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| Form# | 015Q |
| By | KN |
| Date | 7/17/2023 |
| Revision# | 002 |
| Supersedes | 1/25/2023 |



**Contract and Estimate for Service**

**(SQF)**

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| **Organization Name:** | ABC Company |
| **Address, City, State, Zip:** | 1245 Smith Street, Chippewa Falls, WI 54729 |
| **Contact Person:** | Joe Anderson |
| **Phone/Email:** | 715-723-5555/information@abccompany.com |
| **Assessment Services** | SQF |
| **Auditor Assigned:** | Joell Batista |
| **Operation/Product Risk** | High Risk or Low Risk |

The parties to this contract are Ceres Certifications, International (hereafter CCI) and Company Name (client /legal entity).

Company Name site information, products, scope of certification as well as the SQF version and food sector categories are outlined and signed within the *Application, Form 004Q.*

**1. RESPONSIBILITY OF PARTIES**

**CCI Responsibility:**

Ceres Certifications International (CCI), in exchange for the compensation paid by Company Name under this contract, agrees to provide auditing services following the Safe Quality Food (SQF) Certification Audit Standard and Requirements.

CCI has the sole responsibility of making the decision on certification and shall give proper notice of any changes it intends to make. Company Name shall make any necessary adjustments within CCI’s time requirements. CCI shall follow the requirements, conditions and restrictions contained within the relevant edition of the SQF code.

CCI shall ensure that all employees responsible for executing the SQF program, including SQF auditors and SQF contract auditors, employ and retain qualifications, skills and

experience necessary to perform their duties.

CCI will provide details of the SQF auditor assigned and Company Name has the right to object the auditor. CCI will ensure that no potential conflict of interest, consulting, or training will occur from contracted or employed auditors. SQF auditors cannot audit where they have participated in a consulting role involving said client, or any person related to, within the last two (2) years.

CCI will discuss and agree with Company Name on the audit duration, *Food Safety Code, Part A, section 8.1.* CCI shall ensure that the minimum duration of the certification or re-certification audit is two days, including remote and on-site activities. Audit duration is based on factors which include; size of the facility, number of employees, complexity of processes, number of locations, organization of the site, food safety risks, and if there are any remote activities..

CCI may grant Company Name permission of the SQF logo if the site (s) achieves and maintains certification to the relevant SQF Code. Electronic logos must be requested and obtained by CCI. *Food Code, A3.* Rules for use of the SQF quality shield are described within the *Quality Code, A4.*

**Client Responsibility:**

Company Name agrees not to take pictures and/or recordings of CCI staff while the audit is in progress, without prior approval. In the event this occurs, the audit will be stopped and reported to the Scheme or Program Manager for guidance.

Client agrees to comply with the requirements for certification and to supply any information needed for the evaluation of products to be certified under the relevant SQF Code. By registering for an SQF audit @ sqfi.com, said client commits to the certification requirements and the payment of fees established by SQFI and CCI. *Food Safety Code, A2 Step 1*

Company Name will make necessary arrangements to conduct the evaluation and surveillance (if required), including appropriate changes and provisions for reviewing documentation and records, and to relevant equipment, location, personnel, and clients’ subcontractors. Arrangements for the participation of observes, if applicable, is also required

Client will ensure that their products conform to the relevant SQF Code and use their certification only to indicate that their products are certified as being in conformance with this standard. The client will ensure that no certificate or report is used in a misleading manner and will comply with the requirements of CCI. If the certification applies to ongoing production, the certified product continues to fulfill the product requirements.

Client shall only make claims regarding certification in the respect of the scope for which the certification was granted. The client will not use its product certification in such a manner as to bring CCI into disrepute and will not make any statement regarding its product certification which CCI may consider misleading or unauthorized. If the client provides copies of the certification documents to others, they must ensure the documents are reproduced in their entirety or as specified in the SQF scheme.

