

NAC307

东北认证有限公司 (NAC)

NORTHEAST AUDIT CO., LTD. (NAC)

Publically Accessible Documents

11th Version 2nd Revision

August 2012

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Introduction to NAC

Northeast Audit Co., Ltd.(NAC), formerly known as Northeast Management Systems Audit Center, was founded in February 1993. In July 1994, Northeast Management Systems Audit Center was accredited by China National Accreditation Council for Registrars and authorized by General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic China to become one of the first third-party certification bodies in China.

According to *Product Quality Law of the People's Republic of China*, and *Document [1999]92* enacted by the State Council, approved by General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic China and China National Accreditation Council for Registrars, Northeast Management Systems Audit Center was the first audit body to have completed reform and reconstruction and was renamed Northeast Audit Co., Ltd. After reform and reconstruction, Northeast Audit Co., Ltd kept the original logo and acronym (NAC). In July 2002, Northeast Audit Co., Ltd was accredited by Certification and Accreditation Administration of the People's Republic of China.

For more than a decade, in order to “build a leading institution, ensure superiority and provide quality services” NAC abides by the guiding principle that “aims for quality but not quantity, and pursues not instant success or immediate profits but impartiality and professionalism” and pledges to follow its quality policy and quality objectives to the letter. With scientific techniques, effective administration, remarkable performance and professional integrity, NAC has earned the trust of numerous organizations. In 2006, NAC ranked 1st by CNAS among audit and certification bodies in China. In 2007 NAC was honored with the title--“one of the 10 most influential companies in the audit and certification industry” by trade organization.

Now NAC's premises over 2000 square meters and have ¥15 million worth of fixed assets, which provide sufficient resources for the provision of assessment activities. Now, NAC has become one of the few audit and certification bodies that provide QMS, EMS, OHSMS, FSMS and product certification services with internal resources. NAC can provide the best assessment with relatively low expenses.

Up until the end of 2010, NAC has provided audit and certification for more than 5,000 organizations, whose facilities cover locations in provinces such as Liaoning, Jilin, Heilongjiang, Inner Mongolia, Hebei, Henan, Shandong, Shanxi, Xinjiang, Zhejiang, Jiangsu, Jiangxi, Sichuan, Shaanxi, Guangdong, Guangxi, Hainan, Yunnan, Beijing, Tianjin and Shanghai. NAC has rich experience providing audit and certification services to organization and has several hundreds of certificated auditors who are competent to meet the requirements of quality management system, environmental management system, food safety management system, occupational health and safety management system and product certification.

NAC has sub-premises in Suzhou, Dalian and Yantai (Shandong), which are accredited to undertake QMS, EMS, OHSMS, FSMS and product certification independently.

Impartiality Commitment

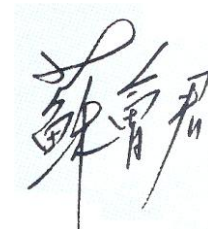
On behalf of Northeast Audit Co., Ltd.(NAC), I solemnly declare that NAC understands that impartiality is necessary for NAC to deliver assessment (audit, certification, validation and verification) that provides confidence. NAC promises to manage conflicts of interests that arise from assessment activities and identify and analyze this kind of risks to impartiality of assessment so as to take corresponding measures to minimize and/or eliminate their threats to impartiality.

NAC treats all organizations which apply for assessment services equally and impartially. NAC attaches not monetary or other unjustifiable conditions to assessment contracts. NAC has not interested based relations with governmental administrative organs. NAC rejects all forms of funding and support that will impair impartiality of assessment. NAC does not develop or market services that will impair impartiality of assessment. NAC will not form interest based relations with client organizations.

NAC does not accept assessment application that will influence impartiality. NAC does not provide assessment services to organizations funded by NAC or organizations that have monetary links with NAC. NAC contracts come from application directly from organizations and NAC does not accept application from consulting entities. NAC, as well as any subsidiary or any division of NAC, will not suggest or provide consulting services related to its assessment, including price quotes for consulting services.

NAC abides by “aims for quality but not quantity, and pursues not instant success or immediate profits but impartiality and professionalism” and invites supervision from regulatory/accreditation authorities and the public to safeguard subjectivity and impartiality.

NAC General Manager:



Jan 1, 2011

Business Scopes

1. Management System Audit/Product Certification

1.1 NAC provides management system audits and product certification within accredited scopes;

1.2 NAC accepts audit/certification applications from organizations and conducts management system audits (QMS, EMS, OHSMS, FSMS) and product certification as per related requirements.

1.3 NAC also collaborates with other audit/certification bodies and provides evaluation and review of their audit/certification/supervision/performance assessment activities.

2. CDM Validation/verification¹

2.1 NAC provides validation for proposed CDM project activities submitted for registration against the applicable CDM requirements.

2.2 NAC provides verification for registered CDM project activities against applicable CDM requirements.

3. Training

3.1 NAC provides training for certified QMS auditors.

3.2 NAC provides training for auditors conducting internal audits of QMS, EMS, OHSMS, FSMS and product certification.

¹ All information on CDM V&V is marked red and not on the current public assessable document.

NAC Corporate Culture

NAC has cultivated and developed its corporate culture through years of management and operation experience. NAC corporate culture is the company's collective values, way of behavior and moral code.

The core aspect of NAC corporate culture is to create value for clients.

NAC corporate culture is part of NAC internal resources, which is created, developed and utilized by NAC to create a modern corporation. It is developed in the fierce competition of the industry.

NAC corporate culture is a promise made to clients and the secret that keeps NAC one of the best in the industry.

NAC has been searching and seeking for more than a decade to create and enrich its unique corporate culture. It displays the maturity of a corporation and represents NAC's corporate value and NAC personnel's value.

NAC Corporate Culture:

People-orientation--NAC is people oriented. Respect for knowledge and talents is an important principle and strategy of NAC and which will be adequately implemented through the corporation.

Overall goal-- building a leading institution, ensuring superiority and providing quality services

Strategic planning--three steps: 1. attracting talents with attractive offers; 2. earning high reputation to consolidate corporation foundation; 3. enhancing development

NAC behavior principle--aiming for quality not quantity, and pursuing not instant success or immediate profits but impartiality and professionalism

Quality Policy

We dedicate our employees and other resources to the performing audit, certification and validation/verification functions in an independent, impartial and professional manner.

We promise to satisfy clients' needs and expectations of quality with effective administration, remarkable performance and professional integrity.

We pride ourselves in our clients' trust and our pursuit of perfection.

