



# WBE CERTIFICATION POLICY

## WBE Canada Certification Policy

Approved by the Board of Directors on February 7, 2022

### About WBE Canada

Women Business Enterprises Canada Council (WBE Canada) is a Canadian non profit organization with a mission to empower Canadian Women Business Enterprises (WBEs) with equal access to corporate and public procurement. Our role is to certify, promote and develop women-owned businesses while also supporting our Corporate Member community with the access to a pool of business-ready suppliers. Since 2009 we've been certifying businesses that are 51% or more owned, managed and controlled by women and connecting them to supply chains. We also work closely with our Member organizations to help them develop effective and impactful supplier diversity programs. More information at [WBECanada.ca](http://WBECanada.ca).

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Access the report at: [www.wbecanada.ca/certification](http://www.wbecanada.ca/certification)

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# INTRODUCTION



## **Purpose**

Women Business Enterprises Canada Council (WBE Canada) is a Canadian nonprofit organization that is opening doors for Canadian women-owned businesses to supply chains across Canada, North America and globally. Founded by corporations to provide certification services for their supplier diversity programs, WBE Canada certifies, supports and promotes Women Business Enterprises (WBEs) who provide products or services to corporations and government organizations.

WBE Canada's Vision is to empower women-owned businesses with equal access within corporate and public procurement. It is our mission to advance economic growth across Canada through certification, development, and promotion of women-owned businesses.

As a quality third-party certifier of Canadian Women Business Enterprises (WBEs), we have been connecting them to corporate supply chains since 2009. WBE Canada certified businesses have the opportunity to participate in contracting and purchasing activities. The procedures outlined in this document describe WBE Canada certification standards and processes for all businesses desiring to be certified. To the extent possible, a thorough certification process will ensure that the programs of these entities benefit only those for whom the programs are intended.

Failure to be certified as a WBE by WBE Canada DOES NOT PRECLUDE a business from participating directly in any of the member entities' purchasing and contracting opportunities.

## **Applicability**

WBE Certification Policy applies to any business seeking status as a WBE. Certification determination will be made on the basis of the gender of the majority owner(s) and is inclusive of all races and ethnicities. Certification as a WBE is made without regard to marital status and community property laws. Potential applicants interested in being certified as a WBE should apply without waiting for a conditional contract commitment from a customer.

## **Responsibilities**

The WBE Canada Board of Directors is ultimately responsible for ensuring that certification policies are implemented and enforced. The President & CEO and Certification Committee have the requisite authority for overall implementation, monitoring and reporting of the certification process, and are accountable to the Board of Directors. In the event of an appeal to WBE Canada of a denial of certification, the Appeals Subcommittee holds ultimate responsibility for the final determination. WBE Canada staff have responsibilities for the day-to-day implementation of WBE Certification Policy.

# DEFINITIONS



<p><b>Agent</b></p>	<p>A person authorized to act on behalf of the principal in transactions involving a third party.</p> <ul style="list-style-type: none"> <li>• Agents have three basic characteristics:</li> <li>• Act on behalf of and are subject to the control of the principal</li> <li>• They do not have title to the principal's property; and</li> <li>• They own the duty of obedience to the principal's orders.</li> </ul> <p>Agents by their nature are not certifiable.</p>
<p><b>Appeal</b></p>	<p>A written request by an applicant to reconsider a determination of denial or decertification.</p>
<p><b>Appeals Subcommittee</b></p>	<p>A Committee comprised of volunteers (Corporate Member representatives) who render a decision for certification approval or denial during the Appeals process.</p>
<p><b>Applicant</b></p>	<p>A business that requests certification as a Women Business Enterprise through submission of a complete application.</p>
<p><b>Approval</b></p>	<p>A decision to confirm WBE certification status to a business that meets the certification eligibility criteria as outlined in this WBE Certification Policy.</p>
<p><b>Broker</b></p>	<p>The person who acts as an intermediary between a buyer or seller, usually charging a commission for value added.</p> <p>A business that adds no material value or does not perform a commercially useful function to the products or services being supplied to a procuring activity or takes no ownership, financial responsibility, legal liability, possession of or handle the item being procured with its own equipment or facilities will not be certifiable, unless it's the standard in the industry.</p>
<p><b>Business</b></p>	<p>A for profit entity</p>
<p><b>Certification</b></p>	<p>The process by which an applicant's eligibility as a WBE is determined.</p>
<p><b>Certification Committee</b></p>	<p>A Board Committee comprised of volunteers (Corporate Member representatives) who render a decision for certification approval or denial during the Certification process.</p>

<b>Certification Staff</b>	WBE Canada staff directly responsible for WBE Certification Policy implementation and application processing.
<b>Challenge</b>	A written request by a third party to WBE Canada's Certification Staff to review the eligibility of Certified WBE for WBE certification.
<b>Conflict of Interest</b>	A conflict of interest occurs when an individuals' personal or professional interests – family, friendships, financial, or social factors – could compromise their judgement or actions during certification process.
<b>Control</b>	The power, as evidenced by the governance documents when applicable, to direct or cause the direction of management or policies and the ability to make decisions on strategy and the direction of the business.
<b>Corporate Member</b>	Any corporate or government entity that is an active participant of WBE Canada.
<b>Corporation</b>	A specific type of legal entity that is in compliance with the applicable requirements of the law of its state of incorporation
<b>Dealer</b>	Business authorized to sell specified items in a certain area with or without exclusivity. Typically, Dealers are not certifiable, unless it's the standard in the industry.
<b>Decertification</b>	A decision to cancel WBE certification status for a business that no longer meets the eligibility requirements.
<b>Denial</b>	A decision to deny WBE certification to a business that does not meet the certification eligibility criteria as outlined in this WBE Certification Policy.
<b>Document Review</b>	The Certification Staff review of the application and accompanying documentation submitted by an applicant.
<b>Eligibility Review</b>	The entire review process conducted on an applicant, consisting of document review and site visit review.
<b>Expiration</b>	The specified end of the WBE certification period.



