LR APPROVAL OF TEST LABORATORIES

PROCEDURE 2002

September 2002

TERMS AND CONDITIONS

The following terms and conditions apply to all services provided by any entity that is part of the "LR Group" as hereinafter defined:

1. In these terms and conditions: (i) "Services" means any and all services provided to the Client by Lloyd's Register of Shipping ("LR"), or any entity that is part of the LR Group, as hereinafter defined, including any classification of the Client's vessel, equipment or machinery; (ii) the "Contract" means any agreement for supply of the Services, such as a request for services or any other document or agreement relating to the providing of Services; and (iii) the "LR Group" means LR, its affiliates and subsidiaries, and the officers, directors, employees, representatives and agents of any of them, individually or collectively.

2. Any damage, defect, breakdown, or grounding that could invalidate the conditions for which a class has been assigned, must be reported without delay.

3. If the Client requires classification services relating to vessels, machinery, or equipment classed by LR in a jurisdiction in which LR itself does not do business (including without limitation Brazil, Canada, Greece, and the United States of America), the Client hereby acknowledges and agrees that these services will be performed by a subsidiary of LR that is part of the LR Group and that is authorised to conduct classification surveys and issue certificates on the vessel, machinery, or equipment, or by another person or entity that has been approved by LR to perform the services. If classification services are performed by an entity other than LR in accordance with this paragraph 2, the survey reports and certificates issued by that entity will be submitted to LR for acceptance. LR will accept for classification purposes a survey or certificate issued by any LR Group entity.

4. In providing services, information, or advice, the LR Group does not warrant the accuracy of any information or advice supplied. Except as set out in these Terms and Conditions, the LR Group will not be liable for any loss, damage, or expense sustained by any person and caused by any act, omission, error, negligence, or strict liability of any of the LR Group or caused by any inaccuracy in any information or advice given in any way by or on behalf of the LR Group even if held to amount to a breach of warranty.

5. Nevertheless, if the Client uses the LR Group's services or relies on any information or advice given by or on behalf of the LR Group and as a result suffers loss, damage, or expense that is proved to have been caused by any negligent act, omission, or error of the LR Group or any negligent inaccuracy in information or advice given by or on behalf of the LR Group, then the LR Group entity providing the service, information, or advice will pay compensation to the Client for its proved loss up to but not exceeding the amount of the fee (if any) charged by the LR Group entity for that particular service, information, or advice.

6. Notwithstanding the previous clause, the LR Group will not be liable for any loss of profit, loss of contract, loss of user, or any indirect or consequential loss, damage, or expense sustained by any person caused by any act, omission, or error or caused by any inaccuracy in any information or advice given in any way by or on behalf of the LR Group.

7. No LR Group entity will be liable or responsible in negligence or otherwise to any person not a party to the agreement pursuant to which any certificate, statement, data, or report is issued by an LR Group entity for (i) any information or advice expressly or impliedly given by an LR Group entity, (ii) any omission or inaccuracy in any information or advice given, or (iii) any act or omission that caused or contributed to the issuance of any certificate, statement, data, or report containing the information or advice. Nothing in these Terms and Conditions creates rights in favour of any person who is not a party to the Contract with an LR Group entity.

8. Any dispute, claim, or litigation between LR and the Client arising from or in connection with the Services provided by LR or any Contract with LR shall be subject to the exclusive jurisdiction of the English courts and will be governed by English law.

9. Any dispute, claim or litigation between the Client and any entity in the LR Group that performs services as provided for in Paragraph 3 shall be subject to the jurisdiction of the courts in the jurisdiction in which that LR Group entity is located and will be governed by English law, including the provisions on the recovery of legal costs. Notwithstanding the foregoing, if the Client asserts or initiates any dispute, claim or litigation against an entity in the LR Group in any proceeding in which LR is also named as a party or that arises in whole or in part from the subject matter of a dispute, claim or proceeding that also has been asserted or initiated against LR, that dispute, claim or proceeding shall be subject to the exclusive jurisdiction of the English courts.