Quality Objectives

0 violations against related laws, rules and regulations and requirements;

100% contract fulfillment rate;

100% on-schedule rate

Over 88% client satisfaction rate

Accreditation

Time	Accreditation Authority ²	Content of Accreditation/authorization	Scope
1993.03	Liaoning Provincial Industrial Manufacturing Committee 辽工生发〔1993〕182号	Authorization to establish Northeast Management Systems Audit Center	QMS
1993.04	Liaoning Bureau for Industry and Commerce	Registration with the Bureau	
1994.07	National General Administration of Quality Supervision, Inspection and Quarantine 技监局认函〔1994〕288号	audit/certification body accreditation, organization no.: SC07	
1994.08	National General Administration of Quality Supervision, Inspection and Quarantine	QMS audit accreditation, as one of the first accredited audit/certification bodies	
2000.05	Liaoning Bureau for Industry and Commerce	Northeast Audit Co., Ltd registered with the Bureau	
2001.01	China National Accreditation Council for Registrars (CNACR) National Administration of Quality and Technical Supervision	Authorization to NAC to conduct audit in Northeast Management Systems Audit Center's authorized scope	
2002.07	National Certification and Accreditation Administration (CNCA)	Reaccreditation, accreditation no. CNCA-R-2002-010	
2003.01	China National Accreditation Board (CNAB)	Reaccreditation by CNAB, accreditation certificate no. NAB010-Q	
2006.10	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-Q	
2009.05	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-Q	
2002.06	China Accreditation Committee for Bodies Conducting EMS Audits	Accreditation, register no.: HR18	EMS
2003.12	China National Accreditation Board (CNAB)	Transfer of accreditation issued by CNAB, accreditation certificate no.: CNAB010-E	
2006.10	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-E	
2009.05	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-E	
2003.04	China Accreditation Committee for Bodies Conducting OHSMS Audits	Accreditation	OHSMS
2005.05	China National Accreditation Board (CNAB)	Transfer of accreditation issued by CNAB, accreditation certificate no.: CNAB010-S	
2006.10	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-S	
2009.05	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS, accreditation certificate no. CNAS C010-S	

² The Chinese under accreditation authorities are accreditation no.

2003.03	China National Accreditation Board (CNAB)	Accreditation by CNAB , accreditation certificate no.: CNAB010-P	Product
2006.10	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS , accreditation certificate no.: CNAS C010-P	
2003.10	National Certification and Accreditation Administration (CNCA)	Authorization by CNCA	FSMS
2005.08	China National Accreditation Board (CNAB)	Accreditation, register no.: CNAB010-H	
2006.10	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS , accreditation certificate no.: CNAS C010-F	
2009.05	China National Accreditation Service for Conformity Assessment (CNAS)	Reaccreditation by CNAS , accreditation certificate no.: CNAS C010-F	

NOTE: Please visit NAC website (www.nac.com.cn) for accreditation certificates

Assessment Procedures

I. Initial Communication

Organizations which intent to apply for NAC services or want to know about NAC services please contact NAC. NAC welcomes your calls and visits. NAC Marketing Department and Client Service Center is responsible for establishing initial communication, answering inquiries, and publicity.

Telephone:

024-83961617/83961689/83961600/83961602/83961686

024-83961665/83961668/83961698/83961658/83961601

II. Application for Assessment

Application and Contract Review

1. Marketing Department/Client Service Center accepts application form authorized by representative of the applicant as well as supporting documents.

2. NAC conducts applicant/contract review. If NAC finds application documents sufficient and NAC competent to conduct assessment, NAC contacts applicant organization to sign the contract. If NAC finds application documents insufficient, it will contract the applicant organization for supplementation. If NAC finds it incompetent to perform assessment, NAC will explain to the applicant and reject application.

3. Primary-level organizations of communist party, applying for quality management systems auditing, shall:

- (1) Obtain approval from its immediate regulatory organization;
- (2) Have established and implemented a quality management system according to GB/T19001-2008, which covers all requirement of internal audits and management review;
- (3) Accept CNAS witnessing activities and CNAS guidance when necessary.

4. Organizations applying for CDM validation and verification shall, besides the application form, shall provide

- (1) the project design document (PDD) that defines project boundaries and sites included in assessment, the nature of the data needed for validation/verification and the methodology used**

- (2) information about the CDM PPs, the host Party and its designated national authority (DNA);
- (3) information about persons or organizations engaged in identification, development, and consultancy and financing of the project activity.

III. Performing Assessment

1. General Principle for NAC Assessment

- (1) NAC performs assessments (both desk and on-site) in strict accordance with related rules, regulations and requirements.
- (2) NAC does not perform assessment outside its accredited scopes.
- (3) NAC does not reject application because applicant hasn't accepted training or consulting. Nor shall NAC adds requirements or conditions unrelated to assessment.
- (4) NAC does not prioritize or delay on-site assessment for any organization.
- (5) NAC abides by the principles of subjectivity, independency, impartiality and integrity.
- (6) NAC implements assessment in strict accordance with procedure requirements. NAC keeps full record of all activities. NAC does not change the procedure or assessment records without justifiable reasons.
- (7) NAC makes assessment conclusions and writes assessment reports on schedule. NAC ensures the subjectivity and credibility of assessment reports. NAC takes responsibility for the contents in assessment reports.
- (8) NAC does not subcontracting assessment to a third-party³. If NAC does need to subcontract, it will explain to the applicant/ client in advance.
- (9) For management system audits, the management system in question shall have been implemented for at least 3 months.

2. Procedure for management system audits

- (1) Confirm that the applicant is qualified to accept audit
- (2) Form audit team and obtain approval of the team from the client.
- (3) Conduct phase 1 audit. Conduct desk review of the client's management system documentation and procedures. Write a desk review report specifying audit team's comments and requirements for improvement
- (4) Conduct phase 1 on-site audit

³ NAC does not subcontract management system audit or CDM validation and verification. NAC only subcontract the inspection of product to qualified inspectors or laboratories.

- (5) Conduct phase 2 on-site audit
- (6) Audit team writes a preliminary report specifying audit conclusion and nonconformities
- (7) Audit team verifies corrective actions taken by the client and writes the final audit report.

3. Procedure for product certification

- (1) Confirm that the applicant is qualified to accept audit
- (2) Sampling products for inspection
- (3) Form audit team and obtain approval of the team from the client.
- (4) Conduct desk review of required documents. Write a desk review report specifying audit team's comments and requirements for improvement
- (5) Conduct on-site assessment
- (6) Audit team writes a preliminary report specifying audit conclusion and nonconformities
- (7) Audit team verifies corrective actions taken by the client and writes the final audit report.