<b>Formal Restrictions</b>	Restrictions documented in the official business documentation.
<b>Franchise</b>	A contractual arrangement characterized by the authorization granted to someone to sell or distribute a company's goods or services in a certain area; a business or group of businesses established or operated under such authorization.
<b>Holding Company</b>	A holding company is a company that owns shares in another company. If the holding company owns the majority of shares of another company, it is also referred to as a parent company. The sole purpose of a holding company is usually to own shares in another company.
<b>Independence</b>	<p>Ability of the business to perform in the business' area of specialty/ expertise without substantial reliance upon finances and other resources (e.g. equipment, automobiles, facilities) of non-women-owned businesses.</p> <p>Investment or start-up capital is not included in "substantial reliance".</p> <p>The business may rely on resources of other businesses or individuals if these are obtained at market value.</p>
<b>Informal Restrictions</b>	Rules that define acceptable roles and activities for different individuals.
<b>Limited Liability Company (LLC)</b>	A hybrid form of business that has some of the characteristics of a corporation and some of the characteristics of a partnership or sole proprietorship. The liability of the owner(s) of the company is limited to the amount of their investment in the company.
<b>Major Decisions</b>	<p>For example issuing new shares, buying or selling a business, bank borrowing, major capital expenditures, appointment or dismissal of senior employees, engaging in or settling a litigation.</p> <p>(This is NOT an exhaustive list)</p>
<b>Management</b>	Ability to direct basic functions and day to day activities of the business, including, but not limited to, signature responsibility of insurance and/or bonds, investments, the ability to sign payroll checks and letters of credit, authority to negotiate contracts and financial services.

<b>Manufacturer Representative</b>	A person that represents another for or to others, i.e. manufacturer's group. Typically, Manufacturer Representatives are not certifiable, unless it's the standard in the industry.
<b>Nonprofit Organization</b>	A legal entity separate from its members and directors formed for purposes other than generating a profit to be distributed to its members, directors or officers.
<b>Ownership</b>	A determination based on title to and beneficial ownership of stock, membership interests, or other equity in a business.
<b>Partnership</b>	An association of two or more persons to carry on, as co-owners, a business for profit.
<b>Renewal</b>	The process by which a WBE renews their certification each year prior to their expiration.
<b>Recertification</b>	The process by which a WBE recertifies their certification every five years prior to their expiration.
<b>Site Visit</b>	A visit to the applicant's physical place(s) of business or video/phone conversation for the verification of information submitted in the application and accompanying documentation.
<b>Sole Proprietorship</b>	An individually owned business whose assets are wholly owned by a single individual.
<b>Strategic Alliance</b>	An association, not a legal entity, of two or more separate businesses that come together to pursue business opportunities.
<b>Subsidiary</b>	An entity in which another entity (ie. the parent company) owns at least a majority of the shares and therefore has control. For example, a corporation where more than 50% of their voting stock is owned by another entity, sometimes referred to as the parent or holding company. Subsidiaries operate as entirely different legal entities from their parent company.

<b>Trust</b>	An arrangement where a person (a trustee) holds business as its nominal owner for the good of one or more beneficiaries. Trusts held on behalf of a minor are not certifiable.
<b>Value Added</b>	Something that is added to a product or service by a marketer or distributor that warrant a markup in the retail price.
<b>Women Business Enterprise (WBE)</b>	Women-Owned Business that meets WBE Certification criteria as outlined in this WBE Certification Policy.
<b>WBE Canada</b>	Women Business Enterprises Canada Council - Canadian nonprofit organization, with a mandate to build connections between Canadian women-owned businesses and corporate/government buyers.
<b>WBE Certification</b>	<p>Proof that a business met WBE Certification Policy criteria and is recognized as Women Business Enterprise (WBE).</p> <ul style="list-style-type: none"> <li>• The applicant shall be a legally established for-profit business that is at least 51% owned, managed, and controlled by one or more women. Business shall be incorporated and operate in Canada, or it shall be majority owned, managed, and controlled by woman/ women who are Canadian citizens or lawful permanent residents.</li> <li>• A woman/women shall have day-to-day knowledge and authority of the Operations, Management and Control of the business.</li> </ul>
<b>WBE Database</b>	WBE Canada's database of certified Women Business Enterprises (WBEs). A listing contains the names of currently certified Canadian WBEs maintained by WBE Canada. This information is accessible by all Corporate Members.
<b>Withdrawal of Application</b>	Any business entity may withdraw their application without cause, prior to the certification determination, on written request or by deleting their application from the system.
<b>Women-Owned Business</b>	Business that is 51% or more owned by one or more women, whose management and control lie with one or more women, and where a woman is a signatory of the business' legal documents and financial accounts and that is operated independently from other non-women-owned businesses. Such business may or may not be WBE certified.

# WBE ELIGIBILITY STANDARDS



The Certification Committee, Appeals Subcommittee and Certification Staff will use this WBE Certification Policy to determine whether an applicant is eligible for WBE certification. Legal entities shall be formed in and have their principal place of business in Canada or shall be owned, managed, and controlled by one or more women who are Canadian citizens or lawful permanent residents.

