirements of the certification basis;

- 7.2** Does not provide the effective period of production license, the hygiene license, CCC, qualification certificate and other documents. The re-submitted application has been accepted but has not been changed yet;
- 7.3** Certified customer does not undertake or fail to fulfill the responsibilities and obligations stipulated in the certification contract.
- 7.4** Certified clients were ordered to suspend business by supervision departments
- 7.5** Organize major quality accidents, environmental pollution accidents and occupational health and safety, safety accident, food safety accidents, accident information security incidents, Intellectual property events, the major impact of the accident is being investigated by the administrative organ ; the organization has major accidents related to energy , and the establishment and operation of the energy management system of the organization has major defects;
- 7.6** Fail to use the certification certificate and mark correctly, they are not corrected after pointed out;
- 7.7** The certification customer failed to pay the amount as stipulated in the contract management system certification fees, and they are not corrected after point out audit end date (more than three months); Do not undertake and perform the responsibilities and obligations in the process of surveillance and audit as stipulated in the certification contract;
- 7.8** Customer major complaints on product failed to properly handle and cause users serious dissatisfaction;
- 7.9** Appear to state, local, industry product quality, environmental management, occupational health and safety, food safety, information security. surveillance and spot check is unqualified;
- 7.10** The customers after the surveillance and recertification audit, to find is not in conformity with the schedule (more than review over 3 months) to submit corrective action;
- 7.11** The surveillance/recertification are not completed within the prescribed time interval;
- 7.12** The certification organization does not accept or do not cooperate with the certification and accreditation supervision and management departments of supervision ,witness assessment and non-routine review of BCC;
- 7.13** HACCP, SA management system (SA 8000)certified customers receive the BCC non-inform on-site audit of the audit plan for the second time, and again not to accept audit behavior;
- 7.14** SA management system (SA 8000) customer has been issued key non conformity during audit or after audit, Or the customer fails to complete the rectification of the non-conformance within the agreed period and close the non-conformance
- 7.15** Certification, not according to the client requirements for reporting information;

7.16 Certified client take the initiative to request a suspension;

7.17 Other (such as complaints after investigation of certification, the customer should be responsible, certified client and certifying authority agreed to suspend certification qualification etc.).

8 Renewal of Certificate

The registration qualification will be renewed and the certificate will be used again after the correction and corrective actions had been taken and verified to conform to the requirements. The verification of correction/corrective actions may be conducted through the document review of the relevant evidences proposed or through the on-site audit arranged.

9 Withdrawal of Certificate

BCC will withdraw the qualification of certified customers to use certificates and signs in any case of following:

9.1 The certified client's legal status certificate has been cancelled or withdrawn;

9.2 The certified client has not taken appropriate corrective actions to the problems existed or has not completed the actions in accordance with the specified requirements within the prescribed period after the certificate suspended, i.e. the certificate has expired but the problem that leads to the suspension has not been solved or corrected (including the administrative license, the qualification certificate, mandatory certification in related certificate management scope has expired but the renewal application is not approved)

9.3 The client's management system found several major nonconformities in surveillance and can't effectively correct in the short term;

9.4 The certification information that is not correctly quoted and advocated according to relevant regulations, which causes serious effects or consequences, or BCC has asked for its correction, but it has not been corrected for more than 2 months;

9.5 The certified client's product/service quality, environment, occupational health and safety, food safety, information security have serious consequences or significant social impact;

9.6 The certified client has other serious violation of laws and regulations;

9.7 The certified client has not operated its management system or has had no operation condition;

9.8 The certified client's product/service quality, environment, occupational health and safety, food safety, information security, and Intellectual property infringement causes serious consequences or significant social impact

9.9 The certified client's FSMS/HACCP food safety management system has serious accident of food safety and

health;

- 9.10** The certified client's FSMS/HACCP food safety management system and/or the products covered in the certificate does not conform to the requirements of the certification basis or related product standard, and need to be immediately withdraw the certificate;
- 9.11** Occurred between BCC and the customers of other special provisions in the contract/agreement to cancel the certification certificate and mark using qualified information
- 9.12** The customers conceals certification required information;
- 9.13** The certified client violates the national food safety management regulations;
- 9.14** The certified client applies to withdraw its certificate;
- 9.15** The client has been listed in the List of Serious Failure of Credit Companies by the State Administration of Quality Supervision, Inspection and Quarantine (AQSIQ)
- 9.16** The certified customer refuses to cooperate with the supervision and inspection conducted by the certification regulatory department or the certification authority to supervise them, or provides false materials or information for the inquiry and investigation of relevant matters
- 9.17** The certificated customer refuses to accept the random inspection of national product quality supervision, refuses to cooperate with the supervision and administration department of certification and accreditation, or provides false materials or information for the inquiry and investigation of relevant matters
- 9.18** The certified client no longer produces the production covered in the certificate;
- 9.19** The certified client has not taken effective actions to the major complaints by related parties.
- 9.20** The certified client has experienced an accident related to energy , reflecting the existence of major defects in the establishment and operation of the organization ' s energy management system , and failing to complete effective rectification within the specified time limit ;
- 9.21** The certified client's energy performance does not meet the national and local government issued energy consumption quota standard requirements or assessment of "not completed" grade, and failed to complete the effective rectification within the prescribed time;
- 9.22** The certified client is punished by the relevant law enforcement authorities during the validity of the certificate and fails to complete the effective rectification within the specified time limit ;
- 9.23** Other need to withdrawing the certificate of approval.

10 The Invalidation of Certificate

The certificate will be invalid automatically in the following case:

- a) The certificate of the certified client comes to the expiration;
- b) When the certified client has been qualified in the re-certification and has obtained a new certificate, the old certificate will be invalid automatically;
- c) When the certified client has been qualified in a standard transition audit and has obtained a new certificate, the former certificate will be invalid automatically;

11 If the certificate of the certified client has been suspended or withdrawn, the relevant information will be reported to the state or local supervisory department for publication;

12 If the certificate of the certified client has been suspended or withdrawn, the relevant information will be published in the website of BCC;

13 The certification after customer approval certificate has been revoked or cancelled, BCC certification certificate shall be returned to the BCC.

14 According to the relevant provisions of the state, the client certificate if was suspended, is during the suspension period shall not apply to the other certification body certification conversion; If the suspension was revoked after the expiry of the must after 12 months later, just can apply for certification to other certification bodies. The SA management system (SA 8000) certified clients violate ethical standards and are issued critical nonconformity, resulting certificate is withdrawn, it can't be re-submit applications for certification to BCC unless 12 months after the correction and corrective measures are implemented and verified effectively..