

## Management Rule of Certification Fees

### 1. Objectives and Scopes

To strengthen the management of the certification body certification fee, standard certification charge, protect the interests of both the certification, to promote the development of certification work.

This rule applies to the fees of certification Services carried out by BCC Inc. (abbr. BCC).

### 2. Basic Principle of Charge

BCC formulates the charging rules on basis of certification audit workload (man-days). Audit workload (man-days) is determined according to the clients' size, number of business areas, professional characteristic and other factors of increased and reduced in accordance with the requirements of international standard and CNAS.

### 3. Declaration

- 3.1. BCC has the right to adjust fees according to the relevant pricing policy adjustments, and timely notifies the adjustments to clients.
- 3.2. We formally declare here that certification fees are the company's sole financial source. We decline any of our clients' gifts or sponsorship, in order to maintain the objectivity, independence, and impartiality of BCC's certification activities.

### 4. Fees and Standards

#### 4.1. Standards

No	Item	Standard(Unit: Yuan)			Note
		Initial	Surveillance	Recertification	
1	Application fee	1000	/	/	RMB
2	Audit fee	3000*man-day(s)	3000*man-day(s)	3000*man-day(s)	
3	Certification decision and registration fees (including certificate fee)	2000	/	2000	
4	Annual fee/Semi-annual fee (including mark use fee)	/	2000	/	

#### 4.2. Fees

##### 4.2.1 Initial Certification Cost

- The application fee is 1000 yuan (application fee is charged for only one time for multi-system certification).

- Audit fee is charged on basis of the actual man-days needed (total) for initial audit. Standard for each audit man-day is RMB 3,000 yuan.

- Certification decision and registration fee (include certificate fee) is RMB 2,000 yuan per system

#### **4.2.2 Certificate Maintenance (Surveillance) Fee:**

- Audit fee: is charged on basis of the actual audit man-days needed (total). Standard for each audit man-day is RMB 3,000 yuan.

- Annual fee (including label using fee, except Social Accountability 8000) is RMB 2,000 yuan per system. It's charged once a year.

- Surveillance fee for Social Accountability Management System (SA8000) is RMB 2,000 yuan every six months and it's charged every six months for multi-site certified organizations. Surveillance fee for Social Accountability Management System (SA8000) is RMB 2000 yuan per system every year and it's charged once a year for single-site certified organizations.

#### **4.2.3 Recertification fee**

- Application fee shall be exempted for re-registration (re-certification) before certificate expires.

- Audit fee: is charged on basis of actual recertification audit man-days needed (total). Standard for each audit man-day is RMB 3,000 yuan.

- Certification decision and registration fee (including certificate fee) is RMB 2000 yuan per system.

#### **4.2.4 Only to Expand (Relocate or Other Change):**

- Audit fee: is charged based on actual audit man-days needed (total). Standard for each audit man-day is RMB 3000 yuan.

#### **4.2.5 Other Costs**

- Original certificates (including attachments if applicable) in Chinese and English (one certificate for each language) are free of charge for initial certification and re-certification. If the certified organization applies for sub-certificate or certificate copy, or requires to change their certificates, a certificate making fee of RMB 50 yuan will be charged for each certificate.

- Certificate making fee is free of charge due to BCC's reason (such as name or address change), or when the certified organization applies to change their certificates before the surveillance audit decision is made.

- If audit time needs to be added due to certification applicants' reasons, additional expense should be paid on basis of mutual negotiation.

- If there is no special agreements, expenses for meals, accommodations and transportations of the audit team from the beginning to the end of the audit should be borne by the certification applicant.

- According to requirements of certification rules, when applying for Social Accountability Management System (SA8000) certification, the applicant should carry out Social Fingerprint Self-Assessment on SAI website before initial certification audit and re-certification audit. The expense is 300 US Dollars and should be borne by the certification applicant.

### 4.3. Payment Method

4.3.1 The application fee shall be paid by Certification applicant organization to BCC within 30 days from the date of the signing of the certification contract.