In determining eligibility, the Certification Committee, Appeals Subcommittee and Certification Staff shall consider all the facts in the record, viewed as a whole, as they appear at the time of the application. An eligible applicant will not be refused certification based solely on historical information that indicates a lack of ownership or control of the applicant by a woman/women at some time in the past, if the applicant currently meets the WBE eligibility standards. An eligible applicant will not be refused certification solely on the basis that it is a newly formed business.

### **1. Ownership**

Ownership shall be determined based on title to, and beneficial ownership of, stock, or other equity in a business.

- a.** The ownership by woman/women shall be real, substantial and beyond the legal ownership of the business as reflected in its ownership documents.
- b.** The woman/women shall share in all risk and profits commensurate with her/their ownership interest as demonstrated by a detailed examination of the substance of her business arrangements with others.
- c.** The woman/women shall not be minors and the securities/funds that constitute the majority ownership shall not be held in trust that she/they do not have control over.
- d.** Contribution of Capital or Expertise
  - i.** Contribution of capital and/or expertise by women owner(s) to acquire her/their ownership interest shall be real and substantial and be in proportion to the interest(s) acquired.
  - ii.** Insufficient contributions shall include, but shall not be limited to promises to contribute capital or expertise in the future, a note payable to the business or its owners who are not women, or the mere participation as an employee.
- e.** Business structures and ownership vehicles. Business shall be incorporated and operate in Canada, or it shall be owned, managed, and controlled by woman/women who are Canadian citizens or lawful permanent residents. Ownership shall be determined as follows based on the business type:
  - i.** Sole Proprietor
    - 1.** The woman shall own one hundred percent (100%) of the business' assets

ii. Corporation

1. The woman owner(s) shall own at least fifty-one percent (51%) of each class of the voting stock outstanding;
2. Any voting agreements among the shareholders shall not dilute the beneficial ownership, the rights, or the influence of the women owners of the stock or classes of stock of the corporation;
3. Women owners shall possess the right to all customary incidents of ownership (i.e. ability to transfer stock, title possession, enter binding agreements, etc.);

iii. Partnerships

1. General Partnership. The woman owner(s) shall own at least fifty-one percent (51%) of the partnership interests.
2. Limited Partnership. The woman owner(s) shall own at least fifty-one percent (51%) of the general partnership interest and exert at least fifty-one percent (51%) of the control among the general partners. In addition, the women limited partners shall receive at least fifty-one percent (51%) of the profits and benefits, including tax credits, deductions and postponements distributed or allocable to the limited partners.

iv. Limited Liability Companies

1. The woman owner(s) shall own at least fifty-one percent (51%) of membership interests and have at least fifty-one percent (51%) of the control among the members.
2. The woman owner(s) shall also participate in all risks and profits of the business at a rate commensurate with her/their membership interests.

v. Trusts

1. In order to be counted as owned by women, ownership held in a trust shall meet the following requirements, as applicable:
  - a. Irrevocable trusts. If the trust is an irrevocable trust, ownership held for the benefit of a woman who is not a minor and who is a beneficiary with a present interest in the trust may be counted as owned by women.
  - b. Revocable trusts. If the trust is a revocable trust, all the grantors shall be women, and ownership held for the benefit of a woman who is not a minor and who is a beneficiary with a present interest in the trust may be counted as owned by women.
  - c. Testamentary. **A testamentary trust** is a trust that is to contain a portion or all of a decedent's assets outlined within a person's last will and testament
  - d. Living Trust. A living trust is a **legal document**, or trust, created during an individual's lifetime where a designated person, the trustee, is given responsibility for managing that individual's assets for the benefit of the eventual beneficiary.

2. Trustees. In all cases, fifty-one percent (51%) or more trustees shall be women.
3. Determination of present interest in the trust. A beneficiary has a present interest in a trust if he or she is currently eligible to receive distributions of income or principal from the trust. If more than one beneficiary has a present interest in the trust, each beneficiary shall be deemed to have an equal interest unless the instrument that creates the trust provides otherwise.
4. Other requirements. Businesses whose ownership, in whole or part, is held in a trust are not thereby exempt from the other requirements of this document.

**vi. Subsidiaries**

1. The woman owner(s) shall own at least 51% of the holding company.
2. Other requirements. Businesses whose ownership, in whole or part, is held under a parent company are not exempt from the other requirements of this document.

## **2. Management and Control**

The following criteria shall be applied when determining management and control of a business by one or more women.

### **1. Governance**

- a. The organizational and governing documents of an application (i.e. Partnership Agreements or Articles of Incorporation and By-laws) shall not contain any provision, which restricts the ability of the woman/women from exercising Operational Authority, Managerial Control and Oversight of the business.
- b. In reviewing governance documents, special attention shall be given to:
  - i. The composition of the business's governing body (ie.; board of directors or management committee);
  - ii. The functioning of the governing body;
  - iii. The content of shareholder's agreements, by-laws, and or amendments, and the extent to which such agreements, by-law(s) or amendments affect the ability of the woman/women owner(s) to direct the management and policy of the business;
  - iv. A woman business owner shall hold one or more of the highest (defined) officer positions in the business (President & CEO, Chief Executive Officer, Chair of the Board, Managing Member or Managing Partner, or equivalent)

### **2. Operation and Management**

- a. The woman/women owner(s) shall possess the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions on matters of management, policy, and operations. The business shall not be subject to any formal or informal restrictions that limit the customary discretion of the woman/women owner(s);

