

# BECOMING AN APSCA MEMBER FIRM

This document outlines the prerequisites and application process for APSCA Audit Firm membership (the 'Applicant'). It should be read in conjunction with [Membership Information for Firms](#) and the [Audit Firm Membership Application Form](#).

The authority to grant firm membership rests solely with the APSCA CEO, per the policies and procedures established by the Board. Board input will be sought only when deemed necessary.

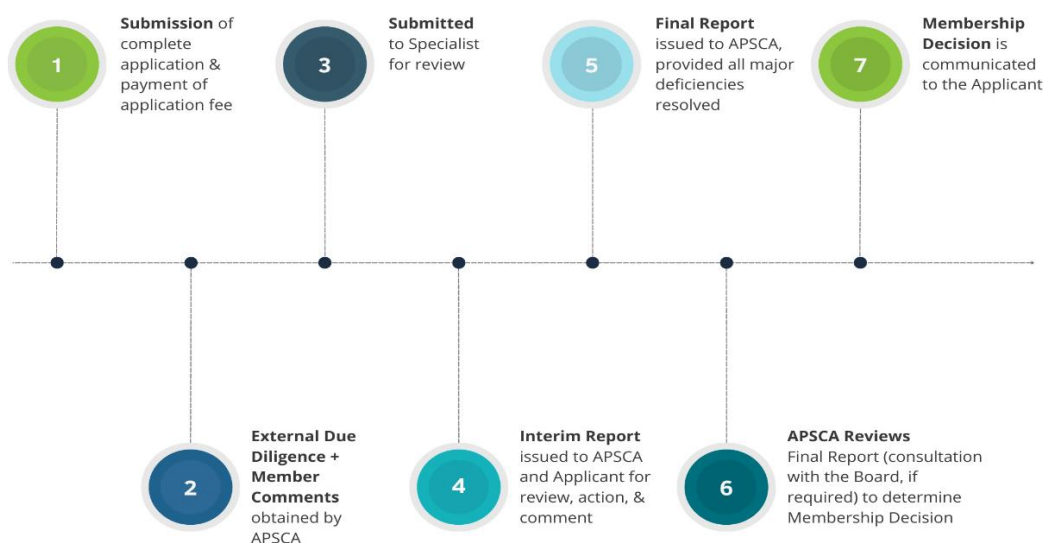
The Membership Application process is overseen by APSCA who gathers reports from Blue Umbrella (a third-party due diligence reporting agency) and an independent third-party due diligence specialist (the 'Specialist') for each Application.

APSCA grants and maintains membership only for firms that comply with the [APSCA Code and Standards of Professional Conduct](#) and [Competency Framework](#).

If there are minor deficiencies in the Applicant's policies, procedures, or other aspects of their Social Compliance Audit business, APSCA may grant provisional membership for up to twelve months to allow the Applicant to rectify those issues.

## Application Overview

The time it takes to process and review an applicant's application may vary due to factors beyond APSCA's control. However, on average, the application process typically takes between 6 to 7 months from the initial submission to the final decision on membership. Details regarding this process are outlined below.



## Application Process

1. The Applicant electronically submits a signed and dated Membership Application Form along with the referenced attachments (referred to as the 'Application'). Upon receipt of the Application APSCA will issue an invoice for the Initial Application Fee. The Application process will commence only upon receipt of the Application fee and all required documentation.
2. APSCA summarily reviews the Application. If any errors or omissions are identified during initial review, APSCA will invite the Applicant to amend or add to the Application.
3. APSCA may appoint any third-party expert advisers (in addition to Blue Umbrella and the Specialist) to evaluate each Application or any part of it.
4. APSCA engages Blue Umbrella to conduct Due Diligence and provide a Report in respect of the following aspects of the Applicant and Application:
  - a) Business ownership, registered locations, operating structure, business license or equivalent within scope of applicable laws
  - b) Any other documentation required by local law to be considered as an operating business
  - c) Information on the business license/ operational document matches the data provided by the applicant.
  - d) Individual named person check (mostly senior management/owner level)
  - e) Business practice review
  - f) Integrity checks – using publicly available information
  - g) Business reputation review
  - h) Litigation, regulatory and blacklist checks
5. APSCA informs all Member Firms (Provisional and Full) that the Applicant has applied for Membership. APSCA may, only upon request, provide Member Firms with a summary of the Application including the Applicant's social compliance audit systems but will not provide them with copies of the Application, any policies or procedures of the Applicant or any confidential information about the Applicant.
6. APSCA invites all Member Firms to comment in confidence, if they wish, within a period of 30 days about the Application and their knowledge (if any) of the Applicant's compliance with the APSCA Code and Standards of Professional Conduct and Competency Framework. Based on the Member Comments provided, APSCA may seek clarification or further information from any Member Firms.

7. APSCA provides copies of the Application (including attachments), Blue Umbrella Due Diligence Report and Member Comments to the Specialist. The Specialist reviews the Application, including conducting reference and background checks with clients of the Applicant and through publicly available information (including internet and social media). The Specialist may ask the Applicant for clarification, further information or documents, if required. The Applicant has the responsibility of verifying its answers and providing further information where required. The Applicant may be asked to submit a statutory declaration (or its equivalent in the Applicant's domicile) in respect of its Application and any further information provided.
  