4.3.2 50% of the initial certification and re certification audit fees shall be paid to BCC by Certification applicant organization within 30 days from the date of the signing of the certification contract. The remaining part of the audit fee should be paid once before the site audit.

4.3.3 Certification decision and registration fee shall be paid by Certification applicant organization to BCC within 30 days from the date of completion of the field review, and BCC will take the fee to the certificate

4.3.4 Certification decision and registration fee (include certificate fee): annual fee should be paid together with the cost of each supervision and audit after the initial certification or re certification.

4.3.5 The audit fee, the expansion of the audit fee (or the change of address, etc.) or the need for additional audits of the certification applicant organization should be paid within 45 days before each audit.

4.3.6 Production certificate fee in the certificate within 5 days before making payment

### 4.4. Audit Man-Days Calculation Method

Management system audit man-days relevant with auditees' effective number of employees, audit type (initial, surveillance, and recertification), scopes of business areas, risk classification, industry characteristics, maturity of management system, multi-site and other factors. Man-days include the time of files assessment, audit team preparation, on-site audit and the finally reports, does not include the time spent on the travel, pre-audit and so on; each certification fields' audit man-days according to the relevant rules. According to preliminary persons listed in the annex days, the number of days required for supervision and examination at least according to the calculation of initial days 1/3 days, certification audit required at least 2/3 days are calculated according to the trial. The combined audit man-days can be appropriate reduced based on the total audit time of single management system, usually consider the field number, and combine method and maturity.

**BCC Inc.**

**Legal Representative: TAO RANTING**

**General manager: JU HONGFANG**

**Attachment 1 Table of Total Man-Days for QMS, EMS and OHSMS**

Table of Total Man-Days for QMS			
Effective number of personnel	Audit time Stage 1+ Stage 2 (days)		Effective number of personnel
			Audit time Stage 1+ Stage 2 (days)
1-5	1.5		626-875
6-10	2		876-1175
11-15	2.5		1176-1550
16-25	3		1551-2025
26-45	4		2026-2675
46-65	5		2676-3450
66-85	6		3451-4350
86-125	7		4351-5450
126-175	8		5451-6800
176-275	9		6801-8500
276-425	10		8501-10700
426-625	11		>10700
			The rest may be deduced following the above progressive rules

Table of Total Man-Days for EMS									
Effective number of personnel	Audit time Stage 1+ Stage 2 (days)				Effective number of personnel	Audit time Stage 1+ Stage 2 (days)			
	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	The rest may be deduced following the above progressive rules			

Table of Total Man-Days for OHSMS							
Number of effective personnel	Audit time Stage 1+ Stage 2 (days)			Effective number of personnel	Audit time Stage 1+ Stage 2 (days)		
	High	Medium	Low		High	Medium	Low
1-5	3	2.5	2.5	626-875	17	13	10
6-10	3.5	3	3	876-1175	19	15	11

11-15	4.5	3.5	3	1176-1550	20	16	12
16-25	5.5	4.5	3.5	1551-2025	21	17	12
26-45	7	5.5	4	2026-2675	23	18	13
46-65	8	6	4.5	2676-3450	25	19	14
66-85	9	7	5	3451-4350	27	20	15
86-125	11	8	5.5	4351-5450	28	21	16
126-175	12	9	6	5451-6800	30	23	17
176-275	13	10	7	6801-8500	32	25	19
276-425	15	11	8	8501-10700	34	27	20
426-625	16	12	9	>10700	The rest may be deducted following the above progressive rules		