- b.** A previous and/or continuing employer or employee relationship between or among present owners are carefully reviewed to ensure that the female employee-owner has management responsibilities and capabilities;
- c.** In the event that the actual management of the business is contracted or carried out by individuals other than the woman/women owner(s), those persons who have the ultimate power and expertise to hire and fire the managers can, for this purpose, be considered as controlling the business;
- d.** The woman owner or another such woman shall hold the highest officer position in the company (i.e. Chief Executive Officer or President & CEO, or equivalent);
- e.** The applicants shall show evidence that the woman/women owner(s) have operational authority and managerial control of the applicant company. In evaluating this evidence, the following factors will be considered:

  - i.** Operational Authority. “Operational Authority” means the extent to which the woman/women owner(s) actually operate the day-to-day business. Assessments of operational control will rest upon the peculiarities of the industry of which the business is a part. In order to ascertain the level of operational control of the woman/women owner(s), the following will be considered:

    - 1.** Experience: the woman/women owner(s) shall have education, demonstrable working knowledge and/or experience in the area of specialty or industry claimed in the certification application.
    - 2.** Responsibility for Decision-Making: The woman or women owner(s) shall be able to demonstrate her role in making basic decisions pertaining to the daily operation of the business.
    - 3.** Technical Competence: The woman or women owner(s) shall have technical competence in the industry or specialty of the applicant business and/or a working knowledge of the technical requirements of the business sufficient enough to critically evaluate the work of subordinates.
  - ii.** Managerial Control. “Managerial Control” is the demonstrated ability to make independent and unilateral business decisions necessary to guide the future and destiny of the business. Managerial control may be demonstrated in a number of ways. For a woman or women owner(s) to demonstrate managerial control, the Certification Committee will consider the following (not intended to be all inclusive) areas of routine business activity:

    - 1.** Agreements for support services that do not impair the woman/women owner(s)’s control of the company are permitted as long as the owner’s power to manage the company is not restricted or impaired as determined by the Certification Committee in its sole administrative discretion.
    - 2.** Woman/women shall be a signatory of the banking accounts and legal documents. Banking signatures and email addresses are not an indicator of operational control of a company.



### 3. Independence

**a.** Performance

- i.** The woman owner(s) expertise shall be indispensable to the business's potential success.
- ii.** The woman owner(s) shall have the ability to perform in its area of specialty/expertise without substantial reliance upon finances and resources (i.e. equipment, automobiles, facilities, etc.) of a non-women-owned business enterprises.
- iii.** The woman/women shall control or cause to be controlled all major decisions affecting the business.

**b.** Test of Independence.

Recognition of the applicant as a separate and distinct entity by governmental taxing authorities shall not be a sole determinant of any applicant's assertions of independence. Test criteria shall include, but shall not be limited to the following:

- i.** Applicant's relationship with a non-female company that involves any long-term contract or lease agreements on terms at variance with industry standards or prudent business practices.
- ii.** Interlocking ownership of the applicant and non-women-owned business in the same industry.
- iii.** Common directors, officers, or members between the applicant and non-women-owned business.
- iv.** Applicant's use of employees, equipment, expertise, facilities, etc., "shared" with or obtained from a non-women-owned business.
- v.** The receipt by the non-women-owned business financial benefits (i.e. profits, wages, etc.) shall be commensurate with the duties performed.
- vi.** An applicant's business that cannot operate without licenses, permits and /or insurance held by another business is not independent. The business shall possess all applicable legal requirements necessary to legally conduct its affairs.
- vii.** A Broker, Dealer, or Manufacturer Representative, unless it is the standard for the industry, generally does not qualify for certification.

# ROLES & RESPONSIBILITIES



## 1. Certification Staff

WBE Canada Certification Staff is responsible for information collection and dissemination. The assigned staff person presents the findings to the Certification Committee during committee meetings.

### a. Mandate

- i. To ensure that WBE Canada continues to uphold international standards for WBE certification as expected by Corporate Members;
- ii. To prepare applications for Certification Committee and Appeals Subcommittee review;
- iii. To oversee Challenge Procedures;
- iv. To maintain and manage WBE Database.

### b. Responsibilities

- i. Certification Staff is responsible for
  1. Certification management software and WBE Database management;
  2. Documentation review;
  3. Site visits;
  4. All procedures related to Certification, Renewal, Recertification, Challenge and Appeal;
  5. Compliance regarding application approval, denial, or decertification.
- ii. Certification Manager is responsible for
  1. Scheduling and attending Certification Committee Meetings and Appeals Subcommittee Meetings;
  2. Confirming no conflict of interest prior to the scheduled meeting;
  3. Delivery of required documents for each applicant to the Certification Committee members;
  4. Delivery of required documents for each appeal to the Appeals Subcommittee members;
  5. Presentation of the document review and site visit findings to the Certification Committee and Appeals Subcommittee;
  6. Meeting minutes;
  7. Reporting.
- iii. President & CEO is responsible for
  1. Implementation, monitoring and reporting on WBE Certification Policy, compliance, and transparency of WBE certification;
  2. Oversight of the Certification, Renewal, Recertification, Challenge, and Appeal and Challenge Procedures;

3. Attending Certification Committee meetings and Appeals Subcommittee meetings;
4. Accepting and handling Appeals;
5. Certification Staff oversight.

## 2. Certification Committee

WBE Canada Certification Committee is comprised of volunteers responsible for the establishment and consistent implementation of uniform standards and procedures for WBE Certification. The Certification Committee follows Terms of Reference approved by WBE Canada's Board of Directors.

