

BQ-9000 Quality Management System

Marketer Requirements



Revision 8

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This requirements document has been prepared by the National Biodiesel Accreditation Commission, an autonomous committee of the National Biodiesel Board, P.O. Box 104898, Jefferson City, MO 65110-4898, for use in a cooperative and voluntary program for the accreditation of marketers of biodiesel. Compliance with these requirements is a minimum requirement of the accreditation process. The existence of this document does not in any respect preclude any entity from producing, purchasing, or using products, processes, or procedures not conforming to this standard. This document is subject to periodic review and revision control and users are cautioned to obtain the latest edition.

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Program Requirements

1 SCOPE

This document specifies requirements for a Biodiesel quality management system where an Organization needs to:

- a) Demonstrate its ability to receive and maintain product that meets ASTM D6751.
- b) Demonstrate procedures for Blending Biodiesel and distributing either the B100 (B99) or Blends.
- c) Address quality assurance through the effective application of the program, including processes for corrective action and the prevention of nonconformity.

The requirements specified herein are applicable to fuel Marketers and Blenders in the Biodiesel industry. **The requirements are site and/or facility specific.** If a Marketer operates multiple facilities, only those locations approved by the Commission, and denoted within their application submission, can be included in marketing or distribution material that displays the BQ-9000 logo. The process control requirements are prescriptive, while the remaining clauses are descriptive. BQ-9000 accreditations are site specific for individual quality management systems and DO NOT represent or certify any product quality.

2 TERMS AND DEFINITIONS

For use in this program, the following terms and definitions apply. It is helpful for Organizations to define in-house terms and definitions used within their quality assurance programs, but is not a requirement.

Note: The word “**shall**” indicates mandatory requirements of this document. The word “**should**” indicates a mandatory requirement with some flexibility allowed in compliance methodology. Those choosing other approaches to satisfy a “should” must be able to show that their approach meets the intent of these requirements.

2.1 ASTM: ASTM International, originally known as the American Society for Testing and Materials (ASTM), was formed over a century ago. ASTM International is one of the largest voluntary standards development organizations in the world. ASTM develops technical standards for materials, products, systems, and services.

2.2 Biodiesel: A fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats and meeting ASTM D6751, designated B100.

2.3 Blend/Blender/Blending: A Blend of Biodiesel with fuel oils in a specified ratio designated Bxx, where xx is the volume percent of Biodiesel. A Blender of Biodiesel is an Organization that blends B100 with fuel oils. Blending implies the act of mixing Biodiesel with fuels oils to fashion a fuel of Bxx, where xx is the percent by volume of B100 present in the mixture.

2.4 Broker: An entity involved in the transfer of product from a seller to a buyer or end use customer and does not typically take physical possession of the product.

2.5 Days: If less than or equal to ten (10), they are considered business; otherwise calendar.

2.6 External Laboratory: A laboratory not located on-site and/or operated by a third party that the Biodiesel Organization can use to test product samples.

2.7 Internal Laboratory: A laboratory operated or managed by the Biodiesel Organization and located on site.

2.8 Marketer: An entity engaged in the business of the distribution and sale of Biodiesel and/or Biodiesel Blends.

2.9 NBAC: The National Biodiesel Accreditation Commission is an autonomous committee of the National Biodiesel Board that oversees and directs the BQ-9000 program.

2.10 Organization: A company involved in production, testing and/or distribution of Biodiesel or Blends.

2.11 Producer: An Organization involved in the production of B100 through assets under their direct control. Producers can either sell B100 or Biodiesel Blends of B99 or higher. The Producer shall be registered with the EPA as a renewable fuel Producer.

2.12 Quality Manual: A document that describes the elements of the Quality Program used to assure the requirements of this document are met.

2.13 Quality Program: The Organizational structure, responsibilities, procedures, processes and resources necessary to manage quality.

2.14 Verification: Confirmation by examination and provision of objective evidence that specified requirements have been fulfilled.

3 REFERENCES

3.1 Normative References

The following references contain provisions which, through reference herein, constitute provisions of these requirements. All referenced documents are subject to revision, and all those applying these requirements and use of any of these documents are required to obtain and apply the most recent editions of the references indicated below.¹

ASTM D396, *Standard Specification for Fuel Oils*

ASTM D975, *Standard Specification for Diesel Fuel Oils*

ASTM D4057, *Standard Practice for Manual Sampling of Petroleum and Petroleum Products*

ASTM D4176, *Standard Test Method for Free Water and Particulate Contamination in Distillate Fuels (Visual Inspection Procedures)*

ASTM D6751, *Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels²*

¹ ASTM documents are available from www.astm.org.

² Any approved alternative test methods listed in ASTM D 6751 are acceptable for use in this program.

ASTM D7371, *Standard Test Method for Determine of Biodiesel (Fatty Acid Methyl Esters) Content in Diesel Fuel Oil Using Mid Infrared Spectroscopy (FTIR-ATR-PLS Method)*

ASTM D7467, *Standard Specification for Diesel Fuel Oil, Biodiesel Blend (B6 – B20)*

Form BQF-1, *BQ-9000 External Laboratory Verification* (<https://bq-9000.org/documents/>)

4 DOCUMENTATION REQUIREMENTS

The quality management system documentation shall include:

- a) Documented statements of a quality policy.
- b) A Quality Manual.
- c) Documented procedures required by the BQ-9000 Program.
- d) Records required by this standard.

The Organization shall establish and maintain a documented quality management system containing provisions which explicitly or by reference, include items that address the requirements contained in this document. The Organization shall implement the newest revision of the BQ-9000 Marketer Program Requirements into their quality management system within 90 days of the effective date of the latest revision. The Organization shall notify and document their notification to the NBAC when these quality system changes have been made.

4.1 Quality Manual

The Quality Program shall be documented in a Quality Manual, which meets the requirements herein, including the means to ensure that Biodiesel conforms to ASTM D6751, is appropriately Blended, and meets any customer specific requirements. The Quality Manual shall include, or refer to, quality system procedures.

4.2 Quality Policy

A quality policy shall be defined and documented which includes the objectives for, and commitment to, quality. The quality policy shall be related to the business goals of the Biodiesel Organization and the expectations of its customers. The quality policy shall be invoked throughout the Biodiesel operation and understood by all levels of personnel.

4.3 Quality System Procedures

Documented Quality System Procedures (QSPs) shall be prepared describing the process to be employed for determining and documenting how operational quality requirements will be met and be consistent with the requirements herein. Procedures shall make reference to work instructions that explicitly define how an activity is to be performed.

