

**American National Standards Institute
Contract for the Evaluation by the
International Organic Accreditation Service
of Specified Applicants for ANSI Food Safety Accreditation**

1 The Parties

The parties to this agreement are:

The American National Accreditation Institute (“ANSI”) a New York not-for-profit corporation its registered address at: 25 West 43rd Street, New York, NY 10036 hereinafter referred to as ANSI

and

The International Organic Accreditation Service (“IOAS”) a non profit organization with a registered address at: 102½ first Ave South, Jamestown, ND 58401 USA hereinafter referred to as IOAS.

2 Preamble

The American National Standards Institute (ANSI) is an accreditation body recognized by the National Institute of Standards and Technology (NIST) and authorized by various food safety scheme owners to conduct several food safety accreditations in accordance with the Global Food Safety Initiative (GFSI). This authorization is by virtue of ANSI being a signatory of the Multilateral Recognition Arrangement (MLA) of the International Accreditation Forum (IAF) and the Pacific Accreditation Cooperation (PAC).

The International Organic Accreditation Service (IOAS) is an accreditation body recognized by the National Institute of Standards and Technology (NIST) and active in the field of organic and sustainable agriculture.

The IOAS has several certification body (CB) clients it accredits who require accreditations under certain ANSI-recognized programs in order to certify agricultural products destined for particular markets. These clients may already be ISO/IEC Guide 65 accredited by the IOAS or may be applying for this accreditation.

3 Scope of the Agreement

This agreement sets out the conditions and requirements under which ANSI will engage IOAS as an independent contractor to perform assessor services, including initial evaluation and ongoing surveillance of specified applicants for ANSI’s food safety accreditation programs.

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 *Lane*

The ANSI-recognized programs covered by this agreement are:

- GLOBALG.A.P. (www.globalgap.org)
- British Retailers Consortium (BRC) Global Standard Food (www.brc.org.uk)
- Safe Quality Food (SQF) 2000 and SQF 1000 (www.sqfi.com)
- International Featured Standards – (IFS) (www.food-care.info)
- PrimusGFS (www.primusgfs.com)
- CanadaGAP (www.canadagap.ca)

The organizations sponsoring these programs are referred to as Scheme Owners.

This agreement will apply only to certification bodies active in the fields of organic or sustainable agriculture.

This agreement will apply only to certification bodies that are already accredited by IOAS or have applied to the IOAS for accreditation and have applied to ANSI for accreditation to one of the aforementioned programs.

4 Obligations of the parties

IOAS shall:

1. Maintain its NIST approval as an ISO/IEC 17011 compliant body with scope of ISO/IEC Guide 65 or its successor. While this applies to all requirements of the standard, particular emphasis is given to the provisions for conflict of interest and confidentiality.
2. Provide ANSI with copies of letters from NIST indicating continuing approval and will inform ANSI within 14 days of any removal of, or temporary suspension of, approval.
3. Use IOAS assessors that have been pre-approved by ANSI as competent to carry out this work.
4. Ensure that assessors receive any additional ongoing training required by ANSI.
5. Provide ANSI with a written statement setting forth the timetable for the evaluation process of any applicant.
6. Adhere to the fees and procedures as specified in the documents which form “Annex A and Annex B” to this contract.
7. Conduct its evaluation in accordance with its normal procedures ensuring that all additional assessment requirements of the ANSI program in question are adhered to.

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8. Bring any nonconformities to the CB's attention and provide ANSI with a copy of these and the CB's subsequent corrective actions and resolution of all major non-conformities. All nonconformities will be posted in the ANSICA database.
9. Provide ANSI with all necessary documents to enable ANSI to make an informed accreditation decision.
10. Conduct surveillance in accordance with the ANSI surveillance policies regarding frequency and type of evaluation.
11. Provide ANSI with a timetable for surveillance activities for each subcontracted CB.
12. Forward to ANSI the outcome of all surveillance activities including reports and resolution of outstanding non-conformities.

ANSI shall:

1. Ensure that IOAS's assessor agreements are acceptable.
2. Review the qualifications of submitted IOAS assessors and pre-approve as appropriate.
3. Review applications for completeness and subsequently forward to the IOAS those applications where the CB is active in the fields of organic agriculture.
4. Review the results of the formal screening and raise any serious concerns about continuing the evaluation process.
5. Make the accreditation decision and issue any certificates and other notification required under the respective systems
6. Inform the IOAS of any complaints received regarding the compliance of the certification body and the outcome of any investigation.
7. Provide the IOAS with an updated fee schedule whenever it is altered.

5 Prior work

Where the IOAS has previously evaluated an applicant certification body for compliance with ISO/IEC Guide 65 under a different program and scope ANSI will recognize this previous work providing:

1. The previous evaluation or surveillance visit was conducted within the last year.
2. The CB is currently accredited by the IOAS for ISO/IEC Guide 65.

