

THIS ESTIMATE IS NOT BINDING UNTIL IT IS REVIEWED AND ACCEPTED BY DEKRA.

Thank you for your interest in DEKRA.

People, products and companies require expertise and independence. Founded over 80 years ago, DEKRA has played a significant role in contributing to product safety and quality management aspects ever since.

As one of the world's leading expert organizations, DEKRA maintains a presence in over 60 countries on all five continents. More than 45,000 employees are committed to ensuring long-term safety, quality and environmental protection.

DEKRA provides assessment and certification services to a wide range of international standards such as:

ISO 9001, ISO 14001, AS9100, ISO 45001, ISO 13485, IATF 16949, ISO 50001/SEP, ISO 27001, ISO 22000, Sustainability, Risk Management, Business Continuity, Corporate Social Responsibility, and more.

The DEKRA Difference

- ✔ Value as defined by your expectations.
- ✔ Dedicated auditing and support team.
- ✔ Straightforward pricing. No hidden fees.
- ✔ Transparency in our approach.
- ✔ Auditors experienced in your industry.
- ✔ Global reach with local resources.
- ✔ A true partner in the assessment and certification process.

FirstName9init3step LastName	NR REF.	CERT-USEN-03-UM-106485-004
JobTitle	TEL.	800-768-5362
Company9init3step	FAX	215-997-3810
Street	E-MAIL	dennis.chen@dekra.com
City, Alaska, 44555, United States		

LETTER OF UNDERSTANDING FOR ISO 9001 CERTIFICATION

Hi FirstName9init3step,

Thank you for giving DEKRA the opportunity to fulfill your certification needs. We hope this estimate will lead to a partnership that will last for many years. Our estimate for ISO 9001 Certification Services has been prepared utilizing the information provided by Company9init3step. In this estimate we have also included:

- An overview of the Certification Process
- Optional services and additional information regarding the estimate
- Estimate for certification with estimate acceptance

Your signature on the estimate acceptance page will acknowledge your acceptance of DEKRA's estimate and acknowledgement of the required disclosures. You can also accept this agreement through our online service by login into your account at audits-iso9001.dekra.us/login. Once again thank you for your interest in our certification services. We are available anytime to assist with any questions you may have and look forward to working with you.

Thank you,

Dennis Chen
Director of Sales
DEKRA Audit
Office: 800-768-5362
Mobile: 313-212-9718
dennis.chen@dekra.com

Certification Process

DEKRA is accredited to provide management system certifications. Brief explanations of the steps of the certification process are below.



CERTIFICATION STAGE 1 AUDIT

In order to ensure your quality management system has been effectively designed and implemented, the initial certification will consist of two distinct audits, Stage 1 and Stage 2. The primary focus of the Certification Stage 1 Audit is for DEKRA to develop an understanding of your company that will result in the generation of a process based Audit Program. The Audit Program is used to map-out the process audits over the entire certification period. Certain key aspects of your management system will also be reviewed for conformance to the standard. A tentative audit schedule for Stage 2 will be determined at the end of the Stage 1 Audit.

CERTIFICATION STAGE 2 AUDIT

Using the Audit Program that was developed during the Certification Stage 1 Audit, DEKRA will select a representative sample of management system processes to establish a final determination of conformance to the standard.

CERTIFICATION ISSUANCE

Once the client has completed the required actions indicated in the Stage 2 Audit report, the DEKRA auditor will recommend certification. Once approved for certification, DEKRA will issue a certificate to the standard. This certificate will be maintained by DEKRA for duration of the 3 year contract period subject to the customer's completion of yearly surveillance audit requirements.

SURVEILLANCE AUDITS

Once certification has been achieved DEKRA will perform on-site Surveillance Audits as outlined in your estimate. At a minimum, audits to review continued compliance to the standard will be conducted within 12 months of the previous audit.

RECERTIFICATION AUDIT

At the completion of the certification period (three years unless otherwise specified), DEKRA will initiate the recertification process to begin another three year certification cycle. During the Recertification Audit, key management system processes will be reviewed in accordance with the audit program developed to ensure the management system has been effectively maintained. The applicable terms of the Recertification Audit shall either be stated in the documents herein, or shall be delivered to the client at least 60 days prior to the end of the three year certification cycle. The client shall be permitted to decline the Recertification Audit by delivering written notice to DEKRA at least 60 days prior to the end of the three year certification cycle; otherwise, DEKRA shall proceed with the Recertification Audit pursuant to the applicable terms. All terms stated in the documents herein shall also apply to all Recertification Audits, unless otherwise stated herein, or unless superseded by revised terms that are delivered to the client at least 60 days prior to the end of the three year certification cycle.