4. Procedure for CDM validation and verification

a. Validation

- (1) contract review;
- (2) appointment of the validation team and technical experts;
- (3) publication of PDD and public comments;
- (4) development of validation plan;
- (5) desk review of PDD and supporting documents;
- (6) follow-up interviews(combined with on-site assessments when necessary);
- (7) draft validation report;
- (8) resolution of FARs and CLs (if any);
- (9) technical review and validation decision;
- (10) final validation report;
- (11) final approval of the validation.

b. Verification

- (1) contract review;

- (2) appointment of team members and technical experts;
- (3) publication of the monitoring report;
- (4) development of verification plan;
- (5) desk review of the monitoring report submitted by the client and additional supporting documents;
- (6) on-site assessment;
- (7) investigation and interviews with personnel involved in the project activity;
- (8) draft verification report;
- (9) resolution of FARs and CLs (if any);
- (10) technical review and verification decision;
- (11) final verification report;
- (12) final approval of the verification

5. Assessment Conclusion

The assessment team may come up with one of the following three conclusions:

- (1) conformity is found through assessment, and certification/registration is recommended;
- (2) some nonconformities are identified, which can be corrected, and certification/registration can be recommended after nonconformities are addressed and verified;
- (3) serious nonconformities are identified and certification/registration cannot be recommended.

IV. Assessment Decision

1. NAC conducts review of the assessment report and supported documents/records submitted by the assessment team. A panel of independent technical reviewers review these information and information from other channels (if necessary and available) to make assessment conclusions (one of the three mentioned above). This assessment conclusion will be submitted to the General Manager for approval, which makes it assessment decision. After assessment decision is made, assessment reports will be sent to the client. **For CDM validation, assessment reports will be submitted to EB for registration. For CDM validation, NAC will submit validation and certification report to EB for issuance.**
2. If there are discrepancies between the final assessment decision and the preliminary assessment conclusion made by the audit team during on-site

assessments, NAC shall explain the discrepancy to the client.

V. Certificates and issuance of certificates

1. Validity of certificates

Management system certification certificates are valid for three years and product certification certificate 4 years, from the date when NAC General Manager approves the certification. During the validity period of certificates, NAC shall conduct 2 or 2 supervision audits. The interval between these audits shall not exceed 12 months.

2. Issuance of certificates

After the General Manager approves certification and the client settles fees and expenses with NAC Administrative Office, the Office will issue certificates to clients. Management system certificates are in both Chinese and English. Product certification certificates are usually in Chinese.

VI. Registration and publicizing information

1. Registration

NAC Administrative office will register management system/product certification. **CDM V&V Department handles registration/reporting/requesting issuance for CDM validation/verification.**

2. Publicizing information

NAC updates NAC website with certified information regarding management systems/products, including certificate number, organization name, address, certification industry and scope, certificate validation date, certification status.

For CDM validation and verification, NAC keeps on its website: a list of all CDM PAs, PDDs and monitoring reports from CDM PPs, NAC validation/verification/certification reports, validation/verification/issuance status.

If NAC is required by law to provide proprietary or confidential information to other organizations, (e.g. CNCA, CNAS, CCAA **and CDM EB**), NAC will notify the

client of this disclosure unless restricted by law.

3. Information about changes in certification/**validation/verification**

- (1) NAC will update on its website the suspension, cancellation, withdrawal of certification
- (2) NAC will update the changes in certification scopes on its website
- (3) NAC will update the information regarding changes in validation/verification/issuance status on its website**
- (4) After the changes of certification/validation/verification status, NAC will update the list of certified clients/validated or verified PPs on its website.

Assessment Charges

Description of NAC financial operations

NAC revenue comes from legitimate assessment earnings. NAC does not do other forms of industrial or commercial businesses. NAC rejects all forms of funding and support that may impair impartiality of NAC assessment. NAC is financially independent. NAC takes full responsibility for its losses and profits. NAC makes careful financial plans, earmarking funds for specific functions. NAC pays its taxes as required. NAC is not profit-earning oriented. NAC has not financial pressure from other organizations or individuals. All of NAC expenses are spent on the operation and development of NAC. NAC allocates a special fund for liabilities. NAC promises its financial independence to ensure the impartiality of assessment.

Price Range

According to *Requirements for Audit Service Pricing Range (2010 edition)* issued by CNAS:

1. Quality Management System

Organization employee number	Minimum charge for initial audit ⁴
less than 65	12000
66-125	18000
126-275	21000
276-625	28000
626-1175	32000
1176-1550	36000
1551-2000	40000
Over 2001	2400/extra man-day

2. Environmental management system

Organization employee number	Minimum charge for initial audit		
	Complex	Medium complex	Simple
Less than 30	16000	14000	12000
31-100	25000	23000	21000
101-275	30000	28000	26000
276-500	38000	36000	34000

⁴ All the money mentioned in this document is measured in RMB.

501-875	46000	43000	40000
876-1550	54000	51000	48000
1551-2000	62000	59000	56000
Over 2001	2400/extra man-day		

3. Occupational hazard management system

Organization employee number	Minimum charge for initial audit		
	Grade 1	Grade 2	Grade 3
Less than 30	16000	14000	12000
31-100	25000	23000	21000
101-275	30000	28000	26000
276-500	38000	36000	34000
501-875	46000	43000	40000
876-1550	54000	51000	48000
1551-2000	62000	59000	56000
Over 2001	2400/extra man-day		

4. Minimum charge for combined audit of two management systems is the 75% of the summation of the two management systems' charges. Minimum charge for combined audit of three management systems is the 65% of the summation of the three management systems' charges.
5. Minimum charge for recertification is 2/3 of the charge for initial audit. Minimum charge for supervision activities is 1/3 of the charge for initial audit.
6. Given the characteristics of management systems, products, complexity of the industry and other risks, NAC may be charging more than the minimum price ranges.

Service Fee Composition

Type	No	Content	Fee	Note
Management	1	Application	1000	

System Audit	2	Audit	Refer to the Price Range above	As per international convention, auditors' travel and accommodation for on-site assessment are born by the client
	3	Registration (including certificate)	2000	50/extra authorized copy
	4	Annual fee (including license to use marks)	2000	1usage/year
	5	Others	Given the characteristics of management systems, products, complexity of the industry and other risks, other charges may apply	
1 and 3are fixed charges. (1+3=3000 RMB); Audit charge=1+2+3+5 The calculation of man-day complies to NAC requirements				

Type	No.	Content	Fee	Note
Product certification	1	Application	600/Unit	
	2	Product inspection	3000/man-day	As per international convention, auditors' travel and accommodation for on-site assessment are born by the client
	3	Factory assessment	800/unit	
	4	Certification and registration (including certification)	Certificate no≤20 copies, 200/copy.year 20<no.≤50, 150/copy.year no>50, 100/copy.year	
	5	Annual fee	0.8/mark	Organizations can use the marks diectly
	6	Certification mark	900/mark. first year 600/mark.year since the second year	After obtaining authorization from NAC, organizations can print NAC certification marks on their products and product packages

