

MANAGEMENT SYSTEM REGISTRATION AGREEMENT

APPENDIX A: GENERAL TERMS AND CONDITIONS

1. Definitions:

assessment means the evaluation, carried out by Advantage, of a Client Company management system, to determine conformance with established criteria, before registration is granted. In addition; a systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.

audit means an examination of the activities of a registered client company by Advantage, to confirm continued conformance with the terms of registration. In addition; a systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.

quality system means the organizational structure, responsibilities, procedures, processes and resources for implementing quality management. Quality system could be industry sector focused such as Aerospace.

environmental management system means part of an organization's management system used to develop and implement its environmental policy and manage its environmental aspects

NOTE 1 A management system is a set of interrelated elements used to establish policy and objectives and to achieve those objectives and includes organizational structure, planning activities, responsibilities, practices, procedures, processes and resources.

certification/registration means a procedure by which a certification/registration body indicates the relevant particulars of a client company's assessed management system in an appropriate, publicly available list. Although interchangeable, the term "registration is the preferred usage of Advantage and its clients

certification/registration document means a document (certificate) indicating that a client's management system conforms to specified management system standards and any supplementary documentation required under the system.

standards means the management system standards designated on the Registration document, and, as they may be amended and/or supplemented from time to time.

substantial change means any change, material to the Management System including any change in the type or complexity of product(s), product line(s), goods and services to which the management system is applied; premises of the facility(ies) and/or location(s), equipment or processes and procedures used therein, and techniques and technology employed; subcontracting policies; Client Company's organizational structure, including the manager in charge.

2. **Scope:** This agreement is structured in accordance with the ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems and ANSI National Accreditation Board (ANAB) document MA 6000, ANAB Accreditation Manual. For AS 91XX registrations, other standards apply including AS 9104, AS 9101, interpretations as released through the AAQG and /or OASIS, with the revision in force at the time of the assessment/audit. It is the responsibility of the client to remain cognizant of these requirements, as they change from time to time.
3. **Registration:** This Registration shall involve the Assessment and subsequent recognition of the Client Company's Management System by Advantage and not the certification of the Client Company's product(s), process(es), or service(s). Assessment of the Client Company's Management System documentation and implementation shall be based on information provided by the Client Company to Advantage. On fulfilling the requirements of the Standards as verified by Advantage, the Client Company's Management System shall be registered in Advantage's "Directory of Registered Management Systems," and, a Registration document (certificate) shall be issued to the Client Company.
4. **Conditions of Registration:** While its Management System is registered, the Client Company shall operate and maintain the registered Management System at the specified location(s) identified on the cover page and on Schedule "A" for the stipulated time period and within the scope of registration only, including all of the Standards and all other written directives of Advantage. At no time will the client company infer that its products and services have been certified by Advantage.

For ISO 13485 Registrations, the Client Company will implement an ongoing process to continually comply with the statutory and regulatory requirements applicable to the safety and performance of the medical devices within its scope of Registration. The evaluation of legal compliance is the responsibility of the Client Company including the notification to the Regulatory Authority of any incidences that require reporting.

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5. **Acknowledgements:** The Client Company acknowledges full responsibility for using the Management System, the Standards, and the Registration document, and, agrees that the use of any Standard or Registration document constitutes a representation that the Client Company's Management System has a subsisting Registration and is operated in conformance with all the standards and the written directives of Advantage.
6. **Notification:** The Client Company shall provide Advantage with a list of names (during the audit) and positions of its senior executives including those responsible for management. In the event of any change to the specifically stated company name, address, facility, location(s), product(s)/product line(s), process(es), senior management personnel structure, policies, or procedures, that significantly influence the registered status of the Client Company's Management System, a Re-Assessment and Re-Registration may be required of the Client Company's Management System, at the Client Company's cost, It shall be the responsibility of the Client Company to provide written notification forthwith to Advantage of any of the aforementioned changes, and obtain Advantage's written response.
7. **Advertising and Publication of Registration (Marks and logos):** While its Management System is registered, the Client Company may display the Registration document, at the Client Company's principle location and location(s) identified in Schedule "A". Any advertising or promotional material (proposed to be produced and published) related to the registered status of the Client Company's Management System should be first be submitted to, and documented approval obtained from, Advantage prior to publication and distribution. Use of any marks and logos will be in accordance with the signed agreements specifying usage requirements for these marks and logos. The client company will not make any misleading statements regarding its registration or use the registration certificate in a misleading way.

In the event that the scope of registration is reduced/expanded, the client company shall ensure that all promotional material is suitably revised to reflect the current scope.

The client company commits to not using its registration in such a manner that would bring Advantage and/or Advantage's system into disrepute and lose public trust.