To effectively implement the appropriate requirements, the Organization shall develop and document a training program that demonstrates competencies for all Biodiesel operations.

4.4 Document Control

The Quality Program shall contain provisions for maintaining and controlling BQ-9000 Quality Program related documents and records. Document Control shall have the following:

- a) A method of identifying the current document such as a revision letter, a revision date, or an effective date on page each of the document.
- b) A means to establish the document status, such as a form that lists all documents in the Quality System Procedures, defines the current revision of each document as defined in a) above, or the effective date of the revision.
- c) A distribution list of those in possession of your controlled Quality Manuals.
- d) A method for controlling the distribution of new and updated sections of your Quality System Documents. This should include a mechanism to remind recipients to destroy the copy of the obsolete documents. This is particularly important where forms are copied in advance of use.

4.5 Control and Retention of Records

Records shall be established and maintained to provide evidence of effective implementation, operation, and compliance of the Organization's quality system and this standard. Records shall be legible, identifiable, and accessible. Records shall be retained for a minimum of two (2) years. Some records may need to be kept indefinitely to demonstrate documented evidence of conformance to certain aspects of this program. The storage of quality records shall be done in a manner ensuring record integrity. This requirement does not supersede any federal, state, or other requirements (regulatory or otherwise) for further retention of records.

5 MANAGEMENT RESPONSIBILITY

5.1 Quality Management Representative

A quality management representative (QMR) shall be appointed and irrespective of other duties, should chair quality management review meetings, ensure a Quality Program is established and meets the requirements herein, report on the performance of the Quality Program and ensure the most recent version of the quality documents are made available to personnel.

5.2 Internal Quality System Audits

The Organization shall develop and implement a system for performing internal quality audits. Internal quality system audits of each element of the quality system shall occur a minimum of once per year to verify the Organization's operations comply with the requirements stated in its quality management system to determine the effectiveness of the Quality Program. Audits should be performed by persons other than those responsible for the area being audited. Audit frequency should be increased when audit results indicate that increased frequency would be beneficial. Audit results shall be presented to personnel responsible for the audited area and cited nonconformities shall be resolved in a timely manner as defined in documented procedures. The audit process, nonconformance reports, corrective action plans, and effective corrective actions shall be referenced and obtainable through internal audit records.

5.3 Quality Management Review

Quality management review meetings shall be held at least once every six (6) months and should be chaired by the QMR. Records shall be kept of the review meetings. The input to quality management review meetings should include information on the following:

- a) Results of Internal/External Quality System Audits.
- b) Customer feedback, including a review of customer complaints.

- c) Process performance and product conformity.
- d) Status of preventive and corrective actions, along with discussions of root causes and effectiveness of implementations.
- e) Follow-up actions from previous quality management reviews.
- f) Changes that could affect the documented quality management system along with discussions of root causes and effectiveness of implementations.
- g) Recommendations for improvement.

Outputs and action items shall also be documented as a result from these meetings.

6 LABORATORIES

6.1 Laboratory Practices

Each Internal and External Laboratory used by the Organization shall implement the following practices:

- a) Shall have access to the current ASTM D6751 specification and of the test methods for the test(s) being conducted in the laboratory.
- b) Have all equipment, standards, and/or test methods required for testing being conducted.
- c) Shall calibrate the equipment and standardize reagents at least as frequently as required by the methods for testing product to ASTM D6751 specifications. If there is not a requirement for calibrations, then a lab specific schedule shall be established for each test method used by the laboratory. Calibrations and standardizations shall be documented.
- d) Have a training program that demonstrates competencies for testing Biodiesel for conformance with ASTM D6751.
- e) At least once every four months, a laboratory shall execute a documented program to verify that their testing results are accurate by sending duplicate samples out to an independent laboratory, purchasing and testing standards, or actively participating in an ASTM (or equivalent) Biodiesel cross check program.
- f) Shall determine, collect, and monitor appropriate data to demonstrate the effectiveness of the testing performance; and address non-conformities through corrective actions.
- g) Shall maintain records that indicate which, if any, test results that were produced by an External Laboratory.
- h) Reference all test methods utilized.

6.2 Laboratory Auditing Protocol

6.2.1 Internal Laboratories

Internal lab audits shall be included as part of the Internal Quality System Audits (see 5.2).

6.2.2 External Laboratories

Organizations using External Laboratories shall have a completed and signed BQF-1 form for each External Laboratory used with supporting documentation indicating their compliance with the requirements specified in 6.1. This BQF-1 form, or Verification of a BQ-9000 Laboratory accreditation, shall be completed annually (every 12 months) and documented evidence shall be

retained by the Organization for a minimum of two (2) years.

7 RECEIPT OF PRODUCT

7.1 BQ-9000 Marketer Functioning per the Marketer Definition

A BQ-9000 Marketer functioning per the Marketer Definition has two purchase options when marketing Biodiesel:

- a) The Marketer can purchase Biodiesel, or a Biodiesel Blend, from a BQ-9000 Producer or Marketer (see 7.2.)
- b) The Marketer can purchase the Biodiesel, or a Biodiesel Blend, from a non BQ-9000 Producer or Marketer and verify testing has been performed to produce a valid Certificate of Analysis (COA)³; and if applicable, an accurate Blend (see 7.3).

The Marketer shall document from whom the Biodiesel fuel was purchased, their BQ-9000 status and the amount of fuel received. It is important to note that not all facilities under an accredited Producer or Marketer may all be operating under the requirements of these programs. The Marketer shall only accept product transfer documents that include an EPA registration number.

In any case, a representative sample of the product purchased shall be taken and retained for a minimum of 60 days.⁴ A sample shall also be tested per ASTM D4176 (Procedure 2, Maximum Value of 2).

7.2 Product Received from a BQ-9000 Producer or BQ-9000 Marketer

If product is received from a BQ-9000 Producer or Marketer, the BQ-9000 Marketer may accept the COA or other documentation demonstrating that the product met the limits of the tests conducted by the Biodiesel Producer or Marketer prior to discharging product directly into a distribution tank.

7.3 Product Received from a Producer or Marketer not BQ-9000 Certified

Product received from a Producer or Marketer not BQ-9000 certified shall have COAs showing the tests were performed by either an independent lab or the BQ-9000 Marketer's internal lab to verify that the product meets full ASTM D6751 specifications, and if applicable the accuracy of the Biodiesel Blend prior to discharging product directly into a distribution tank.

Note: If a BQ-9000 Marketer is purchasing Biodiesel product or a Biodiesel Blend and will not be offloading the product, but proceeding to immediately distribute the product and cannot meet the requirements of 7.3, then the BQ-9000 Marketer must purchase their Biodiesel or Biodiesel Blend from only a BQ-9000 Producer or BQ-9000 Marketer.

