

**SAMPLE**

#### 100.2.1.4 Audits

##### 100.2.1.4.1 Internal Audit

The Contractor shall undertake QMS Internal Audits, as per *ISO 9001 Element 8.2.2*, during design, construction and operation, during the Construction Period and the Operating Period. The auditor shall follow the guidelines for *Auditing Management Systems, ISO 19011*, as amended or substituted from time to time. The audit shall, at a minimum, ensure that all input requirements are adhered to and that the QMS is implemented and in compliance with the requirements of *ISO 9001*, as amended or substituted from time to time, customer requirements and applicable regulatory standards. All elements shall be audited at least once per year.

All QMS deficiencies identified by the internal QMS auditor during the audit must be addressed and corrective measures implemented by the Contractor. The Contractor shall communicate the results of all audits to the Department.

##### 100.2.1.4.2 External Audit

In addition to the internal audits, the Contractor shall undertake QMS external audits during the design, construction and operation during the Construction Period and the Operating Period.

These external audits shall be conducted by an independent QMS auditor certified by an accredited auditors' registration body such as International Register for Certificated Auditors ("IRCA"), Registrar Accreditation Board ("RAB"), National Quality Institute ("NQI"), or other equivalent body. The auditor shall also be qualified to audit the scope of the QMS. The audit process shall follow the guidelines for *Auditing Management Systems, ISO 19011*, as amended or substituted from time to time. The audit shall, at a minimum, ensure that all input requirements are adhered to and that the QMS is implemented and in compliance with the requirements of the *ISO 9001* standard, as amended or substituted from time to time, customer requirements and applicable regulatory standards. A full system audit shall be completed within one year of the Execution of the DBFO Agreement and thereafter at least once per year during the Construction Period and the Operating Period.

All QMS deficiencies identified by the external QMS auditor during the audit shall be addressed and corrective measures implemented by the Contractor within 30 days of completion of the audit. The results of the audit shall be documented and shall be submitted by the Contractor to the Department within seven days of audit completion. Evidence of the correction of any deficiencies identified in the audit shall be submitted by the Contractor to the Department within 30 days of completion of the audit.

If an external audit has not been completed within the specified time, Payment Adjustments of \$2,400/week or any partial week, for the first four weeks and \$6,000/week or any partial week, thereafter shall apply until so completed.

If any deficiencies identified by the external QMS auditor have not been corrected within the specified time, Payment Adjustments of \$6,000/week or any partial week, for the first four weeks and \$12,000/week or any partial week, thereafter shall apply until corrected.