Supervision and recertification

Type	Content	Fee
Management system	Supervision audit	1/3 of initial audit+2000 (annual fee)
	recertification	2/3 of initial audit +3000 (fixed fee)
Product certification	Supervision audit	1/3 of initial audit
	recertification	2/3 of initial audit
	Annual fee/marks/product inspection	As per requirements in the above form

Expanding scope

Type	Content		Addition	Addition of man-day
Management system	Organizational unit/department	As per the increased number of employees		
	Increased product	Initial product categories	1-3	1
		Trans-small subcategory	1-2	1
			Additional 1-3	Additional 1
		Trans-medium subcategory	1 (1-2 small subcategory)	1.5
			additional 1-3	1 extra
		Trans-category	1 (1 subcategory)	2
	Every 1-2 addition		Additional 1	
	Facility	Same facility	1	1
		Key processes	new facility	1
High risks/complexity				0.5
others			N/A	
Product	Same unit		1 (additional 1-3)	1 (additional 1)

	Facility	If in new facility, will be charged as per charges for initial audit	1 (additional 1-3)	1 (additional 1)
	Different unit	As per charges for initial audit		
Audits for the purpose to expand certification scopes can be conducted with recertification and supervision audits. If conducting expansion audits alone, an fixed 3000 RMB fee (1000 application and 2000 audit fee) applies. For expansion of product certification please refer to the charges for initial audits.				

Rights and Obligations

Rights

Applicant for NAC assessment services and NAC certified clients, have the following rights:

- Complete liberty to choose assessment bodies and complete liberty to choose whether to accept consulting services and choose consultancy providers;
- The right to obtain NAC public assessable documents, the right to make inquiries to NAC, and the right to ask for objective answers;
- The right to object the composition of assessment teams, the right to negotiate with NAC regarding assessment teams, and the right to confirm assessment teams;
- The right to bring up confidentiality and limited access requirements and the right to supervise NAC personnel (especially on-site assessors) regarding their implementation of confidentiality rules and requirements;
- The right to file appeals and complaints to NAC, criticize NAC and its personnel with solid grounds, and contact NAC's Supervision Committee and supervisory accreditation authorities if NAC fails to provide satisfactory answers and solutions;
- The right to ask for secrecy from NAC before getting certification;
- **Certified clients of NAC** have the right to use certification certificates and marks in accordance with national and NAC rules and requirements;
- **Certified clients of NAC** have the right to NAC update of changes (including changes in certification requirements), NAC conferences and seminars and other related activities organized by NAC and have the right to solicit help from NAC regarding the protection of its legitimate rights and interests;

Obligations

Applicant for NAC assessment services and certified clients of NAC has the

following obligations:

- Promise to abide by national certification requirements, legal requirements and requirements regarding the scopes/product/project under assessment;

- Obligation to provide necessary information for assessments, to make arrangements for assessments, including provision of documents and records, and access to personnel and facility, and to make arrangements for inspection/witnessing activities/verification of intern assessors if necessary;

- Obligation to execute contractual terms and pay service fees as agreed;

- Obligation to protect both sides' interests and reputation and to provide verification to NAC assessment activities;

- Obligation to protect NAC reputation and public credibility when using certification certificates and marks;

- Obligation to make no allusion to assessments or certification beyond the scope applied for and assessed by NAC;

- Obligation to quote assessment status in accordance with NAC requirements, and to provide no misleading information;

- When certification being suspended or cancelled, obligation to stop the use of certificates and marks in any forms and to return them to NAC immediately;

- When certification scope's narrowed, obligation to update that change to all publicity materials;

- Obligation to notify NAC immediately of changes, such as changes to its organizational structure, liable persons, key facilities and equipment, products, business activities, environmental factors, security measures, management system documentation;

- Obligation to accept the supervision of NAC's regulatory authorities;

- Obligation to report to NAC information regarding the status of its operations;

Handling of appeals, complaints and disputes

NAC principle for handling of appeals, complaints and disputes: reliance on facts and evidence, adherence to rules and principles, safeguarding impartiality and objectivity, promptness, insurance of confidentiality and satisfactory.

Disputes: written presentation of disagreements filed by organizations at various stages/steps during assessment regarding the assessment process, opinions/decisions, and techniques.

Handling of disputes:

a. The settlement of disputes brought up orally during assessment activities shall first be sought through negotiation between the team leader and representatives of the organization being assessed in accordance with related standards. If disputes cannot be settled through negotiation, the team leader can make a preliminary decision.

b. After assessment activities, disputes shall be submitted to NAC in writing. Office of Auditors and Engineers shall appoint competent personnel to handle these disputes. Office of Auditors and Engineers will document in writing and notify the submitter of the decision

c. If not satisfied with the decision, the submitter can pursue further actions.

Complaints: written statements of dissatisfaction, other than appeals, made to NAC by any organization or individual regarding NAC's audit/validation/ verification activities.

Handling of complaints:

a. NAC departments, including sub-premises, shall report complaints to the Administrative Office upon receipt of complaints. The Administrative Office shall fill out the Record of Appeals, Complaints and Disputes (annex 1) and report to the General Manager.

b. The General Manager presides over the discussion about whether the submitted complaint is related to NAC audit/validation/verification activities. If the relation is established, the General Manager shall set up an investigation to handle the complaint. If the complaint involves a certified client, NAC shall consider whether the certification is efficacious.

c. NAC shall notify the certified client/project participant with which NAC has a contractual relationship if a complaint is filed against it.

d. After setting up the investigation, the General Manager shall appoint personnel who have no involvement with the complaint to look into the complained matter. If necessary, NAC can request more evidence from the complainant, convoke meetings

or consult experts to make objective and well-founded judgements. If investigation is conducted in forms of meetings, the achieved conclusion shall be documented in writing and signed by meeting attendees.

NAC has the obligation to make decisions about complaints within 45 days upon receiving them and to notify complainants within 5 days. Personnel involved in handling complaints shall ensure confidentiality of information. If nonconformities is found during investigation of complaints, NAC shall identify their causes and implement preventive and corrective measures.

Appeals: written requests for reconsideration filed by clients regarding negative assessment findings/outcomes that are inconsistent with their expectations.