8. The Specialist drafts an interim report identifying any deficiencies in the policies, procedures, or other aspects of the Applicant's social compliance audit business as disclosed by the Applicant and revealed during the Specialist review process, categorizing them as minor or major. The Specialist provides the interim report to APSCA and the Applicant and considers any feedback provided by the Applicant on the draft, making revisions as needed. If APSCA amends any list of minor deficiencies, the amended list will be provided to the Applicant. Any major issues, as defined by APSCA, will need to be resolved prior to the Specialist completing the final report. If, by the date six months after the Application (or a later date at APSCA's discretion), the Applicant fails to provide satisfactory evidence to the Specialist demonstrating the rectification of all major deficiencies, the Application process will be terminated.
  
9. If the Specialist's interim report identifies:
  - a) No deficiencies or only minor deficiencies; or
  - b) Identifies major deficiencies and the Applicant provides evidence to the satisfaction of the Specialist that all major deficiencies have been resolved,The Specialist will prepare and submit the final report to APSCA for review.
  
10. APSCA assesses the final report and determines whether to offer Membership or resolve not to proceed with the Application. In certain circumstances, APSCA may consult with the Board for recommendation prior to determining Application outcome.
  
11. If APSCA resolves not to proceed with the Application, APSCA notifies the Applicant of the decision along with any reasons.
  - a) If the Applicant accepts the decision, the Application process terminates.
  
  - b) If the Applicant wishes to appeal APSCA's decision, it may provide APSCA with a written submission as to why APSCA should grant its Application. APSCA reviews the submission, in consultation with the Specialist and the Board of Directors, if deemed necessary, and notifies the Applicant of the appeal outcome. During the review by APSCA, the Applicant may be required to provide additional documentation to support its appeal.
  
  - c) The appeals process may repeat until such time as the Applicant accepts the decision or APSCA resolves not to accept any further appeals from the Applicant, at which time the Application process terminates.

12. If APSCA resolves to grant Membership to the Applicant, a letter of offer will be sent to the Applicant including:
  - a) Membership documentation to be executed and returned, and
  - b) An invoice for Annual Member Firm fees, see Category C Annual fee on the [APSCA Schedule of Fees](#). Member Firm annual fees are not pro-rated, the membership fees for the initial period of membership until December 31st of that year are equivalent to the fees applicable if the member had been enrolled for the entire calendar year.
13. The Applicant accepts the offer of Provisional Membership when they:
  - a) Execute APSCA's Code and Standards of Professional Conduct, Confidentiality Framework Agreement, and all other membership documentation as requested and return to APSCA.
  - b) Pay all Annual APSCA Membership Fees then due and payable.
14. The Applicant's (New Member's) Provisional Membership with APSCA will commence and be announced once the Applicant employs and associates with at least one (1) In Good Standing APSCA Certified Social Compliance Auditor (CSCA). The Applicant must not publish or reference their offer of APSCA Provisional Membership until such time as it has commenced and been announced by APSCA.
15. If the Applicant has not employed at least one (1) APSCA In Good Standing CSCA within 90 days of accepting the offer of Provisional Membership, the Applicant's Membership offer will be rescinded.
16. The Provisional Member (Applicant) is eligible for Full Membership when:
  - a) all minor deficiencies identified during the Application process have been rectified, to the satisfaction of APSCA (in consultation with the Specialist, where required).
  - b) Member Firm completes monthly and quarterly reporting, to a minimum of 1 full calendar quarter, with no data integrity concerns identified.
  - c) Member Firm is not otherwise in breach of APSCA's Code and Standards of Professional Conduct, Competency Framework, or By-laws.
17. APSCA reserves the right to extend the Provisional Membership period when circumstances warrant.
18. If the Applicant's (New Member's) Provisional Membership has not become Full Membership before the expiration of twelve (12) months after commencement, the Provisional Membership may be terminated.

## Application Fee

The Initial Application Fee includes APSCA's estimates of third-party due diligence reporting fees, the Specialist's fees, and APSCA's administrative costs incurred in processing ordinary Applications.

**Additional Application Fees:** If the time expended or costs incurred by APSCA (Blue Umbrella, the Specialist or anyone else advising or acting on APSCA's behalf) exceed those budgeted for an ordinary Application, then APSCA may from time-to-time invoice additional Application Fees to the Applicant.

APSCA may suspend the Application process until any outstanding invoices are paid.

All Fees paid to APSCA are non-refundable in all circumstances.

## Application Errors or Omissions

APSCA may withdraw, suspend, or revoke any Application or Membership (Provisional or Full) if the Application for Membership is found to have contained any material errors or omissions or to have been misleading in any material way.

## Confidentiality

During and after the Application process, APSCA will take all reasonable measures to maintain the strict confidentiality of each Application, along with any confidential information the Applicant provides APSCA or anyone acting on APSCA's behalf from time to time.

APSCA will only disclose that information to third parties reviewing that Application on APSCA's behalf who have undertaken to APSCA to maintain that confidentiality.

## Subsequent Applications

In any circumstances in which an Application or Membership is terminated, the Applicant or Member may later reapply for Membership after a minimum period of three months.