Company Name agrees that there will be no misleading use of the SQF quality shield, logo, certificates, marks or incorrect references to the SQF certification. *SQF Code, Part A and Appendix 3 (A3)*

Upon suspension, withdrawal or termination of the certification, Company Name agrees to make no misleading claims and shall cease the use of the certification logo, mark, certificate, or any document that may be linked to their SQF certification. The client will discontinue use of all advertising matter that contains any reference thereto and return any certification documents as required by CCI. For additional information CCI’s formal policy, Form# 324 is available upon request. *Food Safety Code, A3*

Client shall notify CCI, without delay, of any significant changes to its organization or ability to conform to the certification requirements (e.g., scope of certification, ownership, relocation, legal) in a timely manner. If there is food safety related issue to the scope of the certification or has regulatory intervention (e.g., a product recall such as a Class I or Class II or receives a regulatory warning letter), CCI and SQFI must be notified **within 24 hours** of occurrence. Other significant issues that could bring the scheme into disrepute are also required to be reported. CCI will determine, based on the circumstances, the need to suspend or revoke certification. *Food Safety Code, A3 Step 15*

Client agrees to keep a record of all complaints related to the compliance to the relevant standard and to make these records available upon request. Client shall take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements for certification. All actions shall be documented. *Food Safety Code Clause 2.1.3*

Client agrees to not obligate itself to any contractor that subverts its right to choose a type of audit scheme, certifying body or auditors per normative certification requirements.

The client has the following additional requirements available as part of the certification process:

* Verify auditor competency,
* Verify audit against the audit plan,
* Verify audit process and content,
* Verify audit results.

**2. TERM OF CONTRACT**

The term of this contract is in effect for 2 years from date of signature per CCI’s policy. This period allows for certification body responsibilities to be fulfilled under scheme requirements. A pending action by the FDA, USDA, local, state, or federal level regulatory agency may delay any action by the client to change audit schemes or certification bodies This contract may be terminated by either party upon thirty (30) days’ notice in writing to the other party by either certified mail or personal delivery so long as there are no pending scheme requirements. The penalty for breaching this contract period of time incurs a penalty no less than the cost of the required scheme audit fee.

 Without this notification, contract conditions and fees will apply and CCI shall pursue legal and/or other options until the contract requirements are fulfilled.

Upon proper termination of this contract, CCI shall immediately, within 30 days, deliver all work performed pursuant to this Contract to Company Name, including any work in progress providing the account is satisfied to date and no monies are outstanding for any work previously performed by CCI.

**3. INDEPENDENT CONTRACTOR**

CCI shall perform its duties hereunder as an independent contractor and not as an employee of the client.

**4. COMPENSATION**

Company Name will pay for the services on an audit by audit basis. Each audit will have an individual cost estimate provided which will include the cost of the audit as well as an estimate of anticipated expenses. Acceptance of each estimate also indicates acceptance of contract terms set forth herein. Each individual cost estimate produced while under contract will become attached to and part of the contract. Client also accepts that there may be additional individual fees by CCI or assessed by the scheme owner that will be payable in addition to those charged by CCI. Client accepts and acknowledges that all monies due under this Contract will be due and payable prior to the release of the Certificate.

CCI will not pay for any professional services in resolution of a complaint if acted upon by client. CCI will pay for services dictated by the person handling the complaint.

**5. RENEWAL**

This contract is automatically renewed. CCI will provide written notice of the audit renewal date. If the Client wishes to continue to receive audit services through CCI after the contract period, it is the Client’s responsibility to contact CCI for an updated contract. No further auditing services will be provided by CCI after the expiration of this contract until a renewed contract is on file.

From time-to-time CCI will publish updated terms and conditions to the contract. If there are questions to these changes it is the responsibility of the Client to challenge in writing to CCI.

**6. SEVERABILITY**

If any term of this contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms will not be affected, and the rights and obligations of the parties are to be construed and enforced as if the contract did not contain that term.