**Attachment 2 Table of Minimum Audit Time for FSMS Initial Audit**

Industry category (see attachment A)	D Basic time for on-site audit (audit days)	H Audit days added for each added HACCP project)	MS Audit days added for certification applicant without relevant management system certification	FTE Audit days added basing on the number of personnel		Tm Minimum audit time added for each added audit site
				Number of personnel	Audit days added	
A	0.75	0.25	0.25	1-19	0	50% of the minimum on-Site audit time
B	0.75	0.25		20-49	0.5	
C	1.50	0.50		50-79	1.0	
D	1.00	0.50		80-199	1.5	
E	1.50	0.50		200-499	2.0	
F	1.50	0.50		500-899	2.5	
G	1.00	0.50		900-1299	3.0	
H	1.00	0.50		1300-1699	3.5	
I	1.00	0.25		1700-2999	4.0	
J	1.00	0.25		3000-5000	4.5	
K	1.00	0.25		>5000	5.0	
L	1.50	0.50				
M	1.00	0.25				

Note 1: minimum audit time for single site Ts:

$$T_s = (D+H+MS+FTE)$$

In the above formula:

D ---- basic time for on-site audit,

H ---- audit days need to be added for each added HACCP project,

MS ---- audit days need to be added when there is no related management systems certification,

FTE --- audit days need to be added basing on the number of personnel

2: minimum audit time need to be added for each added audit site Tm:

Tm= Ts\*50%

### Attachment 3 Audit Time for HACCP System Certification

According to CNAS-SC17 C3.4 audit man-days, audit time should meet the requirements of CNAS-CC18 and related HACCP system certification implementation rules.

See audit time table in attachment 2 for requirements about audit man-days by CNAS-CC18. See table below for requirements about audit man-days of HACCP system certification implementation rules by CNCA. When requirements are inconsistent, the audit man-days are calculated by the highest value.

**Table of Minimum On-site Audit Time for HACCP System Certification by HACCP System Certification Implementation Rules**

Total number of personnel	On-site audit man-days for initial certification	On-site audit man-days for surveillance audit
Less than 50	3	2
50-100	4	2
100-200	5	3
More than 200	6	4

Note: the above man-days table only include audit man-days for HACCP system certification in one work site.

### Attachment 4 Table of Initial Audit Time for Information Safety Management System

Number of employees	Initial audit man-days	Number of employees	Initial audit man-days
1-10	5	876-1175	18.5
11-25	7	1176-1550	19.5
26-45	8.5	1551-2025	21
46-65	10	2026-2675	22
66-85	11	2676-3450	23
86-125	12	3451-4350	24
126-175	13	4351-5450	25
176-275	14	5451-6800	26
276-425	15	6801-8500	27
426-625	16.5	8501-10700	28
626-875	17.5	> 10700	Deducted following the above rules

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**Attachment 5 Table of Audit Time for Service Management System Basing on ISO/IEC 20000-1****1. Initial Audit Time**

Initial certification audit time should be calculated on basis of client's effective number of employees. While calculating audit time, Table of Relationship Between Customer's Effective Number of Employees and the Audit Time (Initial Audit) Before Adjustments, which is made on basis of 8 hours' working time per day, should be used. If the working time per day is less or more than 8 hours, the table could be adjusted accordingly.

The client's effective number of employees should be calculated on basis of Full Time Equivalent (FTE) and within the range of SMS. The certification body should be able to prove the rationality of the relationship between the effective number of employees supporting the customer's SMS and service and the audit time.

If the client's effective number of employees supporting SMS and service exceeds 1175, the certification body should consistently use the progressive rules in Table 1 to calculate the audit time, and deduct the man-days not being covered by attachment C.

Initial audit time after adjustment should not less than 2.5 days, regardless of number of the client's employees.

Audit time for management system certification should not be less than 80% of the total audit time. If additional time is needed for planning and compiling report, audit time for management system certification should not be reduced.

Effective number of employees consists of the whole relevant personnel(including shift work employees). personnel in the range of certification should also include non-permanent employees (such as contract employees) and part-time workers. Number of part-time workers and workers whose jobs are partly included in the certification range can be reduced or increased, and transferred into equivalent hours of the number of full-time workers, based on their working hours.It's allowed to reduce the number of employees included in the certification range when a large number of employees are working on the same or repeating activities or tasks. And these kind of reduction should be carried out methodically and applied on different clients and occasions with the same standards. If the audit time for stage 1 and 2 on-site audit has fractional part, it's better to adjust it to the nearest half man-days. (For example, 5.3 man-days can be adjusted to 5.5 man-days and 5.2 man-days can be adjusted to 5 man-days.) It's inadvisable that the on-site audit time of stage 2 is less than 80% of the total audit time of stage 1 and 2.