³ <https://www.bq-9000.org/documents/Producer%20Reg%20Rev%208%20Final.pdf> page 10

⁴ Retained samples ("retains") shall be kept in an environmentally appropriate location to avoid spoilage of the sample for the period of time being retained. In most cases, retention of at least one liter of fuel should be sufficient. If it is anticipated that cetane number will need to be tested from the retained sample, then an additional liter of fuel may be needed.

7.4 Commingling of B99 or B100 Fuel Shipments or Lots

Once the requirements of Section 7.2 or 7.3 have been met that indicate the fuel has been tested and has met the specification limits of the tests conducted, the fuel shipments or lots can be commingled with other verified lots.

The Cloud Point of the commingled B99 or B100 shall be reported as either:

- a) The highest Cloud Point of the B99 or B100 being commingled, or
- b) The measured Cloud Point of a representative blend.

The Oxidation Stability shall be reported as either:

- a) The lowest Oxidation Stability of the B99 or B100 being commingled, or
- b) The measured Oxidation Stability of a representative blend.

The Cold Soak Filterability shall be stated as either:

- a) The highest Cold Soak Filterability of the B99 or B100 being commingled, or
- b) The measured Cold Soak Filterability of a representative blend.

All additional properties for commingled lots shall be reported as either:

- a) The least favorable value of the products being commingled,
- b) The measured value for a representative blend, or
- c) The weighted average of the values of the products being commingled.

Results not obtained through physical testing shall be noted and documented as to how they were obtained.

7.5 B99 or B100 Tanks with Multiple Position Holders

In a situation where a Marketer distributes product from a tank where companies other than the Marketer lease space, the position holders in the tank shall all be required to purchase product using the same guidelines in Sections 7.1 – 7.2 to maintain accreditation.

7.5 Diesel Fuel and Fuel Oil as a Blend Component

Since ASTM D975 and ASTM D396 specifications permit diesel fuel to be supplied with up to 5% Biodiesel content, the Marketer shall know whether the diesel fuel or fuel oil used in the Marketer's Blending operations contains any percentage of Biodiesel. Since the diesel fuel and fuel oil certificates of analysis may not contain information on the amount of Biodiesel in the purchased diesel used for Blending, the Marketer shall determine the Biodiesel content through testing or by specifying the Biodiesel content in the purchase contract. This requirement is not applicable when making Blends of B99 or higher.

7.6 BQ-9000 Marketer Functioning per the Broker Definition

A BQ-9000 Marketer functioning only per the Broker definition must operate under the following:

- a) The Broker shall deal only with BQ-9000 Producers or other BQ-9000 Marketers when transferring B100 or B99 product.

- b) The B99 Blending must be performed by the BQ-9000 Producer or Marketer utilizing their loading/Blending facilities.
- c) If the Broker is involved in transferring Blends lower than B99, the Broker shall deal only with BQ-9000 Marketers who are responsible for the Blending with the BQ-9000 Marketer's facilities.
- d) If the Broker is responsible for arranging contract haulers to deliver the Biodiesel product, these contracts shall include cleanliness standards for the transports as specified in section 9.4; the Broker is also responsible to arrange with on-site personnel to perform and document the required periodic Verification that these transports are meeting the cleanliness standard.
- e) If cleanliness standards are not included in the hauling contracts or TAS (terminal automation system), the Broker is responsible to arrange with on-site personnel to perform cleanliness inspections prior to loading and document these inspections.
- f) If the customer is responsible for transport of the Biodiesel product, the Broker has no specific responsibility to enforce transport cleanliness standards.
- g) The Broker may request in writing from their supplier they retain a representative sample of the shipment that is being transferred. Such retains and records are still an auditable portion of the program.

8 BIODIESEL STORAGE

8.1 Biodiesel Storage and Distribution Tanks

All Biodiesel storage and distribution tanks shall be dedicated to Biodiesel service. If a tank is changed from some other service to Biodiesel storage, the tank should be drained dry, cleaned, and then inspected. The inspection shall be documented.

8.2 Biodiesel Storage Tank Sampling and Testing

Inspection and testing functions, associated with the Verification that specified product requirements are being met, shall be defined in documented procedures. Such procedures shall include the types of inspection and testing performed and the records established by same.⁵ The procedures for final inspection and testing shall require that all specified inspections and tests have been carried out and that the results meet specified requirements. Procedures for control of nonconforming product shall be employed (see 10.1) when a product fails to pass a required inspection or test.

8.3 Biodiesel Tank Testing

If a Biodiesel storage tank has no activity (when there is no received product nor outbound shipment over a 45 day period), product shall not be shipped from the storage tank until an outlet sample, or a representative sample of the product according to ASTM D4057 is taken. The sample shall be tested for Haze per ASTM D4176 (and for Oxidation Stability per D6751 if the product is B99/B100). If the sample fails to meet specification, the production lot shall be isolated and procedures for the control of nonconforming product shall apply. Analytical results shall be documented.

⁵ Organizations should check with their laboratories to determine the optimal volume of fuel needed for testing the product and for acceptable shipping containers and procedures.

9 FUEL BLENDING AND DISTRIBUTION

9.1 Fuel Blending

9.1.1 Fuel Blending of B99 or Higher Blends

Biodiesel Blends of B99 or higher require only records of the volumes of the Biodiesel and diesel fuel used to create this Blend. There is no sampling or testing of these Blends, nor validation of this Blending process.

9.1.2 Fuel Blending of Blends Lower Than B99

For creating Biodiesel Blends lower than B99, the Blending operation shall be monitored to assure adequate mixing of the products in the correct proportions. This includes measuring and recording the volumes and Blend levels as verified through bills of lading, meter printouts or other auditable records of both the Biodiesel and diesel fuel, which comprise the Blend. These records shall be kept for a minimum of two (2) years.

Validation of the Blending process shall be as follows:

- a) Blend homogeneity is measured by obtaining samples at the upper, middle, and lower regions of the vessel (if tank Blending) or of the tanker or railcar (if rack Blending) per ASTM D4057, Standard Guide for the Sampling of Petroleum and Petroleum Products.
- b) Analyze the sample or samples for percent Biodiesel using ASTM D7371, Determination of Biodiesel Content in Diesel Fuel, or EN 14078. The percentage of biodiesel in each of the level samples must be within 0.50% by volume for Blends less than or equal to B5 and 1.0% by volume for Blends greater than B5.
- c) Record the validation test results and retain for a period of two (2) years.
- d) Test three (3) consecutive Blend lots for each Blend range that the Marketer plans to distribute from each Blending system. If a Marketer has both rack and storage tank Blending, Blending validation shall be performed on both systems.
- e) Once initial validation has been completed, the validation shall be performed annually by requiring one test for each Blend range of product distributed per system, per (b).