® **Lloyd's Register of Shipping**
71 Fenchurch Street, London EC3M 4BS, UK
Telephone +44 (0) 20 7 709 9166:
Fax +44 (0) 20 7488 4796
Web site: www.lr.org

FOREWORD

This procedure provides information on the inspection and assessment requirements for the Approval of a non-accreditated test laboratory by Lloyd's Register to verify its suitability to undertake testing services for EC Directives and Product Certification.

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1. INTRODUCTION

1.1. This procedure outlines the process for the approval of non-accredited test laboratory by Lloyd's Register. The approval provides the documented evidence required by LR for the acceptance of testing services from a laboratory in support of EC Directives and Product Certification.

1.2. LR Approval of a test laboratory is an impartial certification system based on inspection and assessment methods that are guided by the following standards.

1.2.1. BS EN ISO/IEC 17025 : 2000 - General requirements for the competence of testing and calibration laboratories.

1.2.2. BS 7502 1989 or EN 45002 1989 - General criteria for the Assessment of testing laboratories.

1.3. This procedure should be read in conjunction with the relevant Directive and the LR Product Certification System for European Community Directives - Procedure PC93, where applicable.

1.4. Where the product under test at the laboratory is within LR's Scope for a Directive and / or Accreditation under EN45000 Series, then the Approval certificate will only be issued from the notified LR office, or from a LR office specifically authorised by the notified office.

1.5. LR is an entirely independent international organisation, which provides impartial technical and advisory services. Its income is derived principally from the fees charged for its services and any surplus is used for the improvement of those services. LR is recognised under the laws of the United Kingdom as a whole body whose business is conducted for the benefit of the community.

1.6. Any dispute concerning the provision of LR's services and/or the contract under which such services are provided is subject to the exclusive jurisdiction of the English courts and will be governed by English Law.

1.7. As a certification body LR retains a permanent, full-time staff responsible for the operation of its certification systems to ensure its activities are free from any external commercial interest.

1.8. It is strongly recommended that test laboratories make early contact with LR to discuss their particular requirements to develop a mutually acceptable route for obtaining LR Approval certification.

2. APPROVAL CRITERIA

2.1. LR Approval certification is granted on the basis that the management and technical behaviour of the test laboratory is found to be consistent with the standards and procedure given in Sections 1.2 and 1.3.

2.2. LR reserves the right to refuse applications for LR Approval of test laboratories who test to standards that are not considered suitable for the intended purpose, e.g. the standard does not satisfy the relevant Directive or scope of work.

2.3. LR Approval of test laboratories does not preclude inspection or survey as required by LR's Rules for those items of equipment being tested that may be intended for LR classed installations.

3. APPROVAL PROCEDURE

3.1. General

3.1.1. The inspection of procedures, premises and equipment, the checking of documents, management and quality systems shall be conducted by a competent LR representative appointed by Electrical & Control Engineering (ECE), London.

3.1.2. LR may recognise valid certificates or reports issued by an accredited certification body or accredited laboratory, provided such certificates and reports are considered to fulfil the requirements for accreditation of test laboratories.

3.2. Application for Test Laboratory Approval

3.2.1. Application for test laboratory Approval should be made on a Request for Services form. Further copies may be obtained from the local LR representative, with whom discussion is recommended.

3.2.2. A separate Request for Services form should be completed for each separate location i.e. address of test laboratory for which application is being made.

3.2.3. The completed Request Form(s) should be submitted by the supplier to the local LR office, together with duplicate copies of the documentation required for the LR Approval. Guidance on the typical information to be submitted is provided below.

3.2.3.1. Completed Request for Services.

3.2.3.2. A detailed list of the Laboratory test equipment.

3.2.3.3. A detailed list of the test standards to be used, (Scope of approval).

3.2.3.4. Details of test procedures employed.

3.2.3.5. Details of the Laboratory staff with their competency data, e.g. name, qualifications, experience, etc.

3.2.3.6. Details of any sub-contracting agreements.

3.2.3.7. List of quality manuals, test procedures and instructions, records, etc.

3.2.3.8. Copy of any relevant certificates with their issue number and/or date e.g. Quality Management System certification (ISO 9000 series).