About the Estimate

AUDIT FINDINGS AND REPORTING

During an audit, the auditor(s) will identify strengths, opportunities for improvement, and major and minor nonconformities. These findings will be communicated in both a closing meeting at the conclusion of the audit and in the audit report. You will receive an audit report following each audit. The report will document the processes audited as well as any nonconformities, opportunities, and/or strengths that were identified. The report will detail client actions necessary for the resolution of nonconformities.

CORRECTIVE ACTION

DEKRA may need to spend additional time in order to close major and minor nonconformities. In the event that this occurs, you will receive notification for such activities during the closing meeting. The time required to perform these tasks will be billed separately at man-day rate listed in estimate and will be in addition to the time estimated below.

INVOICING

DEKRA will prepare an invoice for you that will include Audit Fees and related travel and subsistence expenses at the conclusion of each scheduled audit event or service provided by DEKRA. DEKRA endeavors to minimize the expenses incurred associated with your audit. We do this by advance planning of flight arrangements, and when possible, consulting with you on the most cost effective accommodations for our auditors. DEKRA does not supply receipts for these costs unless specifically requested by your company.

Air travel time will be invoiced at \$100.00 per hour in-flight time.

Car travel time will be invoiced at \$100.00 per hour after the first 2 hours of travel as well as the IRS mileage rate.

CANCELLATION FEES

In the event of a cancellation or schedule change that is requested by your company, an audit date may be canceled or re-scheduled without a fee if 45 day advance notice is provided. DEKRA may charge: 31-45 days prior, 25% of audit fee; 15 –30 days prior, 50% of audit fee; 1-14 days prior, 100% of audit fee.

CERTIFICATION FEES

Certification Fees will be invoiced at the time of the first audit event performed by DEKRA, and annually thereafter in the amount stipulated in the estimate.

TERMS OF ESTIMATE

This estimate is based upon information provided to DEKRA by you. The cost of the estimate is based on an estimated number of audit days and could change as result of any changes to the scope of your business. Audit days are based on an 8 hour working day. Estimate is valid for 180 days. An estimate submitted by DEKRA shall result in an agreement to perform assessment services only if the Client has accepted such estimate in writing within its term of validity, or if DEKRA has confirmed in writing an order of the Client.

Estimate for ISO 9001 Certification

NR REF. CERT-USEN-03-UM-106485-004; ISO 9001:2015; Accreditation marks: ANAB

Company9init3step	Total no. of employees: 2025
Street, City, Alaska, 44555, United States	No. of Shifts: 8
Company scope: We do something	

Yes Does the scope of registration for ISO 9001 cover all activities of the organization?
Industry codes: 04 - Textiles and Textile Products

Yes Does the total number of employees include any part-time or temporary employees?
No. of part-time or temporary employees: 1000
Risk factor: low

FACTORS CONSIDERED FOR CERTIFICATION

- No Does your organization perform design?
- Yes Is a translator required?
- No Does your organization have a high degree of regulation?
- Yes Does your organization's system cover highly complex processes or a relatively high number of unique activities?
- No Are many of your organization's functions or processes outsourced?
- Yes Are the tasks/processes your organization performs highly automated or repetitive?
- No Does a large portion of your organization's staff comprise people working off-site (e.g. remote salespeople, drivers, service personnel, etc.)?
- Yes Are the activities your organization performs considered to be of low risk (e.g. failure of the product or service is unlikely to cause injury or illness)?

YEAR 1	Onsite days	Off-site/reporting	Cost
Stage 1 of Certification	1.00	0.25	\$ 1,525
Stage 2 of Certification	9.00	1.75	\$ 13,115
Certification/Administration Fee			\$ 250
YEAR 2			
Surveillance 1	3.50	0.50	\$ 4,880
Certification/Administration Fee			\$ 250
YEAR 3			
Surveillance 2	3.50	0.50	\$ 4,880
Certification/Administration Fee			\$ 250
CONTRACT PERIOD TOTAL	17.00	3.00	\$ 25,150

ESTIMATE APPROVED BY:

**ACCEPTANCE OF ESTIMATE, MASTER SERVICES
AGREEMENT, AND CERTIFICATION AGREEMENT**

Clay Carlson, Technical Acct. Supp.Spec

FirstName9init3step LastName

DEKRA Audit

JobTitle

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