Handling of appeals:

a. Upon receipt, appeal documents shall be sent to the General Manger to confirm acknowledgement of submission. The General Manager shall authorize a team to handle the appeal. If the appeal-handling team hasn't received security deposit within 10 work days upon the receipt of appeal documents, the appeal will be rejected.

b. When deciding what actions are to be taken in response to the appeal, the appeal-handling team shall take into account the results of similar precedence. The team has the right to resort to lawful measures to obtain evidence, including convoking a hearing, interviewing related parties, conducting on-site investigation and consulting experts, to make well-founded judgements.

c. If a hearing is to be convoked, it shall be scheduled within 20 work days upon acknowledge of submission of the appeal and the appellant shall be notified of the time and place of the hearing no later than ten work days in advance.

d. Both the appeal-handling team and the appellant have the right to convoke witnesses to the hearing. Information regarding witnesses' names and addresses shall be provided to NAC at least 5 work days in advance.

e. The appeal-handling team shall track and record appeals, including actions undertaken to resolve them.

f. The appeal-handling team shall ensure that appropriate correction and corrective actions are in place.

NAC will ask for the appellant to provide additional information when necessary. NAC shall handle appeals within 6 months of acceptance. If nonconformities are found during the handling of appeals, NAC shall identify causes and take corrective measures. NAC shall return the security deposit in full.

NAC contact for appeals, complaints and disputes: 024-83961668/83961690

Bypassing NAC: If unsatisfied with the way or results of NAC handling of appeals, complaints and disputes, persons can bypass NAC and contact NAC's

supervisory accreditation authorizes.

For management system audit and product certification: CNAS

CNAS Secretariat contact info.:

Add: No. 8 Huashi Street, Chongwen District, Beijing

Post code: 100062 Tel: 010-67105340

For CDM validation and verification: CDM EB of UNFCCC

EB Secretariat contact info.:

Add: P.O. Box 260124

D-53153 Bonn

Germany

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Complaint form available at

http://cdm.unfccc.int/Reference/PDDs_Forms/Accreditation/accr_form24.doc

Annex 1

Quality Management System Scope

Up until Aug 2011, NAC is accredited to undertake QMS audit in

- 1 agriculture and fishing
- 2 mining and quarrying
- 3 food, beverage and tobacco
- 4 textile and textile products
- 5 leather and leather products
- 6 wood and wood products
- 7 pulp, paper and paper products
- 8 publishing
- 9 printing
- 10 coke and refinery
- 12 chemicals, chemical products and fibers
- 13 medicine
- 14 rubber and plastic materials
- 15 non-metallic mineral products
- 16 concrete, cement, lime, plaster and others
- 17 metals and metallic products
- 18 equipment and machinery
- 19 electricity and optical equipment
- 20 shipbuilding
- 22 other transportation equipment
- 23 other manufacturing industries
- 24 recycling
- 25 electricity supply
- 26 gas supply
- 27 water supply
- 28 construction
- 29 wholesale and retail, automobile, motorcycles, personal and household products, and maintenance for these products
- 30 hotel and restaurant
- 31 transportation, storage and communication
- 32 finance, real estate brokering and leasing
- 33 information technology
- 34 engineering services
- 35 other service industries
- 36 public administrative management
- 37 education
- 38 health and social work
- 39 other social services

Note: above scope may change, please contact NAC marketing department for updates. Tel: 024-83961686

Environmental management system scope

Up until Aug 2011, NAC is accredited to undertake EMS audit in

- 1 agriculture and fishing
- 2 mining and quarrying
- 3 food, beverage and tobacco
- 4 textile and textile products
- 8 publishing
- 9 printing
- 10 coke and refinery
- 12 chemicals, chemical products and fibers
- 13 medicine
- 14 rubber and plastic materials
- 15 non-metallic mineral products
- 16 concrete, cement, lime, plaster and others
- 17 metals and metallic products
- 18 equipment and machinery
- 19 electricity and optical equipment
- 20 shipbuilding
- 22 other transportation equipment
- 23 other manufacturing industries
- 25 electricity supply
- 27 water supply
- 28 construction
- 29 wholesale and retail, automobile, motorcycles, personal and household products, and maintenance for these products
- 30 hotel and restaurant
- 31 transportation, storage and communication
- 32 finance, real estate brokering and leasing
- 33 information technology
- 34 engineering services
- 35 other service industries
- 36 public administrative management
- 37 education
- 38 health and social work
- 39 other social services

Note: above scope may change, please contact NAC marketing department for

Occupation Health Safety Management System

Scope

Up until Aug 2011, NAC is accredited to undertake OHSMS audit in

- 1 agriculture and fishing
- 2 mining and quarrying
- 3 food, beverage and tobacco
- 4 textile and textile products
- 5 leather and leather products
- 6 wood and wood products
- 7 pulp, paper and paper products
- 8 publishing
- 9 printing
- 10 coke and refinery
- 12 chemicals, chemical products and fibers
- 13 medicine
- 14 rubber and plastic materials
- 15 non-metallic mineral products
- 16 concrete, cement, lime, plaster and others
- 17 metals and metallic products
- 18 equipment and machinery
- 19 electricity and optical equipment
- 20 shipbuilding
- 22 other transportation equipment
- 23 other manufacturing industries
- 24 recycling
- 25 electricity supply
- 26 gas supply
- 27 water supply
- 28 construction
- 29 wholesale and retail, automobile, motorcycles, personal and household products, and maintenance for these products
- 30 hotel and restaurant
- 31 transportation, storage and communication
- 32 finance, real estate brokering and leasing
- 33 information technology

- 34 engineering services
- 35 other service industries
- 36 public administrative management
- 37 education
- 38 health and social work
- 39 other social services

Note: above scope may change, please contact NAC marketing department for updates. Tel: 024-83961686

Food Safety Management System Scope

Up until Aug 2011, NAC is accredited to undertake OHSMS audit in

- C1310 crops grinding
- C1320 feed processing
- C1350 butchery and meat processing
- C1370 vegetables, fruits and nut processing
- C1410 bakery and bake food manufacturing
- C1450 canned food manufacturing
- C1520 alcohol manufacturing
- C1530 soft drinks manufacturing

Note: above scope may change, please contact NAC marketing department for updates. Tel: 024-83961686

Product Certification Scope

In accordance with audit units:

NO	Unit	Product standard
1	Wooden furniture	GB/T3324-1995
2	Tables, chairs and stools	GB/T3324-1995 QB/T1951.1-1994
3	Cabins, closets	GB/T3324-1995 QB/T1951.1-1994