- a. Mandate
  - i. To ensure WBE Canada continues to uphold the international standards for Certification as expected by the Corporate Members;
  - ii. To evaluate all applications submitted for WBE Certification and approve or deny such applications;
  - iii. To provide a forum for discussion and resolution of WBE Certification issues and procedures;
  - iv. To adjudicate issues and make decisions requiring intervention by the Certification Committee;
  - v. To track progress of Certification and to identify any issues to report to the Board.
- b. Responsibilities
  - i. To provide an ongoing review of the current WBE Certification Policy for clarity and consistency;
  - ii. To approve or deny certification applications based on WBE Certification Policy.

## 3. Appeals Subcommittee

- a. Mandate
  - i. To ensure WBE Canada continues to uphold the international standards for Certification as expected by the Corporate Members;
  - ii. To evaluate all appeals submitted to the President & CEO;
  - iii. To provide a forum for discussion and resolution of Certification issues and procedures.
- b. Responsibilities
  - i. To provide a recommendation of final remedy for appeals of denied applications or challenged WBE Certification status;
  - ii. To provide an ongoing review of the current WBE Certification Policy for clarity and consistency;
  - iii. To make ongoing recommendations for updates to the WBE Certification Policy based on evolving business practices, legal and financial models.

# WBE CANADA PROCEDURES



## 1. Certification Procedure

The following details the certification process for all applicants seeking WBE certification by WBE Canada. Information will be reviewed and analyzed as it exists when an application is submitted to WBE Canada. Organizational changes subsequent to the submission date will not be considered during the eligibility review process. The Certification Staff will request any and all documentation deemed necessary to establish a business' ownership, management and control by women.

### a. Incomplete Application

- i. If an applicant fails to complete the documentation within the review and analysis period, the applicant will be notified that the application will not be reviewed further, and application will be filled as non-responsive. A new application will not normally be accepted for a period of six (6) months.

### b. Application Withdrawal

- i. Upon written request, an applicant may withdraw their application and supporting documentation without cause or prejudice prior to a determination of eligibility. Fees are non-refundable.

### c. Certification Process

Once an applicant submits a completed application and appropriate supporting documentation, the following procedures will apply:

- i. The submitted application will be processed through WBE Canada's certification management software.
- ii. The WBE Canada Certification Staff will evaluate the documentation for completeness and accuracy.
- iii. All supporting documents shall be submitted in their entirety prior to the certification committee review and will be maintained as part of the permanent file.
- iv. Files shall remain in the custody and control of WBE Canada at all times. At this point, files can only be viewed by designated WBE Canada staff bound by NDA.
- v. Document Review
  1. Certification Staff bears the responsibility of an evaluation of all submitted documentation.
  2. At any time during the review process, the Certification Staff may request additional documents in existence at the time of the application, but not requested or provided at the time of application, necessary to substantiate eligibility. Certification Staff cannot advise applicants to change any documentation or in any way alter the application nor can accept such documents.

**vi. Site Visit**

1. Once the documentation review has been completed and an initial recommendation has been made, a site visit with the woman/women Principals/Executive Management will be conducted on one hundred percent (100%) of the applications to ensure that the findings of the Document Review are substantiated in the actual operation of the business.
2. If the site visit corroborates the documentation review, a final recommendation is made. If there is any conflicting information or observation uncovered during the course of the site review, the information will be thoroughly documented and presented to the Certification Committee.

**vii. Certification Committee Review**

1. Certification Manager sends the request to confirm no-conflict with the applications submitted. Certification Committee members are required to respond within 2 business days with information about any known conflict of interest.
2. Upon conflict of interest confirmation Applicants' completed checklists are posted by WBE Canada Team in the WBE Canada Toolbox: Certification Committee section. Certification Committee members are expected to review all the checklists prior to the meeting.
3. Checklists and any files related to the applications can be viewed only by designated WBE Canada staff and Certification Committee members bound by NDA and cannot be shared outside of the committee.
4. Checklist is reviewed during the Certification Committee meeting - presented by the Certification Manager.
5. Certification Committee members bear the responsibility to approve or deny certification based on an evaluation of all submitted documentation. The decision to certify or deny an application will be based on the WBE Canada's WBE Certification Policy in effect at the time the application is evaluated.
6. Once an application for Certification is presented to the Committee, a decision on certification will be made at the current meeting or if clarification is required, committee members may request additional documents in existence at the time of application, but not requested or provided at the time of application, necessary to substantiate eligibility. Certification committee shall take a maximum of 3 meetings to review & finalize its decision to approve or deny the presented application. There must be unanimous agreement by the committee to extend beyond this timeframe.
7. Files and checklists used by Certification Committee members shall be destroyed or deleted following the meeting.
8. Notes, emails and recordings regarding specific committee meetings shall be destroyed once the minutes are approved.

**viii. Certification Approval**

1. If certification is awarded, the WBE is notified via email. A certificate showing the certification is issued and accessible to be viewed or printed from the WBE Database. The WBE is then listed in the WBE Database for the duration of the certification period.
2. Once an applicant has been deemed to have met the WBE eligibility standards, it will be certified as a WBE.
3. WBE Certification is valid for a period of one (1) year.

**ix. Certification Denial**

1. If certification is denied, the applicant will be notified in writing using a standard form letter. If an applicant disagrees with the denial, they have the option to appeal directly with the President & CEO as outlined in the Appeal Process section of this document.
2. If the decision of the Certification Committee results in a denial, then the applicant may re-apply for certification six (6) months from the date of receipt of completed application.