9.2 Storage and Distribution Tanks Containing Blended Biodiesel

All Blend tanks should be dedicated to Biodiesel Blend service. If a tank is changed from some other service to Biodiesel Blend storage or distribution, the tank should be drained and cleaned prior to use as directed by knowledgeable personnel. The inspection shall be documented.

9.3 Blended Fuel Tank Testing

An outlet sample taken from the Blend tank (when there is no received product nor outbound shipment over a 45-day period) shall be tested for Haze using ASTM D4176, (Procedure 2, Maximum value of 2). If out of specification, corrective action with documentation is required.

9.4 Trucks, Railcars and Vessels Containing Biodiesel and Blended Biodiesel

The Quality Program shall provide cleanliness specification standards that address material and chemical compatibility issues, inspections and cleanliness for trucks, railcars, and vessels used for distributing Biodiesel and Biodiesel Blends in a BQ-9000 Marketer's supplied trucks, railcars, and vessels. Such trucks, railcars, and vessels shall be inspected prior to loading. If the previous load is suspected to have contained a product that would contaminate the Biodiesel (e.g., gasoline, ethanol, methanol, lube oils, raw vegetable oil or animal fats), the procedures shall enable the Marketer to document the course of action taken to prevent any contamination. This would include dyed products and products in excess of 15 ppm sulfur when the Biodiesel is destined for ULSD applications. These inspections shall be documented and retained per program requirements.

It shall be documented when contracted transportation companies are used, that they have been forwarded the Organization's cleanliness requirements on an annual basis. Customers that provide their own transportation shall also be made aware of the company's procedures annually. Any known customer supplied transport that does not meet an Organization's cleanliness requirements, would still require documented approval to load.

10 REMEDIATION ELEMENTS

10.1 Nonconforming Product

The Organization shall develop documented procedures that will ensure that product is prevented from unintended use or shipment if it is found to be nonconforming. Controls shall be defined that provide for identification, documentation, evaluation, segregation (when practical), disposition of nonconforming product, and for notification to the functions concerned. Personnel with the authority to review and "sign-off" on the disposition of nonconforming product shall be identified and documented. The review of nonconforming product shall be conducted according to the documented procedures along with initiating a Corrective Action, as per section 10.2. The disposition of nonconforming product may be categorized as:

- a) Reprocessed/remediated to meet specification,
- b) Re-classified to another application, or
- c) Rejected or destroyed.

If product is reprocessed or remediated, it shall be re-inspected to assure it meets specification. The re-inspection and results shall be documented.

10.2 Corrective and Preventive Action Procedures

Corrective and preventive actions shall be managed through the use of documented procedures. Records shall be maintained for corrective and preventive actions. Corrective actions shall be issued in response to product quality nonconformities (including both internally identified and customer complaints related to product quality) and identified nonconformities related to processes of the Quality Management System (including internal and external audits).

For corrective actions, the procedure shall require a clear statement of the nonconformity; assignments of responsibility for definition and completion of the corrective action; identification of root cause; identification of the corrective action(s) that are intended to prevent recurrence of the nonconformity and Verification of the effectiveness, at an appropriate interval following the

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implementation of the corrective action, of the action. The corrective action process shall not be closed until Verification of effectiveness activities have been completed and recorded. Records of corrective actions shall be documented using a form that supports the above required processes.

For preventive actions, the procedure shall require a clear statement of the condition that could result in a nonconformity (either related to product quality or processes of the Quality Management System); assignments of responsibility for the definition and completion of the preventive action and the identification of the preventive action(s) that are intended to prevent the occurrence of the nonconformity. Records of preventive actions shall be documented via memos and /or use of forms implemented for corrective actions. Within these procedures, these forms shall have documented timeline requirements for their completion, review, and Verification.

Appendix A POLICY REGULATIONS

1 ACCREDITATION PROCESS

1.1 Initial Accreditation

The initial accreditation, with a Certification Audit process, is described in the NBAC BQ-9000 Application Package document. This document also contains requirements necessary for participation within the program and can be found on the BQ-9000 website (www.bq-9000.org/). The date the NBAC approves the BQ-9000 accreditation for an applicant becomes the anniversary date of their accreditation. Approximately one (1) year from their accreditation anniversary date, an on-site Surveillance Audit will be held. Approximately two (2) years from their accreditation anniversary date a second Surveillance Audit will be held. At the end of three (3) years, the Organization's BQ-9000 accreditation expires. If the Organization wishes to continue in the BQ-9000 accreditation program, they must provide notice and complete a Recertification Audit that can be reviewed and approved before their accreditation expiration date.

An Auditor is assigned to perform a Certification (or Recertification) Audit and the following two (2) Surveillance Audits as well as any interim follow-up audits. When the Organization is required to have a Recertification Audit, a new auditor may be assigned to get a second perspective on the Organization's performance of its quality system. However, an Organization may request the same auditor for a second cycle of three (3) years only once following their initial accreditation.

1.2 Surveillance Audit

The Surveillance Audit is a one-day on-site audit where the Auditor reviews program elements of the BQ-9000 Organization. This audit is to verify the BQ-9000 accredited Organization continues to comply with all requirements of the BQ-9000 program including any changes in the program Requirements since the last audit. A second Surveillance Audit is required approximately two (2) years from their original accreditation date.

1.3 Reaccreditation / Renewal

At three (3) years from the original accreditation date, an Organization's BQ-9000 accreditation expires. The Organization may request to continue in the program and must participate in a Recertification Audit. A Recertification Audit is a one and one-half day audit similar to the Initial Accreditation Audit in which the auditor looks at all elements of the Organization's quality system.

Approximately four (4) months prior to the expiration of the BQ-9000 accreditation, a Recertification Audit shall be scheduled to allow the Organization to process any nonconformances and allow the NBAC time to review the audit and approve reaccreditation before the Organization's current accreditation expires. The same cycle of Surveillance Audits will then follow the reaccreditation.

1.4 Post-audit Requirements: Surveillance and Recertification Audits

Upon completion of an audit, the Auditor will produce an audit report, noting any nonconformances, deficiencies, and areas of concern. The report will be submitted to the Organization's quality management team for their review and comment.

