

Procedure for the Withdrawal of Certification Body Licensing

Textile Exchange grants licensing to certification bodies based on a licensing contract and on the certification body's accreditation or application for accreditation with an authorized accreditation body. This procedure outlines the process to be used when a certification body ceases to be licensed or accredited for Textile Exchange standards, whether that withdrawal is voluntary or is imposed by either Textile Exchange or the accreditation body.

Transfer of certification as described in Section B is only applicable when the certification body is no longer licensed for the applicable scope of certification. References to the ACP refer to *ASR-101-V2.1 Accreditation & Certification Procedures for Textile Exchange Standards*.

Section A - Withdrawal of Accreditation or Licensing

A1. Voluntary Withdrawal

- A1.1** If a certification body chooses to withdraw from one or more Textile Exchange standards, Textile Exchange recommends that the certification body request to remain licensed for up to one year (the “phase out period”) to allow the certification body’s clients to transfer their scope certificates upon recertification (see ACP D4.12). If a phase out period is approved by Textile Exchange:
- A1.1.1** The certification body shall advise all affected clients of their withdrawal in a timely manner to allow for scope certificates to be transferred.
 - A1.1.2** The certification body shall not issue or re-issue any scope certificates during the phase-out period, but may add products to a scope certificate where no additional auditing is required.
 - A1.1.3** Textile Exchange shall waive certification body licensing fees which would ordinarily be invoiced during the phase-out period (typically invoiced in January).
 - A1.1.4** The certification body shall continue to offer client management services including issuing transaction certificates and investigation of complaints for all active scope certificates during the phase out period.
And
 - A1.1.5** Section B of this procedure shall not apply.

A1.2 If a certification body chooses to withdraw from offering certification within specific scopes (e.g. specific countries), Textile Exchange recommends that the certification body request to remain licensed for that scope for up to one year (the “phase out period”) to allow the certification body’s clients to transfer their scope certificates upon recertification (see ACP D4.12). If a phase out period is approved by Textile Exchange, the conditions of A1.1 of this procedure shall apply, with the exception of A1.1.3.

A1.3 If the certification body chooses not to maintain licensing through a phase-out period or if the certification body’s request is denied by Textile Exchange, Section B of this procedure shall apply.

NOTE: A request for a phase-out period will not prevent Textile Exchange from proceeding to withdraw licensing in accordance with A2 where this is deemed necessary.

A2. Involuntary Withdrawal

A2.1 Textile Exchange may provide notice based on the terms of the certification body’s licensing agreement that the agreement either will be withdrawn or will not be renewed in any of the following situations:

- A2.1.1** Suspension or withdrawal of accreditation by the accreditation body;
- A2.1.2** Identification of substantial issues by the accreditation body during an initial assessment;
- A2.1.3** Identification of issues by Textile Exchange which the accreditation body cannot or will not address; or
- A2.1.4** Non-payment of fees owed to Textile Exchange (see *ASR-107 Certification Fee Schedule*).

NOTE: Textile Exchange will refer technical issues identified with certification bodies to the accreditation body as a first practice except when this is not possible.

A3. Accreditation Body Responsibilities

A3.1 The accreditation body shall remain responsible for the oversight of the certification body’s operations until 90 days after the withdrawal of accreditation or until the end of the transfer period (see B1), whichever is sooner.

Section B - Transfer of Remaining Scope Certificates

B1. Transfer Period

- B1.1** When a certification body's licensing with Textile Exchange is withdrawn or when the certification body chooses to withdraw from certification services for a particular Textile Exchange Standard or scope, the certification body shall have a 90-day transfer period to allow for the certification body's clients to transfer to another certification body.
- B1.2** During the transfer period, the certification body shall:
- B1.2.1** Continue to offer client management services including issuing transaction certificates and investigation of complaints for all remaining active scope certificates;
 - B1.2.2** Not issue or re-issue scope certificates or extend the scope in any way which requires additional auditing; and
 - B1.2.3** Provide Textile Exchange with access to information about scope and transaction certificates.
- B1.3** The certification body may make an arrangement with another certification body to recommend that clients be transferred to the other certification body. Regardless of such an arrangement, the certification body shall accept each client's choice of succeeding certification body and shall follow the requirements of ACP D4.12.

B2. Steps for Succeeding Certification Body

NOTE: See also ACP D4.12.

- B2.1** When taking over a scope certificate from a certification body whose licensing with Textile Exchange is withdrawn, or who has chosen to withdraw from offering a specific scope of certification without a phase-out period, the succeeding certification body may do one of the following for each scope certificate:
- B2.1.1** Conduct a full audit of the organization and issue a new scope certificate with a new expiry date. In this case, site fees shall apply (see *ASR-107 Certification Fee Schedule*); or
 - B2.1.2** Conduct a transfer audit as described in B2.2. This is an exemption to ACP D4.12.1.

NOTE: Transfer audits are only permitted when the reason for the change in certification bodies is the certification body's withdrawal without a phase-out period. They are not permitted for organizations who chose to change certification bodies, or when a phase-out period is granted.

B2.2 A transfer audit shall be conducted as follows:

B2.2.1 The certification body shall conduct a full evaluation of the organization, which may be conducted remotely.

B2.2.2 The certification body may rely on the preceding certification body's findings to address criteria related to visual inspection or to documentation which has not changed since the audit, except where this relates to a non-conformity issued during the last audit.

B2.2.3 The certification body shall issue a transferred scope certificate, which maintains the expiry date from the preceding certification body. And

B2.2.4 No additional site fee from Textile Exchange shall apply at the time of the transfer audit.

B2.3 The succeeding certification body shall obtain the past two audit reports and data regarding transaction certificates and volume reconciliation covering at least one full year or back to the date of the initial certification, whichever is later.