**d. Certifying Franchises**

- i. A business operating under a franchise or license agreement may be certified if they meet the WBE eligibility standards and:
  - ii. The franchise agreement between the franchisor and the franchisee seeking WBE certification shall not contain any provision which unreasonably restricts the ability of woman business owner(s) from exercising Managerial Control and Operational Authority of the business.
  - iii. In reviewing the franchise agreement, special attention shall be given to circumstances which, for certification purposes, shall be considered as restricting control and authority of the woman business owner(s). These include, but are not limited to:
    1. Termination of the franchise agreement by the franchisor without cause;
    2. Lack of ownership of receivables by the franchisee;
    3. Exclusive ownership of account receivables and/or contracts by the franchisor;
    4. Restrictions on the sale of the business below market value;
    5. Terms and conditions not related to the brand or systems can be altered without the franchisee's notification and/or approval;
    6. Contracts are prepared and approved by the franchisor;
    7. Management decisions cannot be made independently by the franchisee;
    8. No financial risk is borne by the franchisee;
    9. Hiring and firing decisions cannot be made independently by the franchisee;
    10. Equity interest in the franchise is owned by the franchisor.



- iv. Where there are inconsistencies between the WBE Certification Policy in this Section and other Sections of the WBE Certification Policy, as it relates to franchises the procedures in this Section will prevail.
- e. Non-Eligible Businesses
  - i. Agents, brokers, non-profit organizations, manufacturer representatives, and strategic alliances are not certifiable unless standard in the industry.
- f. Certification Compliance
  - i. The WBE certification is valid for a period of one (1) year. Prior to the initial certification expiration date, WBEs are required to complete a renewal or re-certification application.
  - ii. Certified WBEs are required to notify WBE Canada within thirty (30) days of any substantive change in ownership or control of their business.
  - iii. Certified WBEs are bound by WBE Canada's Terms of Service.

## 2. Appeal Procedure

An application denied certification may appeal that decision to the Appeals Subcommittee following the procedures found in the Appeal Process. The decision made by the WBE Canada Appeals Subcommittee is final and the applicant shall agree to abide thereby.

- a. Business denied WBE certification or decertified during renewal, recertification, or challenge process might request a meeting with the President & CEO to discuss the specific reasons for such denial. Said meeting is solely for informational purposes and is not intended nor is it to be construed as a hearing or appeal of the certification determination.
- b. An applicant may appeal the Certification Committee's decision by making a request in writing to the President & CEO no later than thirty (30) days from the date of the denial letter.
- c. The WBE Canada staff will obtain a copy of the relevant original files, checklist and appellant letter and distribute copies to the Appeals Subcommittee. Changes in the business' ownership and control subsequent to the applicant's request for certification by WBE Canada shall not be considered as evidence during the appeal process.
- d. The Appeals Subcommittee will convene within ninety (90) days to discuss the file and supporting documentation and to formulate a recommendation.
  - i. The Appeals Subcommittee will use only WBE Certification Policy in support of their decisions.
  - ii. If the Appeals Subcommittee recommendation is to uphold the denial, BUT for reasons other than the original denial, the applicant will be notified of new reason(s) and given 14 days from the date of notification to respond to new reason(s) for denial.

- e. The Appeals Subcommittee will make one of the following determinations identified below. The decision of the Appeals Subcommittee shall be final.
  - i. The Appeals Subcommittee will overturn the denial/decertification, affecting the acceptance of the business's WBE certification; or,
  - ii. The Appeals Subcommittee will uphold the decision to deny the WBE Certification status.
- f. The Appeals Subcommittee will prepare a summary document of the appeal decision, if the denial is overturned, for distribution to the Certification Committee and Applicant. The applicant will be informed of the decision via email within ten (10) business days. All copies of files used by the Appeals Subcommittee shall be destroyed and deleted after use.
- g. If the decision of the Appeals Subcommittee results in a denial, then the applicant may re-apply for certification one (1) year from the date of receipt of completed application.
- h. The Chair of the Certification Committee will communicate the Appeals Subcommittee's decision to the Board of Directors at the next scheduled Board Meeting.

### 3. Challenge Procedure

Any third party may challenge the WBE status of any WBE. Confidentiality of a challenging party's identity is to be protected. The challenge shall be made in writing to the WBE Canada's Certification Staff at [certification@wbecanada.ca](mailto:certification@wbecanada.ca). Within its letter, the challenging party shall include evidence challenging the eligibility of a WBE.

Within ten (10) business days, the Certification Staff will determine, on the basis of the information provided by the challenging party, whether there is reason to evaluate the challenge.

- a. If the Certification Staff determines that the challenge is not credible, the challenging party will be so informed in writing and the investigation of the WBE will be closed. If the challenging party believes the determination is in error, it may appeal the decision to the President & CEO who will move the challenge to the next Certification Committee meeting.
- b. If the Certification Staff determines that there is reason to believe that the WBE is not a bona fide WBE, the following steps will be taken:
  - i. The WBE will be notified in writing that its WBE certification has been challenged. This notice will identify and summarize the grounds for the challenge. This notice will require the WBE to provide WBE Canada certification staff with information/documentation to refute the challenge within 30 calendar days.
  - ii. Once the requested information is received, the Certification Staff may provide an opportunity to the parties for hearing to respond to the challenge. Such a meeting shall be requested within 10 business days. These meetings shall be recorded and well documented.
  - iii. Certification Staff will present the case including original challenge and documentation from hearing (if applicable) during the next Certification Committee meeting.