8. **Documentation:** The Client Company shall at all times maintain, in orderly fashion, at the Client Company's principal location(s) and identified in Schedule "A", all documents, records, and information relating to or produced under the registered Management System until written permission for their removal or destruction has been given by Advantage. These documented records shall include, but not be limited to, any and all complaints and remedial actions relative to the Client Company's registered Management System, and shall be made available to the Advantage upon request for examination.
9. **Audits:** Subject to this agreement, while the Client Company's Management System is registered, Advantage will, for a fee, conduct such conformance Audits of the Management System at any of the locations identified in the cover page and Schedule "A" as Advantage in their sole discretion deem advisable and may report to the Client Company in writing, Advantage's opinion of the results of such examination. Such Audits, conducted at least once a year (with the first surveillance audit follow registration completed no greater than 12 months from the Registration Certificate issue date) by Advantage, will be subject to conformance Audits by Advantage following the applicable safety and security regulations of the Client Company. Audits will be conducted during the client company's normal business hours.

Advantage may use contract assessors in the performance of the assessment/audit.

NOTE 1: The frequency of assessment(s) may be increased if the assessment(s) reveal(s) a high number of non-conformances.

NOTE 2: Short notice audits may be required to investigate complaints, responses to significant client changes, corrective action follow-up, etc. These audits will be coordinated with the Management Representative and will be billed at the regular audit day rate in force at the time of the audit.

10. **Re-assessment:** Prior to the expiration date of the registration (during the third year of Registration), with sufficient time for the client to complete any required corrective actions prior to the registration expiration, Advantage shall, for a fee, conduct a re-assessment of the Client Company's Management System at the principal location and identified in Schedule "A" for the purpose of continuing Registration of the Client Company's Management System. This re-registration assessment will be full system assessment. In the event that complaints are generated and sent to Advantage, it is the responsibility of the Client to address these complaints and make available to Advantage all correspondence. In the event that the complaints are not addressed to the satisfaction of the originator of the complaint, then a re-assessment of the management system is required to maintain registration. Re-signing of this agreement is not required for re-registration.

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11. **Indemnity:** Advantage International Registrars, Inc., its personnel, and agents including its members, officers, employees, representatives, Advisory Group members shall not be liable for any liability respecting the Client Company's misuse or misrepresentation of the Management System, withdrawal of certification (Clause 14 and 15, below) and, the Client Company shall indemnify Advantage International Registrar, Inc., its members, directors, personnel, and agents against all liability and damages respecting such misuse and damages. Under no circumstances shall Advantage be liable to the Client Company or its customers or any other party for any consequential damages whatsoever as a result of the audit activity or any actions resulting from the registration activity.
12. **Confidentiality:** Subject to the requirements of ANAB, Advantage shall not, without the Client Company's prior written consent, disclose confidential information obtained by Advantage from the Client Company. Such confidentiality will not apply to any information which is: (a) within the public domain; (b) shown to be known or developed by the recipient prior to its disclosure by Advantage without similar restriction; (c) rightfully obtained from another source without breach of this or similar agreement from a third party having the right to make such disclosure ; and (d) not marked as "Confidential" by the appropriate restrictive legend. Audit files may be reviewed by an accreditation body for the purposes of assessing Advantage activities, only.

For ISO 13485, audit report information may be requested from interested parties and/or regulators that accept or take into consideration ISO 13485 accredited registration for the purpose of their recognitions. If there is a request for this information, by the signing of this Agreement, the Client Company allows Advantage International Registrar to furnish this information. The Client Company will be made aware of this request, prior to the information being furnished.

13. **Witness Audits and Accreditation Body Access**

From time to time, accreditation bodies must perform on-site witness audits of Advantage performing assessments in live situations. These audits are usually selected at random by the accreditation body. Organizations holding accredited registration certificates with Advantage and have been selected for a witness audit to take place, shall ensure access of the witness audit team member(s) to witness the Advantage assessor/auditors. In the event that the organization refuses a witness audit by the accreditation body, then an accredited ANAB certificate may not be issued or it may even be withdrawn. In the event that the organization chooses to transfer to another accredited registrar then Advantage must notify the accreditation body to take appropriate action (notification of other IAF member bodies).

During a witness audit, an accreditation body auditor is not authorized to agree to any release of responsibility by the witnessed organization for the safety of the audit teams, and is expected to take immediate action at any time to avoid injury, including, if necessary, leaving the organization. All auditors will comply with the safety rules of the organization, as made known to the audit teams through the client contact. Audit reports for these audits may need to be submitted to the accreditation body for their review.