At the closing meeting, if the QMR and/or a member of the Organization's quality management team believes a cited nonconformance is the result of differing interpretations of a program element and cannot settle the issue with the Auditor, the QMR can within five (5) days of the closing meeting, contact the NBAC Program Manager (<https://bq-9000.org/nbac/>) at the National

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Biodiesel Board and provide written information concerning the interpretation of the specific program element(s) and the Organization's position on the nonconformance.

After this, the NBAC Program Manager will meet with the NBAC Chairman and one or more NBAC Commissioners to review the program requirements and may discuss with the Auditor their interpretation of the requirement. This NBAC group will make a determination of the correct interpretation and will normally inform the Organization of their decision within 10 days of the receipt of the Organization's information.

The Organization should submit an action plan to the Auditor within 30 days of the audit date describing how the Organization will address each of identified nonconformance. The Organization must submit a Corrective Action form and, at a minimum, must supply the following information to the Auditor:

- a) The nonconformance stated.
- b) The root cause of the nonconformance.
- c) The action plan to address the nonconformance.
- d) The person responsible for executing the action plan.
- e) The expected time to complete the corrective action.
- f) An approval signature of the QMR or responsible management person who is approving this specific action plan.

If the Organization satisfactorily completes their corrective actions on all nonconformances within 30 days of their recently completed audit date, the Organization is not required to submit their action plans.

Evidence that corrective actions have addressed the nonconformances can be mailed or emailed to the Auditor. Under certain circumstances, a follow-up visit may be required to confirm the corrective action of a specific nonconformance.

All nonconformances are expected to be closed within 60 days of the audit date. The NBAC recognizes there may be a specific nonconformance which cannot be closed within 60 days and this will be acceptable if the Auditor is informed of such when the Organization issues its action plans. An Auditor may reject one or more of the Organization's action plans if the plan(s) does not fully address the nonconformance(s). The Organization must then revise and resubmit this action plan to the Auditor.

If an Organization cannot reach an agreement with the Auditor on an action plan for a specific nonconformance and has submitted at least two action plans to remedy the nonconformance, the Organization's QMR or designated representative can take the following steps: Within five (5) days of the rejection of a second submitted action plan for a nonconformance, contact the NBAC Program Manager at the NBB office and provide written information concerning the validity of the proposed action plan(s) for this nonconformance. The Program Manager will meet with the NBAC Chairman and one or more NBAC Commissioners to review the submitted action plan(s) as it relates to the cited nonconformance, and may discuss with the Auditor, their position on the proposed action plan(s). This NBAC group will make a determination on the proposed action plan(s) and will normally inform the Organization of their decision within 10 days of the receipt of the information from that Organization.

BQ-9000 Marketer Requirements

If the Organization delays closing their nonconformances beyond the 60 days (except in the circumstance noted in the above paragraph) requiring further Auditor attention, the Organization may be charged \$150 per hour for the extra time the Auditor had to spend reviewing the audit.

If after 60 days from the audit date, the Auditor has not received any communication pertaining to the action plans or corrective actions for this audit, the Organization will receive a warning letter from the NBAC stating the Organization's nonconformance must be completed within 30 days or their accreditation will be suspended if this is a Surveillance Audit, or their request for reaccreditation will be denied if this is a Recertification Audit.

When the auditor has verified all nonconformances have been closed through corrective action, a final audit report will be submitted to the NBAC.

The Organization may submit written comments on this final report by submitting them to the NBAC chair or NBB Liaison within one week after receiving the Auditor's final report. The NBAC normally holds monthly meetings and should respond to the Auditor's reports and recommendations within 30 days.

Upon receipt of the Audit Report, the NBAC will set a meeting to vote on the Organization's accreditation status. The NBAC may request to have the Auditor present via conference call during its review to answer questions about his/her audit report. After dismissing the Auditor, the NBAC will perform a final review the Audit Report and any written comments. The NBAC can then proceed with one of the following actions:

- a) Based on a satisfactory Certification or Recertification Audit Report, vote to approve accreditation or reaccreditation,
- b) Based on the review of a satisfactory Surveillance Audit Report, allow accreditation to continue,
- c) Based on the need for additional facts, vote to postpone the accreditation status decision and require additional information,
- d) Based on the determination the Organization needs significant improvement in the execution of their quality system, vote to postpone accreditation status and require a follow-up audit. This follow-up audit will take place after the Organization has had an opportunity to improve their quality system performance. A vote on the accreditation status will then take place after the results from the follow-up audit have been reviewed,
- e) Based on the determination that the Organization's performance was unsatisfactory, vote to suspend the Organization's accreditation and recommend a follow-up audit. The NBAC can then vote on reconsideration of the suspension based on the results of this follow-up audit, or
- f) Based on the determination the Organization's performance was poor, vote to revoke the Organization's accreditation.

If the NBAC determines additional facts are necessary, they may postpone the determination for no longer than sixty (60) days. If not, the NBAC shall proceed to determination. The determination will be accomplished by a vote of the commission, with each commissioner having one (1) vote. A majority of the commissioners must vote affirmatively on the accreditation request for accreditation to be granted. If accreditation is not granted, the basis for the denial, identifying all material deficiencies, will be sent to the applicant in writing.

If a follow-up audit is required, the audit fee and travel expenses shall be paid by the Organization.

If the Organization believes they have received an adverse decision from the NBAC, the Organization may use the Reconsideration or Appeal process to address their concerns. The details for Reconsideration and Appeal are found in the section Reconsideration and Appeal Process for NBAC Decisions (see Appendix A 3.0).

1.5 Audit Scheduling

If a Marketer has multiple terminals included in the Marketer's BQ-9000 accreditation, these terminals are audited as well as the corporate facilities. If a Marketer has up to three (3) terminals included, one of the three terminals is audited at the same time as the corporate facilities. Different terminals are audited each cycle so all terminals over time will be audited. If a Marketer has more than three terminals included in their BQ-9000 accreditation program, one or more additional terminal audits are required each audit cycle. See the program costs on the BQ-9000 website for details and costs (<https://www.bq-9000.org/costs/>).

Under most circumstances, the two Surveillance Audits shall be scheduled as noted above in section 1.1. Any interim follow-up audit between these required audits shall not change the due dates of Surveillance and Reaccreditation Audits.

Normally at the close of a Surveillance Audit or Recertification Audit, the next audit should be scheduled. In such a case, the Auditor will report to the NBAC when the Recertification Audit is scheduled. If a new Auditor is assigned, he/she will contact the Organization and establish a mutual audit date.

1.6 Audit Fee Structure

See the BQ-9000 website for details on the fee structure for each type of audit (<http://bq-9000.org/costs/>). NBB Member Organizations wishing to take advantage of the NBB Member pricing within the program must be in good standing with the NBB.