- iv. The WBE Certification Committee will make a final determination in accordance with the current Certification Policy.
- v. Certification Staff will inform the parties in writing of the reason for the determination.
  - 1. If the determination is to decertify the WBE, this determination may be appealed by the WBE to the President & CEO in accordance with the procedures described in the Appeal Procedure.
  - 2. While a challenge is pending, the WBE certification will remain in effect.

#### 4. Renewal, Recertification and Decertification Procedure

- a. WBE certification shall be renewed on an annual basis. Full recertification process is required every fifth year.
  - i. During renewal WBEs shall upload their financial statements, schedule 50 (if applicable) and their recent NOA.
  - ii. During recertification the full application process is required. Site visit is required every five (5) years on all files and may be conducted at any time.
  - iii. B2Gnow, our WBE Database software, will transmit WBE renewal and recertification notifications to the WBE 60 and 30 days prior to the certification expiration date. However, it is the WBE's responsibility to maintain current certification. The completed recertification applications will be reviewed in order of receipt.
  - iv. If there has been any change in ownership and/or control, documentation of the same will be required for renewal of certification. The WBE is responsible for notifying WBE Canada of such changes and submitting all applicable documentation.
- b. WBE certification will be renewed by Certification Staff if all the following standards are met:
  - i. The business entity ownership by woman/women has not changed.
  - ii. There are no changes to the company management and control.
  - iii. Company was not flagged by the Certification Committee.
  - iv. Company is tax compliant.
  - v. Renewal fee is paid prior to the renewal date.
- c. WBE certification will be prepared for review by the Certification Committee if:
  - i. WBE was flagged by the Certification Committee during certification; or
  - ii. There are changes to the company structure, management, or control; or
  - iii. Due to a challenge or some other reason, a business entity's current certification eligibility needs to be re-examined and the business is found not to be a bona fide WBE; or
  - iv. Any Certification Committee Member or any other interested party that discovers irregularities relative to the WBE status of any of the WBE Canada's certified suppliers may provide a written statement to the President & CEO citing noted irregularities. Person(s) specifically challenging a business's WBE status will be advised of the WBE Challenge Procedures.

- d.** WBEs will be decertified by the Certification Manager and suspended from eligibility in any of the participating entities' WBE programs for any of the following reasons:
  - i.** If the business entity ownership by woman/women has changed and no longer meets WBE Certification criteria; or
  - ii.** If a business is found to be engaging in business practices on any of the member's projects that circumvent the intent of the WBE programs.
  - iii.** WBEs that are no longer active business entities, as well as suppliers that do not respond to requests for updated or new certification information/documentation will be removed from the WBE Database. Reinstatement will require a new application for WBE certification.
  - iv.** A WBE that fails to submit all appropriate information/documentation for renewal by the renewal date will have their status adjusted from "Certified" to "Expired" and its name will be removed from the WBE Database. The WBE will be notified via email of its expired status.
  - v.** If a WBE cannot meet the deadline due to special circumstances, WBE shall inform Certification Staff prior to the expiry date. An extension of time may be granted at the Certification Manager's discretion but cannot exceed 90 days. In case of extension the following criteria shall be met:
    - 1.** Full renewal/recertification fee shall be paid.
    - 2.** Temporary WBE Certificate will be issued with the date of extended deadline.
    - 3.** An alert shall be created in the WBE database.
  - vi.** If by reason of a change to WBE Certification Policy, a currently certified company is no longer eligible for renewal/recertification, the Certification Manager may grant the company a ninety (90) day grace period from the date of the committee's review to come into compliance with the updated WBE Certification Policy. Such application will be presented at the next Certification Committee meeting.
- e.** Within ten (10) business days of the decertification determination, WBE will be notified of the decision and a summary of the reasons in writing via email using a standard form letter.
- f.** Any business that believes that it has been wrongly decertified as a WBE may appeal as described in the Appeal Procedure.

# APPENDICES



## Appendix A: Required Documentation List: Sole Proprietorship

### REQUIRED DOCUMENTATION LIST

### SOLE PROPRIETORSHIP

You will be required to produce the following documentation for review:

- Proof of identification and gender** (current passport for owner or driver's licence)
- Resume / CV of owner
- Business name registration - Master Business Licence
- Business Registration Number -----
- Appropriate business insurance policy
- Most recent 3 years of business financial statements (if separate from the tax return). If not in business for 3 years, personal tax returns are to be substituted)
- Most recent 3 years of business **and/or** personal tax returns
- Most recent tax assessment receipt (NOA- Notice of Assessment from government - CCRA)

**If you have any questions, contact**

WBE Canada

certification@wbcanada.ca

## Appendix B: Required Documentation List: Incorporated Companies

### REQUIRED DOCUMENTATION LIST

### INCORPORATED COMPANIES

You will be required to produce the following documentation: (All documentation may be uploaded during the online application process):