4	Beds	GB/T3324-1995 QB/T1951.1-1994
5	Wooden suitcases for clothes	QB/T3660-1999 QB/T1951.1-1994
6	Classroom desks and chairs	QB/T3916-1999 QB/T1951.1-1994
7	Sofa	QB/T1952.1-2003
8	Mattresses	QB1952.2-2004
9	Metal furniture	GB/T3325-1995 QB/T1951.2-1994
10	Steel bookshelves	GB/T3325-1995 QB/T1951.2-1994 GB/T13667.1-2003
11	Stacked steel bookshelves	GB/T3325-1995 QB/T1951.2-1994 GB/T13667.2-2003
12	Compact assembled book shelves	GB/T3325-1995 QB/T1951.2-1994 GB/T13667.3-2003
13	Steel book cabinets and information cabinets	GB/T3325-1995 QB/T1951.2-1994 GB/T13668-2003
14	Swivel chair	QB/T2280-1996 QB/T1951.2-1994 QB/T1951.1-1994
15	Kitchen appliances	QB/T2531-2001
16	Synthetic resin emulsion coatings for exterior wall	GB/T9755-2001
17	Synthetic resin emulsion coatings for interior wall	GB/T9756-2001
18	Solvent-thinned coatings for exterior wall	GB/T9757-2001
19	Inorganic coating for exterior wall	JG/T26-2002
20	Poly-tincture coating for interior wall	JG/T3003-93
21	Putty for interior	JG/T3049-1998
22	Synthetic resin emulsion putty	JISK5669-1995
23	Water soluble inner wall paintings	JG/T423-1999
24	Polyurethane waterproofing coating	GB/T19250-2003
25	Building waterproofing coatings	GB/T16777-1997
26	Polymer emulsion architectural waterproof coating	JC/T864-2008
27	Multi-wall architectural coatings	GB/T9779-2005
28	Paint for cement floor	HG/T2004-1991
29	Nitrocellulose exterior enamel	HG/T2277-1992
30	Alkyd mixed paints	HG/T2455-1993
31	Alkyd enamel	HG/T2576-1994
32	Nitrocellulose lacquer	HG/T2592-1994
33	Zinc yellow and ferric red vinyl perchloride primer	HG/T2595-1994

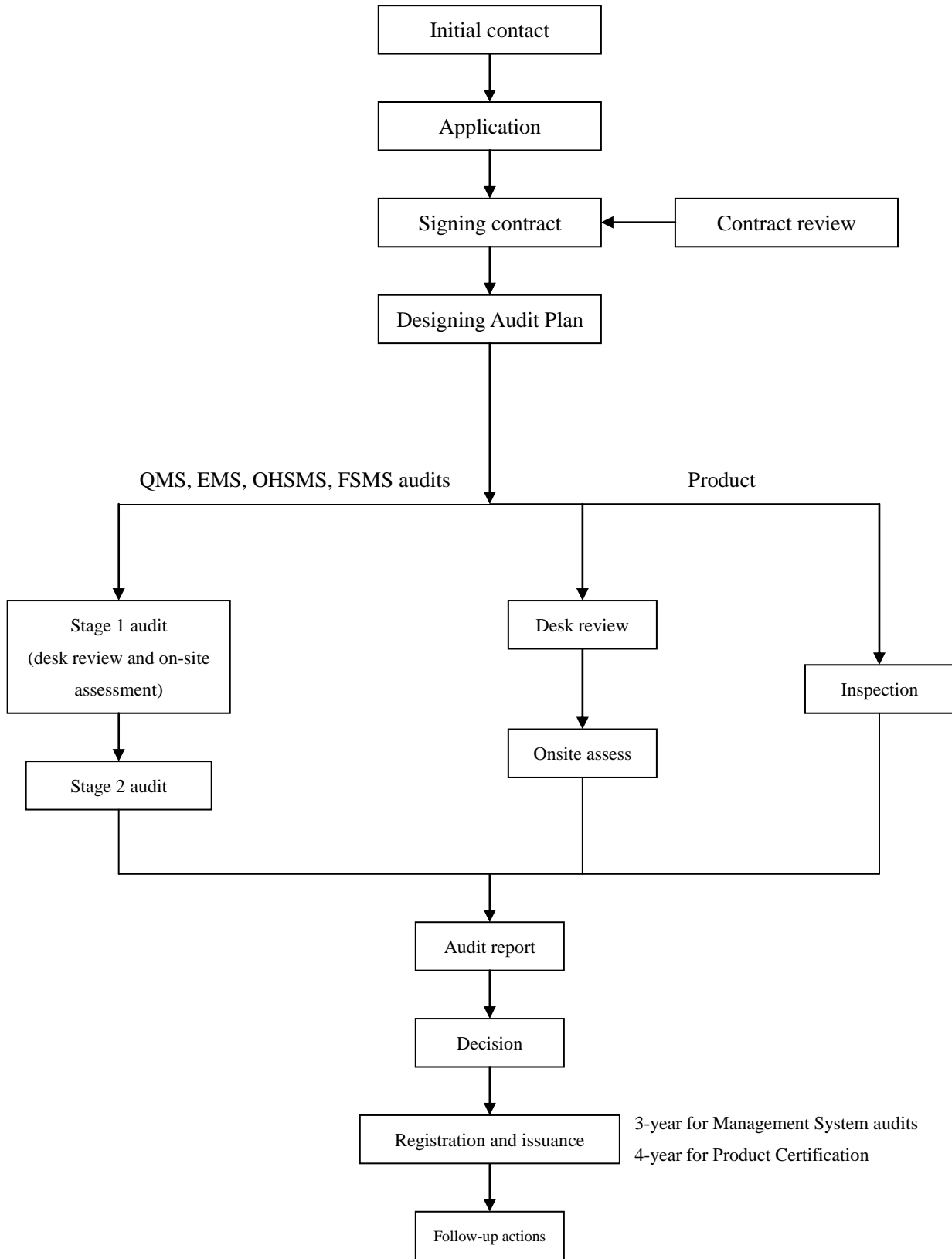
34	vinyl perchloride enamel	HG/T2596-1994
35	polyurethane enamel	HG/T2660-1995
36	phenolic anti-corrosive primer	HG/T3345-1999
37	Red-lead alkyd anticorrosive paint	HG/T3346-1999
38	E04-1 Phenolic enamels	HG/T3349-2003
39	G52-31 vinyl perchloride anti-corrosion paints	HG/T3358-1987
40	Water quality asphalt waterproof coating	JG/T408-2005
41	Water quality polyvinyl chloride waterproof coating	JC/T634-1996
42	Solvent for rubber asphalt water-resistant coating	JC/T852-1999
43	S01-4 polyurethane lacquer	HG/T2240-1991
44	Primer for automobiles	GB/T13493-1992
45	H06-2 Ferric red, zinc yellow and ferric black epoxy ester undercoat	HG2239-1991
46	Polyester polyurethane coatings for woodenware	HG/T3608-1999
47	C06-1 red iron oxide alkyd primer	HG/T2009-1991
48	ship hull paint	GB/T6745-1986
49	anticorrosive marine paint	GB/T6748-1986
50	Solvent nitryl varnish for woodenware	GB18581-2001
51	Solvent nitryl colored paints for woodenware	GB18581-2001
52	Solvent alkyd varnish for woodenware	GB18581-2001
53	Solvent alkyd colored paint for woodenware	GB18581-2001
54	Solvent polyurethane varnish for woodenware	GB18581-2001
55	Solvent polyurethane colored paints for woodenware	GB18581-2001
56	Coating for interior wall	GB18582-2008
57	Wooden furniture	GB18584-2001
58	Wrought aluminum alloy extruded profiles for architecture	GB5237.1-6-2004
59	Wooden writing desk	QB/T2384-1998