**2. Adjustments of Audit Time**

Factors to reduce audit time:

- 1) There is little change of SMS and service;
- 2) There has been proof of effective implementation of SMS. For example, there has been a certification from another accredited certification body;
- 3) The audit is towards a combination of SMS and one or several other related management

systems;

- 4) The certification applicant's situation is well known by the certification body. For example, the applicant has been certified by the same certification body for other standards.
- 5) The service is single and simple;
- 6) Absolutely the same activities are carried out for all work shifts, and there is adequate evidence to prove that the same performance standards apply to all work shifts; such as the service counter;
- 7) Most service management personnel involved have similar and single functions;
- 8) Single site with a few staff;
- 9) There is low dependence on other parties involved in service supply, such as the suppliers, internal groups or clients as suppliers;

Factors to increase the audit time:

- 1) Complex logistics, including multiple management and multiple working sites, either in the same time zone or across multiple time zones;
- 2) Complexity of languages spoken in different places. For example, there are two or more languages spoken by the staff (so translators are needed or the auditor can't work independently because of the limitation of his language spoken);
- 3) SMS covers a wide range or the content is complex, such as including a large amount of service, personnel or many places, or there is professional service which is not easy to understand or maintain;
- 4) Requirements of law or regulations for the customer's SMS are high, such as in the areas of intellectual property, privacy, food, drug, aviation or nuclear;
- 5) Different work shifts implement different activities; Temporary sites are included in the range of SMS in specific audit;
- 6) Complex business processes are included in the range of SMS;
- 7) Highly dependent on other parties involved in service supply, such as the suppliers, internal groups or clients as suppliers;
- 8) There are many occasions of new service added, service removed, service transferred, or great changes of service;

### **3. Audit Time for Surveillance Audit and Re-certification**

The following factors should be considered while determining audit time for surveillance audit and re-certification audit:

- 1) Audit time for management system certification is not less than 80% of the total audit time;
- 2) Annual surveillance audit might be carried out for one time or several times, the time of which should not be less than 1/3 of the audit time for initial audit;



- 3) Audit time for re-certification audit shouldn't be less than 2/3 of the audit time for initial audit;
- 4) Surveillance audit time after adjustments should not be less than 1 day;
- 5) Re-certification audit time after adjustments should not be less 2 days.

**Table: Relationship between client's effective number of employees and the audit time (initial audit) before adjustments**

Client's Effective Number of Employees	Audit Time: Stage 1 + Stage 2 (days)
1 - 15	3.5
16 - 25	4.5
26 - 45	5.5
46 - 65	6
66 - 85	7
86 - 125	8
126 - 175	9
176 - 275	10
276 - 425	11
426 - 625	12
626 - 875	13
876 - 1175	15

**Attachment 6 Tabel of Audit Time for EnMS**

Relationship Between Complexity, Effective Number of Employees of EnMS and the Audit Time of Central Functional Organization

Number of Effective Employees of EnMS	Complexity Level of EnMS								
	Low			Medium			High		
	Initial Audit	Surveillance	Re-certification	Initial Audit	Surveillance	Re-certification	Initial Certification	Surveillance	Re-certification
1-8	2.5	1	1.5	4	1	2.5	5	1.5	3
9-15	4	1	2.5	6	2	4	7	2.5	5
16-25	5	2	3.5	7	2.5	5	9	3	6
26-65	6.5	2.5	5	8	3	6	10	3.5	7
66-85	8	2.5	6	9.5	3.5	6.5	11.5	3.5	8.5
86-175	8.5	2.5	6	11	3.5	7	12	3.5	8.5
176-275	9	3	6	11.5	4	8	12.5	4	9.5
276-425	10	3.5	7	13	4	8.5	15	5	11
426-625	10.5	3.5	7	13.5	4.5	9	15.5	5	11
626-875	11	3.5	7	14	4.5	9.5	16	5.5	12