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3. The IOAS carries out an on-site assessment with respect to the respective food safety scope including the prescribed amount of file reviews and witness audits.
4. The IOAS provides ANSI with the most recent ISO/ IEC Guide 65 assessment documents including non conformities and their closeout.

6 Financial arrangements

ANSI program fees are noted in Annex A.

ANSI will forward to the IOAS half of the application fee for applicants that fall within the scope of this Agreement upon its receipt from the CB and the related invoice from the IOAS.

Audit days will be charged to CBs at the current ANSI rate as noted in Annex A. The IOAS will retain their independent contractor fee as defined in Annex A and forward the remainder to ANSI who will provide the IOAS with a receipt for the amount.

The annual fee will be that which is normally charged by ANSI and will be retained in full by ANSI.

The fee schedule is attached in Annex A and forms part of this contract. Changes to ANSI and IOAS fees noted in Annex A will be documented in a mutually agreed revision of same. Program fees invoiced will be those that are current at the time of assessment.

7 Representations, Confidentiality, and Conflict of Interest

IOAS shall avoid any actions or conditions which could reasonably be expected to result in a conflict with ANSI's best interests or ANSI's policies and procedures. IOAS shall have no authority to make any statements or commitments of any kind or take any specific action which shall be binding on ANSI without ANSI's prior approval. IOAS may convey ANSI's standard operating procedures and timelines.

IOAS agrees that any work product relating exclusively to the ANSI-specific scope of work, produced as a result (in whole or in part) of the services rendered, shall belong solely to ANSI, and IOAS assigns any right they may have in such work product to ANSI.

IOAS further agrees to keep confidential any information learned in connection with the services rendered regarding ANSI or the conformity assessment body being assessed. IOAS shall not disclose such information to anyone external to the organization other than ANSI (or oversight bodies such as NIST) without the prior written approval of ANSI. IOAS agrees to comply with ANSI policies on conflict of interest and confidentiality.

8 Term of the contract

The contract is permanent unless terminated as specified in section 10.




9 Amendments to contract

The contract may be amended with agreement of both parties.

The "Procedures and Policies for Subcontracting the IOAS" will be reviewed and amended yearly on the anniversary of the signing of this contract and amended as deemed necessary by both parties.

10 Termination

The contract may be terminated at any time by the written agreement of both parties.

If IOAS fails or is unable to adequately perform the specified services as documented in a written corrective action request from ANSI, and IOAS further fails to rectify such inadequacies within ninety (90) days, ANSI may require IOAS to stop providing services and terminate the contract. In such event, ANSI shall pay IOAS only for the services rendered up to the time ANSI so notified IOAS.

The contract may be terminated upon written notification of the revocation of scheme owner approval. In such an event, IOAS will be paid for work already undertaken and likewise return any money received for work not yet performed.

Either party may terminate this Agreement in whole or in part upon six (6) month written notice to the other party specifying the effective date of termination in writing.

11 Indemnification; Liability

IOAS shall indemnify and hold harmless ANSI and of its officers, directors, representatives or employees against any and all liabilities, damages, losses, costs or expenses whatsoever, including reasonable fees of outside counsel (the "Losses"), suffered by ANSI or any of its officers, directors, representatives or employees arising out of or resulting from IOAS' negligent or wrongful acts or the breach or non-performance by IOAS of any of its obligations hereunder.

ANSI shall indemnify and hold harmless IOAS against any and all liabilities, damages, losses, costs or expenses whatsoever, including reasonable fees of outside counsel (the "Losses"), suffered by IOAS as a result of ANSI's breach of this Agreement.

In no event shall ANSI's aggregate liability, if any, arising out of or in connection with this Agreement, exceed the amount paid by ANSI to IOAS under this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN NO EVENT WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOST TIME OR GOOD WILL, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH



DAMAGES, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

12 Governing Law

This Agreement shall be governed by the laws of the State of New York, exclusive of New York's conflict of interest rules.

13 Independent Contractor

The parties agree that IOAS is an independent contractor and nothing contained in this Agreement is intended to create any other relationship. As such, IOAS is covered under ANSI's Association Directors' & Officers' Liability, Employment Practices Liability and Professional Liability Insurance Policy subject to all applicable exclusions. In no event shall IOAS be deemed to be an employee of ANSI.

14 Waiver

Failure by either party at any time to enforce any of the provisions of this Agreement shall not be construed as a waiver by such party of such provisions or in any way to affect the validity of the Agreement.

15 General Terms

This Agreement constitutes the complete agreement between the Parties, supersedes all prior agreements with respect to the subject hereof, and may not be amended or modified except by a writing signed by both Parties. If any term or condition of this Agreement is deemed to be illegal or unenforceable under any rule of law, all other terms and conditions shall remain in force. Further, the term or condition which is held to be illegal or unenforceable shall remain in effect as far as possible and in accordance with the intention of the Parties.

IOAS may not assign this Agreement, in whole or in part, without the prior express written consent of ANSI.