60	Wooden	QB/T2530-2001
61	Palm fiber elastic mattresses	QB/T2600-2003
62	Wooden hotel furniture	QB/T2603-2003
63	Electronic compact bookshelves	GB/T13667.4-2003
64	Wooden doors	WB/T1024-2006
65	Silicate compound plaster for thermal insulation	GB/T17371-1998
66	Finishi for machine tools	HG/T2243-1991
67	Primer for machine tools	HG/T2244-1991

Note: above scope may change, please contact NAC product department for updates. Tel: 024-83961681

Annex 2

Audit process



Annex 3

NAC Contact Directory

东北认证有限公司总部

Add: No. 21-1 Wenyi Road Shenhe District, Shenyang

Postcode: 110016

Fax: 024-83961667

Website: www.nac.com.cn

Email: nac@nac.com.cn

General Manager: SU Huijun	024-83961688	
Department	Responsibility	Tel no.
Marketing dept.	Accepting applications	024-83961617/83961600/83961686/83961602
Client Service Center	Follow-up services	024-83961665/83961668/83961601/83961658/ 83961698
Office of Auditors and Engineers	Management and handling of technical issues	024-83961650
Audit dept.	Arrangement of audit activities	024-83961661
Evaluation dept.	Audit decisions and certification scopes inquiries	024-83961685
HR dept.	Personnel management and training	024-83961676
Administrative Office	Collecting service fees and issuance of certificates	024-83961699/83961669
Information Center	Website construction, maintenance and information update	024-83961656/83961671
CDM V&V dept.	CDM validation and verification	024-83961659/010-82483497

NAC Suzhou Branch:

Add: 20-202 Gong Yuan Tian Xia, 28 Tong Jing South Road, Suzhou

Postcode: 215002

Tel: 0512-68832550

Email: szeac@163.com

Fax: 0512-68832180

NAC Dalian Branch:

Add: Rm1902, Building B, Manhattan Masion, Youhao Road, Zhongshan District, Dalian

Postcode: 116001

Tel: 0411-82815378/82821216

Email: dldbrz@dldbrz.com

Fax: 0411-82815379

NAC Shandong Branch

Add: Room 1008, Huatian Mansion, South Road, Yantai 264000, Yantai

Postcode: 264000

Tel: 0535-6204698/2110901

Email: ytsac@tom.com

Fax: 0535-2110900

Annex 4

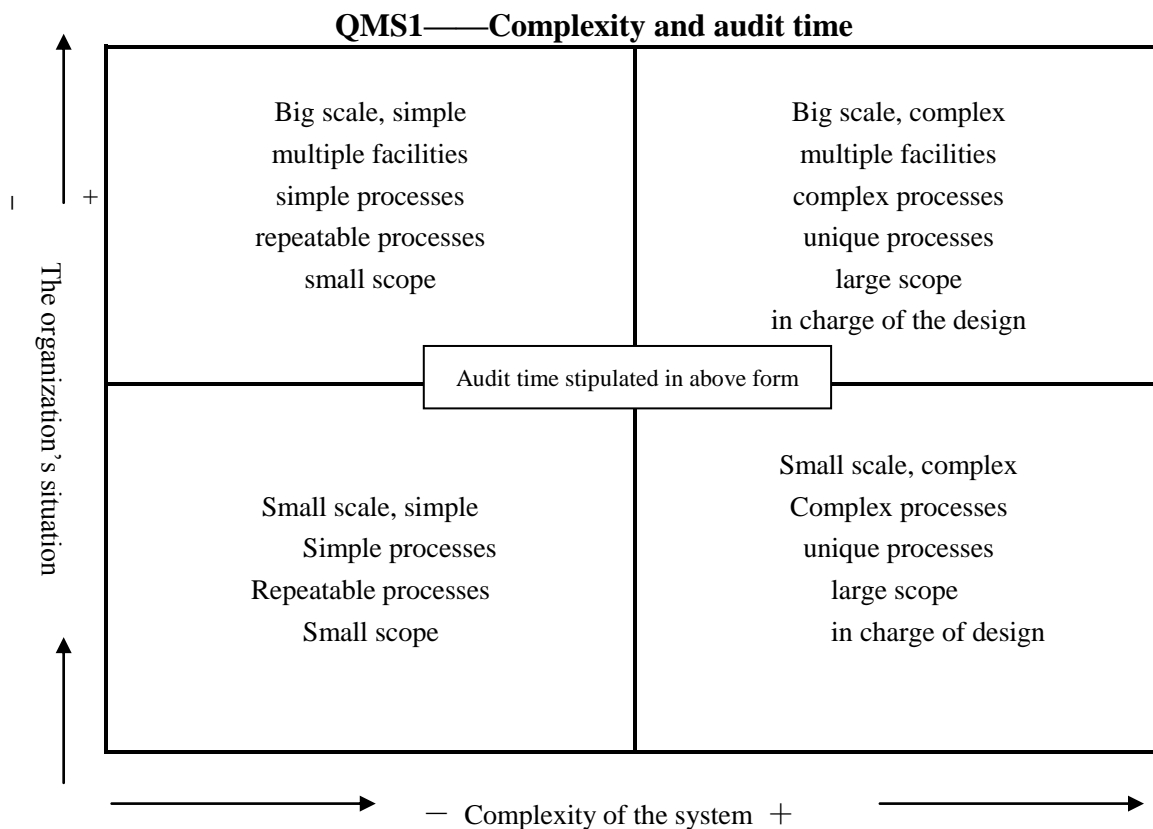
QMS Valid Employee Number and Audit Time

(applicable only to initial audits)

Valid Employee Number	Audit time Stage 1 + Stage 2 (day)	Valid Employee Number	Audit time Stage 1 + Stage 2 (day)
1-5	1.5	626-875	12
6-10	2	876-1175	13
11-15	2.5	1176-1550	14
16-25	3	1551-2025	15
26-45	4	2026-2675	16
46-65	5	2676-3450	17
66-85	6	3451-4350	18
86-125	7	4351-5450	19
126-175	8	5451-6800	20
176-275	9	6801-8500	21
276-425	10	8501-10700	22
426-625	11	>10700	Follow above pattern

Note:

When the valid employee number exceeds 10700, NAC will determine audit time in accordance with the pattern presented in the form and other factors.