2 ACCREDITATION SUSPENSION AND REVOCATION

2.1 Suspending BQ-9000 Producer, BQ-9000 Marketer, BQ-9000 Retailer, or BQ-9000 Laboratory Status

NBAC may suspend BQ-9000 Producer, Marketer, Retailer, or Laboratory status and remove a company's name from the list of BQ-9000 companies at www.BQ-9000.org for any of the following reasons:

- a) Failure to follow the approved quality management system, policies, or procedures resulting in a nonconformance without implementing corrective action,
- b) Denying access to an operation's facilities and records to the BQ-9000 auditors within the scope of the requested accreditation,
- c) Failure to pay NBAC required fees,
- d) Failure to respond to NBAC corrective actions in the timeframe provided, or
- e) A production facility falls under the suspension criteria in Policy 6.0 Producer Idled Production Plants.

NBAC will notify the Organization in writing of the suspension and actions required to regain BQ-9000 status, including a deadline for all specified actions. If the suspended entity does not respond to the NBAC's initial notification of suspension within thirty (30) days, the entity's BQ-9000 status will be revoked. Information provided will not include specific remedies to violations.

If an Organization's actions or lack of actions do not meet the criteria described above, the NBAC may issue a Warning Letter to an Organization their continued accreditation is in jeopardy. The Organization shall receive a recommendation to initiate some action such as hiring a consultant to help them better develop their program or better execute their program, perform internal training, and/or scheduling an interim follow-up audit to demonstrate their improved performance under their quality system.

2.2 Reinstatement of Suspended BQ-9000 Accreditation

BQ-9000 status for Organizations will remain suspended for reasons a, b, and d above until an on-site audit verifies effective corrective action has been taken. Final decisions on the suitability of corrective action and the Organization's eligibility for reinstatement are solely at the discretion of the NBAC.

BQ-9000 status for Organizations suspended for failure to pay fees will be reinstated when all outstanding fees and interest have been paid in full.

BQ-9000 status for Organizations suspended due to an idled production plant may be reinstated after the plant begins production and specific quality system requirements are met as defined in section 6.0 Producer Idled Production Plants.

2.3 Revoking BQ-9000 Accreditation

NBAC may revoke BQ-9000 status and remove an Organization's name from the list of approved Organizations at www.BQ-9000.org for any of the following reasons:

- a) Repeated failure to maintain its system in conformance with the requirements of this directive and the approved quality system,
- b) Failure of a suspended operation to meet conditions for reinstatement within the required timeframe,
- c) Failure to respond to NBAC in given timeframe,
- d) Willful violation of Federal or State regulations relevant to BQ-9000 standards,
- e) Deliberate misrepresentation of the products or services distributed under a BQ-9000 system,
- f) Improper use of the BQ-9000 logo/language in advertising and promotional material or nonconformance with the BQ-9000 license agreement, or
- g) A production facility falls under the revocation criteria in Policy 6.3 Guidance.

NBAC will notify Organizations in writing of the revocation. Organizations whose approval has been revoked may reapply for BQ-9000 accreditation after a period of one (1) year.

Organizations may request Reconsideration or Appeal of an adverse decision by the NBAC. See section 3.0 Reconsideration and Appeal of NBAC Decisions.

2.4 License Use of BQ-9000 Logo/Language

The NBAC's License Agreement with an Organization is co-extensive with their BQ-9000 accreditation per the NBAC License Agreement. Thus, when an Organization's accreditation is suspended or revoked, the Organization must remove the BQ-9000 logo/language from all their materials and cease to use it. An Organization's continued use of the BQ-9000 logo/language beyond the suspension or revocation date will be actionable as unlawful infringement of intellectual property. The Organization's name will be removed from the list of BQ-9000 Organizations on the NBAC website, but no other steps will be taken by the NBAC to publicize this step.

3 RECONSIDERATION AND APPEAL OF NBAC DECISIONS

3.1 Reconsideration of Adverse Decision

An applicant denied accreditation has thirty (30) days after the NBAC's adverse decision in which to submit a written request for Reconsideration of a denied certification or other adverse decision to the NBAC. The NBAC will grant Reconsideration if it believes a genuine issue of fact material to the decision it made. The Reconsideration request must identify the elements of the audit report or other basis for the NBAC decision alleged to be inaccurate or otherwise erroneous. The applicant may attach written evidence of the alleged inaccuracy or error. Before acting on Reconsideration, the NBAC reserves the right to submit to the applicant additional questions in writing or to direct further investigation by its staff or auditor, and to consider also evidence so acquired.

The question upon Reconsideration shall be the same question as upon original consideration: Shall the Application be approved? The vote required shall be the same as upon original consideration which is a majority of Commissioners in office. In its vote upon Reconsideration, the NBAC shall, weighing the evidence before it, act upon the basis of the evidence presented. The NBAC's decision shall contain findings of fact and conclusions based thereon.

3.2 Appealing NBAC Rulings

A party aggrieved by a decision of the NBAC upon Reconsideration may appeal that decision to an Appeal Board if within 20 days of the decision upon Reconsideration. Specifically, the party needs to write a letter to the NBAC stating grounds for appeal, requesting a hearing, and enclosing a fee of \$2,000 to offset the NBAC's miscellaneous costs incurred in the Appeal.

Upon request of such letter, the NBAC shall appoint an independent Appeal Board of three industry experts with, preferably, one from academia, one from government, and one from private industry.

The NBAC shall forward to each Appeal Board member the entire record of the matter appealed. The record on appeal shall consist of: All documents in possession of the NBAC with respect to Appellant at time of Reconsideration. The Appeal Board's decision shall be based solely on the record; no additional evidence shall be considered.

The Appeal Board shall:

- a) Within five (5) days of appointment, elect a Chair.
- b) Within 10 days of appointment, receive and thoroughly review the record.

- c) Invite the Appellant to submit any further written argument, to be received no later than 14 days after appointment.
- d) Thoroughly review any written argument submitted.
- e) Schedule a conference call/webinar hearing on the appeal, to be conducted no later than 30 days after appointment.

At the oral argument session, the NBAC shall be represented by its Chair or its counsel. The appellant may appear in person or be represented by counsel. Each party may make an oral statement of no longer than 10 minutes. There shall be no further evidence introduced; however, each party shall, during oral argument, respond fully and faithfully to questions from the Appeal Board. There shall be no direct or cross-examination by the parties.