- 13 a) For aerospace registrations (AS 9100/AS 9110/AS 9120), the client company seeking/maintaining an "AS: registration, will allow right of access, at any pre-arranged time to oversight, regulatory and/or government bodies (including but not limited to the International Aerospace Quality Group (IAQG), Accreditation Bodies of Advantage, for the purposes of ensuring ongoing conformance with accreditation and recognition as a CB under the ICOP scheme. Right of access means to facilities, records, suppliers, etc. and the provision of copies of audit reports and associated documents and records to, upon request, customers and potential customers.
 - 13 b) Advantage and the Client Company will work together to safeguard any classified material and conform with all export control requirements (Eg. ITAR). Advantage will observe the requirements identified by the Client Company and if such material is required to be audited, the Client Company will provide disclosure and retain records of such disclosure to affected entities. This will apply to all personnel requiring access for the purpose of the assessment/audit.
14. **Termination of Registration:** The Client Company may, at any time, surrender the Registration forthwith without refund or prejudice to Advantage ' rights by giving written notice to and by delivering the Registration Document to Advantage at the Client Company's cost. The Registration shall end automatically if: (a) the Client Company fails to pay in full any invoice rendered by Advantage, by the 60th calendar day after receiving it (payment terms are 15 days from date of invoice, otherwise interest shall accumulate at 0.5 % per month on the open balance, (b) a negotiable or other instrument received by Advantage in payment is dishonoured, or (c) the Client Company ceases or threatens to cease to carry on business at its facility(ies) or location(s) as registered, or becomes, insolvent or bankrupt, or (d) the client fails to correct any open CAR/NCRs within 90 days therefore no longer maintaining a Management System in conformance with the standard as listed on Page 1 of this Agreement.. Advantage may, without liability, advise others (including the

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public) of any surrender, suspension, limitation, cancellation or other ending of Registration and Advantage ' reasons therefore and forthwith upon any ending of Registration. All cost's incurred by Advantage in suspending and re-instating of Registration and certificates will be to Client Company's account. Clause 11 applies. Any and all fees incurred by Advantage in associated with the collection of payment (collection-, legal-fees, etc) will be the responsibility of the Client Company regardless of cause.

15. **Suspension of Registration:** Advantage may suspend the Registration forthwith by written notice to the Client Company if: (a) Advantage are reasonably of the opinion, based on the results of Advantage's Audit, that the Client Company has failed to maintain and operate the registered Management System in accordance with this agreement, (b) any information furnished to Advantage by or on behalf of the Client Company is or becomes a misrepresentation of a material fact, (c) the client does not allow surveillance or conformance audits to be conducted at the required frequencies, (d) the client company voluntarily request suspension, or (e) Client fails to demonstrate conformance with the audited standard 60 days following issuance of a CAR/NCR. If Registration is suspended, the registration is considered invalid and the client is listed on Advantage's website as being suspended, this listing will appear until the existing certification cycle expires. Advantage and the Client Company shall communicate and attempt to resolve the problem. During such suspension period, the Client Company shall not identify its Management System as registered. Advantage will review, examine and evaluate the Client Company's response to corrective action requests raised by Advantage. Should corrective actions taken be verified and accepted as satisfactory, Advantage will notify the Client Company of the continued Registration status of its Management System. Clause 11 applies. If the issues cannot be resolved, then the registration is withdrawn. See 14, above.
16. **Limitations:** Nothing in this agreement shall be construed to make Advantage responsible or liable for any product produced, process utilized, or service provided by the Client Company under the registered Management System or due to suspension or withdrawal of the Management System registration.
17. **Notice:** Every notice or communication provided herein shall be in writing via email. Each notice, communication or delivery provided for herein shall be delivered or sent to the party for which it is intended at the party's email address. Anything may be sent by prepaid first class mail or, where applicable, any form of available legible transmission in common use; if the necessary facilities are free from actual or threatened disruption, anything so mailed shall be deemed to have been received on the sixth day following the date of mailing and anything so transmitted, on the second day following such transmission.
18. **Entire Agreement:** This agreement contains the entire understanding, between the parties and supersedes all prior, subsequent and other representations, understandings, or agreements between them (written, oral or by conduct) respecting the agreement within subject matter.
19. **Amendments and Waivers:** Any waiver or consent by Advantage shall be ineffective unless expressed in writing and shall not constitute a continuing waiver or consent or apply to any different right act than that waived or consented to. This agreement may be amended only in writing signed by the parties.
20. **Governing Law:** This Agreement shall be governed and construed in accordance with the laws of the State of Florida, USA. Venue and jurisdiction shall rest with the state and federal courts situate in Okaloosa, FL.
21. **Assignment:** Neither this agreement nor any right or obligation hereunder shall be assigned or is capable of assignment by the Client Company.
22. **International Aerospace Quality Group – Online Aerospace Supplier Information System:** For Aerospace (AS) registrations, the Client Company will assign an OASIS database administrator and complete the required information for the Client Company's listing in OASIS prior to the AS 9XXX certificate issuance. The Client Company shall keep the information in OASIS current and will update OASIS as changes occur. The Client Company releases Advantage International to update this data base with the required information as directed by the IAQG. It is the responsibility of the Client Company to verify that all information entered into OASIS is accurate. Advantage International is not responsible for any decisions that the Client Company's interested parties (Customers, suppliers, stakeholders, etc.) makes based upon the information contained in OASIS. **Notification:** In the event that registration is lost or denied, the Client Company's registration status will be uploaded to OASIS by Advantage and the Client Company shall notify all respective IAQG/AAQG OEMs.