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li><input type="checkbox"/> Proof of Identification and gender for women owners comprising 51% or more ownership (current passport, or driver's licence)</li><li><input type="checkbox"/> Corporate company <b>ownership</b> structure (showing upstream parent company/companies, Trusts, personal shareholders, plus any downstream divisions/ subsidiaries, and other related companies)</li><li><input type="checkbox"/> Corporate <b>organizational chart</b> (names/titles; functions; other as appropriate)</li><li><input type="checkbox"/> Resumes of all active shareholders, officers and key senior management</li><li><input type="checkbox"/> Articles of Incorporation and any amendments</li><li><input type="checkbox"/> Company By-laws</li><li><input type="checkbox"/> Up-to-date company Share Register</li><li><input type="checkbox"/> Up-to-date listing of company Officers</li><li><input type="checkbox"/> Up-to-date listing of company Directors</li><li><input type="checkbox"/> Company premises lease agreement (signed)</li></ul> | <ul style="list-style-type: none"><li><input type="checkbox"/> Appropriate business insurance policy</li><li><input type="checkbox"/> Bank account authorizations/signature card stating signing authority; OR letter from bank with details</li><li><input type="checkbox"/> <u>Signed</u> contract between your company and one of your customers</li><li><input type="checkbox"/> Annual Report (in Ontario, <b>Form 1 Ontario Corporation Initial Return/Notice of Change</b>) – a report filed with the government as proof of government registration of officers and directors</li><li><input type="checkbox"/> Financial statements (<b>most recent 3 years</b>).</li><li><input type="checkbox"/> Corporate Tax Returns for the last 3 years</li><li><input type="checkbox"/> Most recent Notice of Assessment (NOA) regarding corporate tax status (receipt received from government- CCRA) and/or personal NOA in the case of new companies</li><li><input type="checkbox"/> Resolutions or agreements regarding decision making powers</li></ul> |
|---|--|

**If applicable, the following are also required:**

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- |  |  |
|--|--|
| <ul style="list-style-type: none"><li><input type="checkbox"/> Shareholder Agreement</li><li><input type="checkbox"/> Resolutions or Shareholder Agreements regarding decision making powers</li></ul> | <ul style="list-style-type: none"><li><input type="checkbox"/> Trust Agreement(s) for any company shares held by a Trust (need to see trustees, beneficiaries, and voting control)</li><li><input type="checkbox"/> Employment agreement for all women listed on the application</li></ul> |
|--|--|

**IMPORTANT - Please note:**

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- You may also be asked for other documentation as may be required
- If the parent company is owned by a US company that is certified by WBENC, please provide your valid WBENC Certificate.

**If you have any questions, contact**

WBE Canada  
certification@wbecanada.ca

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## Appendix C: Required Documentation List: Partnerships

### REQUIRED DOCUMENTATION LIST

### PARTNERSHIPS

You will be required to produce the following documentation for review:

- For all women partners, current passport or driver's licence.
- Resumes of all partners and any key senior management
- Partnership Agreement
- Statement describing the allocation and distribution of earnings of the partnership between the partners, and the percentage/partnership interest owned by each partner
- Most recent 3 years of financial statements OR if a new business partnership, personal tax returns of all partners for past 3 years (or a combination of business and personal financial statements)
- Most recent 3 years of tax returns (business or personal)
- Most recent tax Notice of Assessment (NOA receipt from CCRA)
- Appropriate business insurance policy
- Any other agreements regarding decision making powers or earnings distributions
- Employment agreement for all women listed on the application, if applicable
- Company premises lease agreement (signed)
- Bank account authorizations, cancelled cheques and/or signed loan agreement
- Actual contract between your company and one of your customers or suppliers or purchase order

**Please note:**

**Original Documents:** Documents should be original/official signed documents as may be applicable.

**If you have any questions, contact**

WBE Canada

certification@wbcanada.ca



## Appendix D: Document Security

### Document Upload

1. For documents listed as “mandatory”, you must provide the document OR a written statement detailing the reason(s) it is being omitted and/or not applicable to the applicant company.
2. For documents listed as “required”, you must provide the document or check the Not Applicable box if it is not relevant to your business.
3. Please do not upload password-protected documents, without providing the password in the File Description.
4. All documents will be treated with the utmost security and confidentiality.

### Document Confidentiality

The security and confidentiality of your application is our top priority. Our WBE Database which we use for certification processing is secure and protected from unauthorized access and is provided by our technology partner, B2Gnow. The B2Gnow Diversity Management System (“WBE Database”) uses encryption for all communications based on a certified certificate issued by COMODO RSA Domain Validation Secure Server CA. The connection to this system is encrypted and authenticated using TLS 1.2, ECDHE RSA with SHA 256, and AES 128 GCM. The WBE Database system is monitored continuously for security, availability, and performance.

Information entered and documents attached to your application are accessible only to you by default. You may authorize other representatives at your firm to access and edit the application, but this is entirely at your discretion. WBE Canada Certification staff and customer support representatives can only view the application prior to submission only if you permit it. Once the application is submitted, certifying staff can view the application during their review based upon explicit access authorization. Staff not relevant to the review of your eligibility will never have access to your information. All actions to access, view, update, and comment on your application are logged for auditing purposes. Once your application has been processed, it is automatically locked to all users and requires entry of an account password by an authorized user, eliminating the risk of inadvertent viewing of your application.

All data on your application is encrypted with maximum security when transmitted to the system and when stored in the database. You will see a lock icon in the browser address bar confirming a secure connection with the system, and you can view the details of the security certificate used at any time. If you do not see a lock icon, STOP using the system immediately and contact Customer Support.

As a matter of standard security protocol, always create new accounts for other employees to access the system and never share accounts between users. Never provide your password to anyone else for any reason.

## CONTACT INFORMATION

Women Business Enterprises Canada Council (WBE Canada)  
401 Bay St., Ste. 1600, Toronto, ON M5H 2Y4, Canada  
416-646-6233 | [certification@wbecanada.ca](mailto:certification@wbecanada.ca)  
For more information visit [www.WBECanada.ca/certification](http://www.WBECanada.ca/certification)