**7. ASSIGNMENT AND OBSERVERS**

No part of this contract may be assigned or otherwise transferred without the written consent of both parties. All services, including certification, will be provided by CCI. The client does accept that CCI may assign an independently contracted auditor to perform the audit itself. CCI holds the right to send observers (i.e., scheme owner, accreditation body, additional auditors, etc.). The client will not be charged fees or travel expenses for observers. Translators or translation of materials may require additional charges.  These may or may not be listed in the estimate of fees and expenses.

**8. APPEALS, COMPLAINTS, AND DISPUTES**

Company Name has rights for appeals, complaints, and disputes. The client has an opportunity to formally present their case to CCI’s Advisory Board. CCI’s formal policy is included in the Client Packet, Form #010Q or available upon request.

**9. CONFIDENTIALITY**

CCI agrees not to use or disclose any information it receives from the client that is confidential unless said information affects the validity of the audit applied for. Client accepts that all audit results can be made public and that violations may be reported per audit requirements. Client also accepts that all audits undertaken for a global standard will require submission of audit results to the appropriate scheme owner.

**10. EFFECTIVENESS OF CONTRACT**

Contract is not in effect until executed by both parties.

**11. INDEMNIFICATION**

Company Name agrees to indemnify, hold harmless and defend CCI, its officers, directors, employees, members, volunteers, agents, successors, and assigns, from any and all liability, losses, claims, demands, suits, costs, expenses and damages, including cost of defense, investigation and reasonable attorneys’ fees, of whatever nature and description, arising from or in connection with the clients breach of this Contract or the clients negligence or willful misconduct, or a third-party claim arising out of the clients performance under this Contract.

CCI agrees to indemnify, hold harmless and defend Company Name, its officers, directors, employees, members, volunteers, agents, successors, and assigns, from any and all liability, losses, claims, demands, suits, costs, expenses and damages, including the cost of defense, investigation and reasonable attorneys’ fees, of whatever nature and description, arising from or in connection with CCI’s breach of this Contract or CCI’s negligence or willful misconduct, or a third-party claim arising out of CCI’s performance under this Contract.

**12. GENERAL**

I have read, understand, and agree to the terms of this Contract. By signing, CCI is obtaining Company Name consent to have the certificate details accessible by their customers as well as displayed on the SQFI website / database for public display. Company Name certification site details will include - company / site name, address, expiration date of certificate, food sector category, relevant code (s), certification body and country.

**\*\*\*See Estimated Fees and Expenses on Page 6**



**Estimated Fees & Expenses:**

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| --- | --- |
| SQF Certification Audit (1 to 2 days) New Client Discount | Refer to 020Q-25% |
| SQF Report Preparation | $0.00 |
| SQF Technical Review (may vary) | $0.00 |
| SQF Report Upload (per report) | $75.00 |
| SQF Administrative FeesTravel Time | $250.00 |
| Travel Fee **Total Estimated Fees & Expenses:** | TBD**$0.00****(Please do not pay this amount, this is an estimated cost. An invoice will be sent to you with the correct amount to pay)** |

|  |  |  |
| --- | --- | --- |
| Client Signature |  | CCI Signature |

Client Position and Date of Signature Date of Signature

**IMPORTANT!**  This estimated cost summarizes reimbursable costs associated with the visit of the CCI auditor in connection with the on-site assessment of your organization.  Your signature below indicates that this estimate corresponds to the expected time and effort expended by the CCI and the auditor in preparing for and carrying out the assessment and you agree to pay 2/3 of the estimate prior to the on-site assessment.  Once CCI receives all formal invoices from the auditor(s) you will be billed for the actual costs associated with the visit. The expenses detailed above are estimates only and subject to change. **(Please note that additional services may require additional invoicing to the organization.)** USD payment required.

**Expedited Scheduling Fee – For dates requested within 2 weeks, an expedited scheduling fee of $250 will apply.**

If client reschedules and/or cancels an assessment once it is finalized, a $150 administration fee will be charged as well as fees that lead to auditor’s travel expense changes.