3.2.4. One copy of the submitted information to be forwarded by the local LR office to ECE, London for consideration.

3.2.5. A fee estimate for LR services and certification will be forwarded to the firm for their acceptance.

3.3. **Initial Review**

3.3.1. A review will be carried out to determine whether:

3.3.1.1. the test laboratory is acceptable for LR Approval;

3.3.1.2. the standard(s) is/are appropriate to the test laboratory, the testing required and any applicable European Union (EU) Directives;

3.3.1.3. previously obtained certificates and reports may be taken into consideration, i.e. ISO 9000 series.

3.4. **Inspection and Audit**

3.4.1. Inspection and audit of the test laboratory will be based on the standards listed in Sections 1.2 and 1.3 and the relevant test standards.

3.4.2. To assist LR surveyors with their inspection and audit of a test laboratory, a check list is provided as Appendix I.

3.4.3. On completing the test laboratory audit, the attending surveyor shall submit a laboratory assessment report with a copy to ECE, London.

3.4.3.1. The framework of a laboratory assessment report is provided as Appendix II.

3.4.3.2. When completing the assessment report that section titled "Proposed Scope" should be entered as follows:

Assessment of laboratory against the requirements of (as indicated in the Request Form, e.g. 'ISO/IEC 17025 : 2000 and EN45002 for EMC testing) to the following standards

Standard No. Title (etc.)

Note: If the list is too long for the available space on the form, continue on a separate sheet suitably titled to indicate continuity.

3.4.3.3. Should the test laboratory at a later date require this list to be extended and/or amended, this can be accommodated after an inspection and audit for those changes.

3.4.3.4. Test laboratories should be encouraged to update any out of date standards to ensure that testing mets the current state of the art.

3.4.3.5. Where inspection and audit to draft standards have been conducted the test laboratory should inform the local LR office and ECE, London when the draft becomes a full standard.

3.4.3.6. Differences between the draft and full standards will be inspected and audited by LR. When confirmed the laboratory schedule shall be updated.

4. SUB-CONTRACTING

4.1. The test laboratory should have in place a procedure and an agreement for sub-contracted services of a test nature, where necessary.

4.2. Sub-contracted services are to be to the standards given in Section 1.2, 1.3 or their equivalent.

5. STANDARDS

5.1. Test laboratories should hold copies of all pertinent standards or have an arrangement for obtaining the less frequently used standards.

6. CERTIFICATION

6.1. When the test laboratory has been deemed to satisfy Lloyd's Register Approval requirements (a Test Laboratory Approval Certificate) will be authorised.

6.2. An example of a Lloyd's Register Test Laboratory Approval certificate may be obtained from London Office.

6.3. LR Test Laboratory Approval Certificates are normally valid for a maximum period of five years from the date of issue.

7. SURVEILLANCE

7.1. It is a requirement of LR Test Laboratory Approval that an annual inspection of the laboratory by LR is carried out to maintain the validity of the certification.

7.2. The annual inspection is to be conducted in the period (issue date + 9 months) to (issue date + 15 months), subsequently repeated annually in like manner until the certificate expiry date.

7.3. Should the annual inspection not be completed in the period indicated in Section 7.2, a grace period of three months will be allowed, i.e. (issue date + 18 months) after which period the certificate will be cancelled, unless otherwise agreed with LR.

7.3.1. The grace period allowed in Section 7.3 will also be allowed in like manner in subsequent years until the certificate expiry date.

7.4. The annual inspection by LR of the test laboratory is to confirm that the requirements of the standards used in achieving Approval (refer to Section 1.2) are being maintained.

8. EXTENDING A CERTIFICATE

8.1. A Test Laboratory Approval Certificate may be extended by a new certificate or Scope of Approval, if:

8.2. the test laboratory wishes to extend the period of validity of the certificate;

8.3. the test laboratory wishes to extend the certificate to cover additional standards or test methods;

8.4. an amendment is agreed to the original certificate.

8.5. Upon receipt of an application for extending a Test Laboratory Approval Certificate, LR will advise the test laboratory of any additional requirements such as documentation, inspection, or testing to be fulfilled in order that an extension may be granted.