**QMS Valid Employee Number, complexity and Audit Time
(applicable only to initial audits)**

Valid Employee Number	Audit time Stage 1 + Stage 2 (day)				Valid Employee Number	Audit time Stage 1 + Stage 2 (day)			
	High	Medium	Low	Limited		High	Medium	Low	Limited
1-5	3	2.5	2.5	2.5	626-875	17	13	10	6.5
6-10	3.5	3	3	3	876-1175	19	15	11	7
11-15	4.5	3.5	3	3	1176-1550	20	16	12	7.5
16-25	5.5	4.5	3.5	3	1551-2025	21	17	12	8
26-45	7	5.5	4	3	2026-2675	23	18	13	8.5
46-65	8	6	4.5	3.5	2676-3450	25	19	14	9
66-85	9	7	5	3.5	3451-4350	27	20	15	10
86-125	11	8	5.5	4	4351-5450	28	21	16	11
126-175	12	9	6	4.5	5451-6800	30	23	17	12
176-275	13	10	7	5	6801-8500	32	25	19	13
276-425	15	11	8	5.5	8501-10700	34	27	20	14
426-625	16	12	9	6	>10700	Follow above pattern			

Note:

- 1: “High”, “medium”, “low” and “limited” refer to complexity of the system and environment factors.
- 2: When the valid employee number exceeds 10700, NAC will determine audit time in accordance with the pattern presented in the form and other factors.

Requirement for On-site Assessors in FSMS Audits

No. of person in the system	No. of Man-day (initial audit, stage 2)	Base no. (90% of initial no.)	Possible reduced no. if applicable (70% of initial no.)	Recertification (2/3 of initial no.)	Supervision (1/3 of initial no.)
1-10	2	1.8	1.4	1.4	0.7
11-25	3	2.7	2.1	2.0	1.0
26-45	4	3.6	2.8	2.7	1.4
46-65	5	4.5	3.5	3.5	1.7
66-85	6	5.4	4.2	4.0	2.0
86-125	7	6.3	4.9	4.7	2.4
126-175	8	7.2	5.6	5.4	2.7
176-275	9	8.1	6.3	6.0	3.0
276-425	10	9	7.0	6.7	3.4
426-625	11	9.9	7.7	7.4	3.7
626-875	12	10.8	8.4	8.0	4.0
876-1175	13	11.7	9.1	8.7	4.4
1176-1550	14	12.6	9.8	9.4	4.7
1551-2025	15	13.5	10.5	10.0	5.0
2026-2675	16	14.4	11.2	10.7	5.4
2676-3450	17	15.3	11.9	11.4	5.7
3451-4350	18	16.2	12.6	12.0	6.0
4351-5450	19	17.1	13.3	12.7	6.4
5451-6800	20	18	14	13.4	6.7
6801-8500	21	18.9	14.7	14.0	7.0
8501-10700	22	19.8	15.6	14.7	7.4

Note:

1: When the valid employee number exceeds 10700, NAC will determine audit time in accordance with the pattern presented in the form and other factors.

2: Decimals will be rounded up to the next integer.

Directions:

1. This form is designed in accordance with CNAS-CC62 Annex 2. For supervision

audits, audit time under 1.5 man-day will be counted as 1.5 man-day.

- 2. This man-day number does not include the time needed for audit preparation (planning and documents review) or auditors travel time.**
- 3. The second column in form applies only to stage 2 of initial audit. Man-day needed for stage 1 audits:**

No. of person in the system 1-25	1
No. of person in the system 26-65	1-2
No. of person in the system 66-125	2-3
No. of person in the system 126-625	3-4
No. of person in the system 626-1550	4-5
No. of person in the system >1551	5-6

4. Factors that requires more man-days:

- ① Complex logistics conditions, more than 1 facilities or premises;
- ② Multi-lingual employees;
- ③ Vast facilities;
- ④ Strict legal requirements (e.g.l food for special purposes);
- ⑤ Complex processes or unique processes in multiple premises;
- ⑥ Processes involve multiple stages in the food chain or combination of multiple products;
- ⑦ Special techniques required;
- ⑧ High risk industry.

5. Factors that may allow reducing man-days:

- ① Small organization, such as small farms, small packaging distributors, small food retailing or service stalls;
- ② Low risk products/processes;
- ③ Pre-knowledge of the organization (for example, said organization has been audited by NAC under a different requirement;
- ④ Small premises as compared with the size of employees;
- ⑤ Sufficient preparation for the audit (for example, the food safety management system has been implementing for years and audited by another third party certification body;
- ⑥ process only involves one single activity (for example, packaging);
- ⑦ Mature management system
- ⑨ A large number of employees do the same simple task;
- ⑨ Proof from previous audits.

6. Contract review personnel shall review the man-day needed for a contract in strict accordance with above requirements. If additional man-days are needed or the audit is qualified for reduction of man-days, the reason for such

addition and reduction shall be stated in contract review records.

- 7. For combined audits, the calculation of man-days shall also consider requirements in NAC302.**

Man-day Requirement for Product Certification

No. of units No. of employees	Initial audit						Annual supervision						Recertification					
	1-2	3-4	5-7	8-9	10-11	12 以上	1-2	3-4	5-7	8-9	10-11	12 以上	1-2	3-4	5-7	8-9	10-11	> 12
≤500	4	5	6	7	8	9	2	2	2	2.5	3	3	3	3	3	3.5	4	4.5
501-1000	4.5	5.5	6.5	7.5	8.5	9.5	2	2	2	2.5	3	3	3	3	3	3.5	4	4.5
≥1001	5	6	7	8	9	10	2	2	2.5	3	3.5	3.5	3	3.5	3.5	4	5	5
Sampling and inspection	1	2	2.5	3	3.5	4	1	1	1	1	1.5	1.5	1	1	1.5	1.5	2	2

Note: This form stipulates the general requirements for on-site audits and product inspection. The number of man-day needed for a certain audit shall also take into consideration the scale of the organization, the type of product and the complexity of processes. For combined audits please refer to NAC 302.

Annex 5 NAC Quality Management System Documents

The latest version of the following documents:

1. NAC Organizational Chart and Departmental Responsibilities
2. Measures and Procedures for Management of Applicant and Contract
3. Measures and Procedures for Initiating and Preparing for Audit/Validation/Verification
4. Measures and Procedures for Reporting Audit/Validation/Verification Outcomes
5. Measures and Procedures for Management of Audit/Validation/Verification Outcomes
6. Measures and Procedures for Management of Validation/Verification
7. Measures and Procedures for Handling Appeals, Complaints and Disputes
8. Application for appeals, complaints and disputes

Note: Since the following documents are already available in individual documents. They are not pasted here.