876-1175	13	4	8.5	16	5	10.5	18	6	12.5
1176-1550	14	4.5	9	17	5.5	11.5	19	6.5	12.5
1551-2025	15	5	10	18	6	12	20	6.5	13.5
2026-2675	16	5	10.5	19	6.5	12.5	21	7	14
2676-3450	17	5.5	11	20	6.5	13.5	22	7	14.5
3451-4350	18	6	12	21	7	14	23	7.5	15
4351-5450	19	6	12.5	22	7.5	14.5	24	8	16
5451-6800	21	7	14	24	8	16	26	8.5	17
6801-8500	23	8	16	26	8.5	17	28	9	18.5
8501-10700	25	8	16.5	28	9	18.5	30	10	20
> 10700	When the effective number of employees for EnMS exceeds 10700, edge case for EnMS should be considered.								

Usually: At least 1 man-day should be added basing on the above table for initial certification;  
 Man-days for surveillance and re-certification could also be added basing on specific situations.

Factors to reduce audit man-days:

- 1) Maturity level of the management system;
- 2) Accredited audit declaration related to energy performance improvement in the current certification cycle.

Factors to increase audit man-days:

- 1) Logistics and large-scale places;
- 2) Use more than one languages during the audit;
- 3) Change of client’s organization;
- 4) Previous audit findings;
- 5) On-site energy production (for example: steam production within boundaries, and combined heat and power generation);
- 6) One person has several roles that are not counted into the effective number of employees of EnMS.

**Attachment 7 Table for Initial Audit Time of Medical Device Management System  
 (ISO 13485)**

Audit man-days are calculated basing on the enterprise’s effective number of employees (only applying to initial audit)

Effective Number of	Audit Time: Stage 1	The Enterprise’s Effective Number of	Audit Man-days Stage
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Employees	+ Stage 2 (day)	Employees	1 + Stage 2 (day)
1-5	3	626-875	15
6-10	4	876-1175	16
11-15	4.5	1176-1550	17
16-25	5	1554-2025	18
26-45	6	2026-2675	19
46-65	7	2676-3450	20
66-85	8	3451-4350	21
86-125	10	4351-5450	22
126-175	11	5451-6800	23
176-275	12	6801-8500	24
276--425	13	8501-10700	25
426-625	14	>10700	Increase by Proportion

Factors to increase audit man-days:

1) Application range is wide and/or the process is complicated;

2) The manufacturer use processes or components provided by the supplier, which are critical to the whole medical device and/or have great impact on users or safety of the end product, including self-owned brand product. When the manufacturer couldn't provide enough evidence to prove the compliance with related audit clauses, every supplier needs to be audited and the audit time will increase correspondingly.

3) Manufacturer of the products installed at the client's site

Notes: Additional time needs to be added to visit the client's site or review the installation records.

4) Compliance of the manufacturer is not good.

Factors to reduce audit man-days:

1) Audit range is smaller compared with last audit;

2) Planning or producing processes are deleted compared with last audit.

### **Attachment 8 Table of Audit Time for Social Accountability Standard Management System (SA8000)**

Audit man-days are calculated basing on the enterprise's effective number of employees

Scale	Man-days				
	Stage 1	Stage 2	Initial Audit	Surveillance	Re-certification
Number of Employees					

1-25	1.5	2	3.5	1	1.5
26-100	2	3	5	1	2.5
101-250	2	4	6	1	3
251-500	2	6	8	1.5	4.5
501-800	2	7	9	1.5	5
801-1200	2	9	11	2	6.5
1201-2000	2	11	13	2.5	8
2001-3000	2	12	14	2.5	8.5
3001-6000	2	13	15	2.5	9.5
6001-10,000	3	14	17	3	10
10,001-15,000	3	15	18	3	10.5
15,001-20,000	3	16	19	3.5	11.5