8.6. Provided the application for extending a Test Laboratory Approval Certificate is accepted, and the additional requirements fulfilled (if any), LR will issue an Extension to the Test Laboratory Approval Certificate.

8.7. An extension to the Test Laboratory Approval Certificate is granted for a maximum period of five years from the date of expiry of the previous certificate.

8.8. Application for extending a certificate should be made in writing at least three months before the current certificate or extension expires.

9. CANCELLATION OR WITHDRAWAL

9.1. LR reserves the right to cancel a Test Laboratory Approval Certificate if:

9.1.1. any operation change is made to the conduct of the laboratory that is deemed to adversely affect the provisions under which the Test Laboratory Approval Certificate was granted;

9.1.2. improper use is made of the certificate or of LR's name in marketing the laboratory's services;

9.1.3. due settlement of fees for LR services associated with certification of the laboratory is not completed.

9.1.4. the laboratory moves from the address in the certificate without informing LR in writing.

9.2. A Test Laboratory Approval Certificate will be withdrawn if:

9.2.1. the laboratory do not wish to extend the certificate;

9.2.2. the laboratory services are no longer marketed.

9.3. If LR considers that a Test Laboratory Approval Certificate should be cancelled or withdrawn, the laboratory will be informed in writing and given the opportunity to take appropriate corrective action, or give notice of appeal.

9.4. LR reserves the right to publish details of cancelled or withdrawn certificates, together with reasons, if considered necessary by LR.

10. FEES FOR LR'S TEST LABORATORY APPROVAL

10.1. A laboratory approval fee is charged for the documentation review, inspection of the laboratory equipment and facilities, audit of the quality test procedures and issue of a Test Laboratory Approval Certificate.

10.2. Submitted documentation should be in the English Language. If not, any translation fees incurred will be invoiced extra at cost.

10.3. For extending a Test Laboratory Approval Certificate, a quotation will be made upon acceptance of an application for extension.

10.4. Written quotations for LR's services associated with test laboratory approval are firm for six months. If at the end of that time the Approval has not been completed, a revised quotation may be made.

10.5. Should a laboratory withdraw its' application for LR Approval, for whatever reason, LR reserves the right to charge fees for costs already incurred.

11. LABORATORY RESPONSIBILITY

11.1. It is the laboratory's responsibility when supplying a service to ensure that:

11.1.1. each service supplied is in strict conformity with the LR Approval;

11.1.2. each service supplied is provided with appropriate instructions for doing, or refraining from doing, anything, with or in relation to the service and its' purpose, that exceeds the Approval granted by LR.

11.2. The Laboratory shall only make reference to the LR Test Laboratory Approval, the LR Logo or LR's name in advertising, as otherwise, for services that have been approved by LR. The laboratory should not attempt to mislead by the claiming of service or purpose not covered by the approval.

12. **PUBLICATION**

12.1. All LR Approved laboratories will be included in a list of Approved laboratories held in a data base which may be interrogated on the LR web site at www.lr.org .

13. **DECLARATION**

13.1. Precise terms of reference contained in the LR Corporate Quality Manual QS02-00 relate to the organisation and staff of LR and the requirement for the quality of service provided by LR.

13.2. LR undertakes to ensure that current issues of the LR Test Laboratory Approval and other appropriate documentation are available to all its' representatives located in exclusive and non-exclusive offices.

13.3. LR undertakes to maintain records of relevant documentation for the duration of the Approval, i.e. while the certification remains valid.

13.4. LR undertakes to ensure the confidentiality of information received in the course of its services.

13.5. LR's affairs are under the overall direction of the General Committee, which is composed, of persons nominated or elected to represent the world community and the industry, which LR serves.

13.6. Any appeal to LR from decisions or recommendations made with respect to the LR laboratory Approval may be referred to the General Committee, who may direct a special examination to be held.

14. APPENDICES

14.1. The following documents are available for the use of surveyors responsible for carrying out an assessment on a laboratory to verify its' acceptability to Lloyd's Register.

Appendix I	Auditors Check List for Non Accreditation Facilities
Appendix II	Assessment Report