16 Force Majeure

Neither Party shall be responsible for any delay nor failure in performance resulting from acts beyond its control.

On behalf of	ANSI	IOAS
Name	Lane Hallenbeck	Ken Commins
Title	Vice President Accreditation Services	Executive Director

Signature
Date

Lane Hallenbeck
22 April 2011

Ken Commins
22nd April 2011.

Annex A: FEES

- **ANSI application: \$5,000**
- **ANSI visit fees: \$1,250 / assessor day**
 - **IOAS daily assessment fee: \$800**
- **ANSI annual accreditation fee: .004 x gross income per accredited program**
(minimum \$1,500, maximum \$55,000)

Revision Date: 22 April 2011

On behalf of ANSI
Name Lane Hallenbeck
Title Vice President
Accreditation Services

IOAS
Ken Commins
Executive Director

Signature

Lane Hallenbeck
22 April 2011

Ken Commins
22nd April 2011

Annex B: Procedures and Policies for ANSI's contract with the IOAS

Revision Date: 22 April 2011

This document is supplementary to the contract between ANSI and the IOAS for the assessment of certification bodies under the ANSI Food Safety accreditation programs. In the event of contradiction the contract version is given precedence.

There are three types of clients to whom the agreement applies:

- 1) CBs who apply to ANSI for an organic accreditation scope and for a food safety scope and not for an IOAS accreditation;
- 2) CBs already IOAS-accredited who seek to add one or more food safety accreditations; and
- 3) New CBs that apply to IOAS for other services and want GlobalG.A.P. as part of a package of services.

Not covered by this agreement

Application procedure/process

The applicant CB must sign a license agreement with the food safety program first .

The CB shall sign a program agreement with ANSI.

The CB must complete ANSI preliminary letter of application.

Application forms: ANSI FR004 plus TP002 and IOAS FR 0501 (a merged form may be developed),

IOAS document checklist for ISO/IEC Guide 65 is OK for use.

The IAF guidance on ISO/IEC Guide 65 must be applied.

If the applicant is already accredited by IOAS for ISO/IEC Guide 65, there is no need for additional document review.

Note that between signing the agreement and accreditation CB may only certify 20 clients.

Visit planning

Basically one day per base scope should be scheduled - crops/livestock/aquaculture (some flexibility re-size and sub-scopes).



In the initial stages of the agreement the IOAS will consult with ANSI on visit requirements and copy ANSI with visit plan.

Visit (on-site and witness)

Visit report must clearly show the assessment details with respect to the Food Safety Program in question to submit to ANSI ACC. Ideally this will be extracted into a separate report.

At least 1 witness audit per base scope must be undertaken (Most notably if flowers are included as a scope an additional witness audit must occur)

Non-conformities and close-outs

ANSI works with just two levels of non compliance: NCRs (nonconformity reports) and OFI (opportunities for improvement) . All NCR's must be closed out prior to accreditation.

IOAS on has NCs (nonconformities; must be closed out) Deficiencies (some of which can be closed out post accreditation) and Recommendations. This means in the case of existing ISO/IEC Guide 65 clients with any deficiencies still not closed out must be closed out prior to submitting the documentation for accreditation to ANSI.

IOAS needs to use ANSI's electronic database (ANSICA) to post the NCs and to close them out in all years. This applies to all GlobalG.A.P. NCs and to any new ISO/IEC Guide 65 non-compliances following application. In cases of new IOAS applicants it will apply to all ISO/IEC Guide 65 NCs.

Accreditation

The IOAS will submit to ANSI the witness audit report, visit report including the summary of NCs and their close out. The IOAS can do an additional summary (normal IOAS summary) if it wishes to but it is not obligatory.

The assessor must participate in the ACC Evaluation Task Group (ETG) decision conference calls.

Surveillance years:

Each calendar year IOAS is to include this effort in its normal planning and send ANSI copies of plans.

Document review and preparation = 1 day for preparation including document review. Note this includes the technical (specific food safety) document review. The ISO/IEC Guide 65 review may be charged at normal IOAS rates if the accreditation is held with IOAS as well as ANSI. Visit includes witness audit but less than initial visit. Minimum of 1 witness audit must be undertaken.

WFB *Jane*

Close out of any non-conformities arising will be undertaken by the IOAS and IOAS will forward report to ANSI on both the visit and NC close out.

Where surveillance falls in a bye year the visit scope (only GlobalG.A.P. as ISO/IEC Guide 65) is under IOAS assessment.

Note these days must be charged at the normal ANSI assessment rate of \$1250.

Reassessment years

The CB is sent the document checklists which they are required to complete including indicating any changes.

Document review and preparation = 1 day for preparation including document review (note this includes the technical document review).

The visit length is the same as the initial visit.

Training

Technical assessor must meet the requirements of ANSI PR-134.

Once they have been deemed to have met the requirements they must participate in ANSI training and be formally qualified by ANSI.

WFB
Jane