After all questions from the Appeal Board have been answered, the Board shall dismiss the parties and reach a decision. The Board may affirm the NBAC decision, reverse the NBAC decision, or remand to the NBAC for further action in accord with the Board's decision. The Board shall reverse or remand it if it determines the decision of the NBAC was not supported by substantial evidence in the record before the NBAC when reviewed. The Board shall affirm it if it determines the decision of the NBAC was supported by substantial evidence in the record before the NBAC when viewed. The Appeal Board Chair shall write the decision and send it to both parties. The written decision of the Appeal Board shall be final.

4 BQ-9000 MARKETER PROVISIONAL STATUS

4.1 Background

When an Organization becomes certified as a BQ-9000 company, the accreditation applies only to those specific facilities having been registered and voted upon. As the company becomes more established, they may want to have other facilities owned or operated by the parent Organization to become BQ-9000 accredited. The following information provides guidance on how these facilities can become accredited. At this time, no other procedures exist to provide Provisional Status for Laboratories.

A BQ-9000 company shall not imply or represent any additional facilities owned or operated by the accredited company fall under an existing BQ-9000 accreditation. Nor shall the company imply or represent any other facility has met the BQ-9000 requirements unless they have received BQ-9000 accreditation for that particular site.

The NBAC recognizes an existing BQ-9000 company's successful implementation of their quality management system demonstrates commitment to the BQ-9000 program and an understanding of the challenges of marketing product from multiple facilities. The NBAC has created a Provisional designation to expedite the recognition of additional facilities the Organization wants to become BQ-9000 accredited.

In the normal BQ-9000 accreditation process a Biodiesel facility must operate for six months under their quality management system before they can be audited by NBAC to seek full BQ-9000 accreditation. This allows sufficient time for the facility personnel to become ingrained in the program elements of the BQ-9000 requirements, generate production and test data, and also allows the QMR to gain experience in managing their quality management system. When an Organization wants its other Biodiesel facilities to become BQ-9000 certified, the Organization implements its existing BQ-9000 quality management system into these other facilities. This

allows these facilities to qualify under the BQ-9000 Provisional Status and can be recognized as a BQ-9000 facility and can use the BQ-9000 logo before completing the six (6) months operational requirements and its accreditation audit.

4.2 Eligibility Requirements

If the BQ-9000 company has operated under the BQ-9000 program long enough to satisfactorily complete one Surveillance Audit, the corporation may seek Provisional Status for an additional facility or facilities.

If more than one new facility is seeking Provisional Status, each facility is handled separately (or may be grouped as appropriate within the Marketer program). Under normal circumstances Provisional Status is granted for a period not to exceed 12 months. After six (6) months, this facility must have a satisfactory accreditation audit for full accreditation. Otherwise the facility loses its Provisional Status and may no longer use the BQ-9000 logo for this facility.

4.3 Marketer Provisional Status Prerequisites

A certain number of prerequisites must be completed before the NBAC can award Provisional Status. A corporation requesting provisional accreditation for an additional facility shall complete the following steps:

- a) The BQ-9000 company shall submit a written request to the NBAC requesting permission to pursue Provisional BQ-9000 status for a specific facility.
- b) Submit a completed application, and the appropriate Provisional Status fees.
- c) The new provisional facility shall submit copies to NBAC of any documented work instructions or procedures that are specific to this new facility not currently in the parent company's Quality Manual.
- d) The initial, appointed QMR shall be from the parent Organization.
- e) Conduct at least one internal audit. The internal audit shall be completed under the supervision of the internal auditor or QMR either of which is from the existing BQ-9000 certified parent Organization.
- f) Hold at least one (1) quality management review meeting led by the QMR from the existing BQ-9000 certified facility.
- g) Submit any relevant documentation, a copy of the internal audit report, and a copy of the Management Review Meeting to the NBAC appointed auditor for Verification.

After Verification the prerequisites have been met, the NBAC auditor shall make a recommendation to the NBAC on the facility's request for Provisional Status. While the new facility is operating under the Provisional Status, it must operate under its parent's Quality Manual. If the new facility plans to operate under its own Quality Manual, the Organization can develop its own manual during this time. The new facility's Quality Manual must be submitted to the NBAC Auditor so the Auditor can perform a Desk Audit of the new manual prior to the Organization's accreditation audit. The new facility cannot operate under its new Quality Manual until it has been approved by the NBAC Auditor.

4.4 Provisional Status Fee

The fee for an Organization seeking Provisional Status is identical to the Application Fee of any

Organization seeking the same respective BQ-9000 Accreditation.

4.5 Steps to Full BQ-9000 Marketer Accreditation

In order for an Organization/facility to achieve a full Marketer Accreditation, the following four (4) steps must be met:

- a) The facility must operate under their quality management system for a minimum of six (6) months after receiving Provisional Status.
- b) During the time in which the new Marketer Organization is operating under the Provisional Status, the facility's quality system shall be managed by the personnel involved in managing the quality management system of the parent BQ-9000 certified company.
- c) The facility must complete a satisfactory On-Site registration audit by the NBAC appointed auditor.
- d) Resolve all nonconformances identified during the registration audit.

After all nonconformances have been successfully closed out, the NBAC auditor shall issue an Audit Report to the NBAC on the facility's request for full BQ-9000 accreditation. The NBAC shall then vote on awarding the Organization full BQ-9000 Marketer accreditation.

4.6 Audit Cycles

The audit dates of the existing BQ-9000 company do not change with the addition of the new BQ-9000 facility. The audit scheduling of the new BQ-9000 facility is totally independent of the audit dates of the existing BQ-9000 company. The new BQ-9000 facility is treated as an independent Organization and its audit scheduling is based on when the new Marketer facility achieves full BQ-9000 accreditation.

5 BQ-9000 PRODUCER SEEKING BQ-9000 MARKETER ACCREDITATION

5.1 Requirements

If a BQ-9000 Producer wishes to exceed volumes specified in section 12 of the requirements on Producers Purchasing Biodiesel or if the Producer wishes to sell Blends lower than B99, the Producer should seek BQ-9000 Marketer accreditation.

5.2 Seeking Marketer Accreditation

If a BQ-9000 Producer wishes to become a BQ-9000 Marketer, the following must be met:

- a) An application must be filed and all required fees paid.
- b) A marketing Quality Manual must be developed based on the BQ-9000 Marketer Requirements manual.
- c) Audits executed in the same manner as for any BQ-9000 accreditation.

5.3 BQ-9000 Producers Who Have Received Their BQ-9000 Marketer Designation

BQ-9000 Producers who have received their BQ-9000 Marketer accreditation, but have not marketed or distributed B99 or Biodiesel purchased from a third-party supplier or have not sold Blends of B98 or lower, have one (1) year from the date of their BQ-9000 Marketer accreditation to perform these activities under their BQ-9000 Marketer quality management system. If no BQ-

9000 Marketer activity has been recorded during this year, then the company shall forfeit their BQ-9000 Marketer Status.

6 BQ-9000 PRODUCER IDLED PLANTS

6.1 Background

BQ-9000 accreditation is granted for a period of three (3) years and may be renewed. However, a company undergoes annual Surveillance Audits to verify they are maintaining and using their quality management system. The NBAC expects BQ-9000 companies are continuously operating within the scope of their quality management system.

Nevertheless, a BQ-9000 Producer may choose to shut down or idle their plant for an extended period of time due to any number of factors such as poor economic conditions, major plant retooling or labor issues. These may prompt questions concerning a plant's BQ-9000 status such as "How does a plant shutdown or idling affect a company's BQ-9000 status?" and "Are there any requirements for restarting the production facility?"

Plant shutdowns may affect plant staffing, quality management system maintenance and employee familiarity with the system. As a result, the effectiveness of the company's quality management system may be impacted. Therefore, the NBAC has outlined the following quality management system restarting Verification requirements for a production facility after a shutdown. These requirements are based upon the shutdown category classification.

6.2 Definitions

6.2.1 Category I Shutdown: The facility is not producing Biodiesel for 60 days, but the quality management system is still being followed and maintained and the quality management representative (QMR), Biodiesel plant manager, and possibly the lead operator all retain their positions.

6.2.2 Category II Shutdown: The facility is not producing Biodiesel and the entity has been under Category I for greater than 120 days while still maintaining the quality management system and the QMR and plant/operations manager are still part of the Organization.

6.2.3 Category III Shutdown: The facility is not producing Biodiesel and the quality management system is not being followed and maintained.

6.3 Guidance

6.3.1 Category I Shutdown

A company enters Category I Shutdown when the facility has ceased production for more than 60 days, but less than 180 days, and shall complete the following requirements:

- a) During the shutdown period the company shall maintain product and tank testing requirements outlined in the quality management system.
- b) After 90 days of ceased production, they shall test stored product for all critical parameters prior to shipment.
- c) Prior to startup the company shall hold an abbreviated Quality Management Review meeting to focus on startup issues such as refresher training, sampling, and testing. All affected personnel shall have had refresher training.

- d) After 150 days of ceased production, the company shall hold an internal audit to verify the effectiveness of the quality system within 60 days after startup.
- e) A full quality management review meeting shall then be held within 30 days after the internal audit.
- f) NBAC shall receive documentation of this classification.

No on-site NBAC external audit is required at the time of start-up and the company's BQ-9000 status is maintained. Future audits shall be scheduled within one (1) year from the previous external audit.

6.3.2 Category II Shutdown

After 180 days of no production activity, the company enters Category II Shutdown. At this time, a company's BQ-9000 accreditation is suspended and in order to attain reinstatement, the following must be adhered to:

- a) Prior to shipping stored product from their tanks, the Biodiesel shall be sampled and tested for all critical parameters which are identified in Section 8.3 of the Producer Requirements.
- b) The first Production Lot produced at startup shall receive full Biodiesel ASTM D6751 testing (except Cetane number) and must meet the specifications.
- c) Prior to startup they shall hold a Quality Management Review Meeting to focus on the startup issues such as refresher training, sampling, and testing. All affected personnel shall have had refresher training.
- d) Within 60 days after startup the company shall hold an internal audit to verify the effectiveness of the quality system.
- e) Another quality management review meeting shall be held within 30 days after the internal audit.
- f) An external audit shall be scheduled and occur within six (6) months of startup.
- g) NBAC shall receive documentation of this classification.

The next Audit shall be scheduled within one (1) year from the date of this new external audit or prior to the expiration of any accreditation.

6.3.3 Category III Shutdown

BQ-9000 accreditation is revoked (refer to section 2.3).

7 CHANGE OF OWNERSHIP AND ACQUISITIONS

7.1 Background

As the Biodiesel industry expands, it is possible Biodiesel companies will acquire other Biodiesel facilities (Producer, Marketer, and/or Laboratory). This policy provides guidelines to ensure ownership changes are properly accounted for when involving an Organization with a BQ-9000 accreditation.

7.2 Ownership Changes and Acquisition Scenarios

There are three common scenarios involving ownership change or acquisition:

- a) The BQ-9000 Organization is purchased by another BQ-9000 Organization.
- b) The BQ-9000 Organization is purchased by an organization with no BQ-9000 accreditation.
- c) The BQ-9000 Organization purchases a non BQ-9000 organization and wants it to become BQ-9000 accredited.

A BQ-9000 Organization involved in an ownership change must meet the following requirements to maintain their BQ-9000 accreditation:

- a) If the acquired BQ-9000 Organization maintains its identity and wants to maintain its BQ-9000 accreditation, the acquiring Organization must inform the NBAC Program Manager in writing of this request. If either entity is a member of the NBB they must also complete the Name Change Form (www.bq-9000.org/documents/) and submit it to the NBAC Program Manager along with the Name Change Fee. Should this be the case, both entities will exist under their respective BQ-9000 accreditations, and from a BQ-9000 perspective, will be treated as separate and independent entities for audit scheduling.
- b) If the acquiring entity is not a BQ-9000 accredited Organization and the entity being acquired is BQ-9000 accredited, there are two (2) possible cases: one where the existing BQ-9000 quality system is maintained and one where it is not.
 - i. If the entity being acquired retains its original quality management system and the quality management team will remain (or remain for a sufficient time) to train a new quality management team, the accreditation is maintained under the following provisions. The acquiring entity must inform the BQ-9000 Program Manager in writing that the acquired BQ-9000 Organization's quality system and quality management team will continue. If the acquired entity is a member of the NBB they must complete the Name Change Form, submit it to the NBAC Program Manager, along with the Name Change Fee.
 - ii. If the non-BQ-9000 organization does not adsorb the BQ-9000 Organization's quality system and its quality management team, then the acquired BQ-9000 Organization is no longer considered BQ-9000 accredited. The organization being acquired may achieve BQ-9000 accreditation via the process described in the NBAC BQ-9000 Application Package. The acquired entity may be eligible for expedited recognition as a BQ-9000 accredited Organization under the Provisional Status process. This is outlined in the Policies on Producer Provisional Status (refer to Section 4).

7.3 Fees and Payments

The additional number of audits and audit costs when mergers occur are described in the BQ-9000 website under Program Costs.