

## PROTOCOL OF AGREEMENT

Master\_037 \_ 11/04/2012

Bioagricert S.r.l., (named also BAC) (International control body Recognised by the Department of Agriculture with Ministerial Decree n. 91822 29/07/2002 according to the European Union rules and Accredited by I.F.O.A.M.- International Federation of Organic Agriculture Movement), central office in via dei Macabracchia, 8/3-4-5 40033 Casalecchio di Reno (Bo) Italy, represented by ..... and the firm/farm \_\_\_\_\_

\_\_\_\_\_ (named "the Firm") represented by \_\_\_\_\_ defines an agreement concerning the activity of Conformity Control about organic products:

### **BAC agree to:**

- 1) Carry out control on organic production for the above mentioned firm/farm complying with laws in force and particularly with the national rules as well as with the international rules set by the Regulation EC n.834/07, n. 889/08 of the Council and by IFOAM and any subsequent modification and/or integration.
- 2) The activity of control on organic production consists of:
  - 2.1) analysing in advance the production program and the techniques used in order to check compliance with above mentioned rules
  - 2.2) carrying out the inspection visits of the producers firm/farm of organic raw matter, visiting the warehouses and storerooms as well as the food processing and packaging areas, taking samples of soil and products when necessary.
  - 2.3) informing the above mentioned firm/farm about any changes concerning the laws in force
  - 2.4) issuing Declaration of conformity for the finished products that can only be used by the above mentioned firm/ farm
- 3) the BAC trademark can be used only on certified products
- 4) to provide, upon agreement with above mentioned farm/firm, requesting third parties with information concerning production and their correspondence to laws in force.

### **The firm/farm agrees to:**

- A) Respect national and international laws in force (Regulation EC n. 834/07, n. 889/08 and IFOAM), those which follow concerning organic productions in all the phases of production, processing, packaging, distribution and labelling.
- B) Respect the laws, the decrees, the circulars and the rules set by the competent authority.
- C) Respect the rules foreseen in the other documents upon BAC request and in particular:
  - follow the specific conditions foreseen in the application form
  - supply the requested documents
  - follow the specific procedures and rules concerning production, storage and distribution
- D) Respect the Bioagricert Regulation for Certification (in force version) and specific BAC procedures for certification
- E) Implement and comply with the new certification requirements (BAC regulation, BAC documents for Certification, and fees), within the given implementation periods (The firm has the faculty of conforming himself to the requirements, within the deadline, or of renouncing to the certification.)
- F) Give complete freedom about the visit to the Firm at any time and allow access to warehouses, storerooms and establishments used in order to control materials and products, including non-organic production in the unit or related units, and all relevant documentation and records (including financial records)
- G) Guarantee free access to the Bioagricert inspector and observers, Competent Authorities, Accreditation Body inspectors, to all appropriate facilities
- H) Supply to Bioagricert all requested information, declarations and documents;
- I) Cooperate with Bioagricert inspectors during the inspection (The Firm has the chance of challenge/refuse the technical inspectors, except for the non-announced inspections, sending a written motivated communication to the CC, who, if it accepts the motivations will provide to substitute the technical inspector).
- L) Accept, in case of non conformities (NC) as defined by the BAC regulation, to take corrective actions in order to solve NC; accept sanctions provided by BAC regulation (The Company can present appeal against the decisions taken by BAC within 15 days from the communication receiving, detailing the reasons of disagreement and asking for revision of the action). The appeal should be presented to the BAC Appeals Commette (CRI) wich guarantees impartiality and independence.

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- M)** Allow Bioagricert to perform eventual additional and unannounced inspections (without notification)
- N)** Maintain records of all known complaints and the documentation of corrective actions undertaken in order to avoid repetition. The Licensee must also consider anticipated complaints to eventual sublicenses for whom they assume the responsibility of product conformity.
- O)** Immediately inform customers in case of suspension or withdrawal of the certificate and supply information on the corrective actions to Bioagricert;
- P)** Provide information as to whether another Certification Body has denied certification.
- Q)** Provide information if Parallel/Split production/processing are performed.
- R)** The firm declares to know, accept and apply the Bioagricert norms of organic production , as well as the general procedures of access, certification, appeal and sanctioning foreseen in the same.

**S) LICENSE-** On wrappers, labels, and accompanying documents of the products certified by Bioagricert it is possible to use indications about the BAC control, as well as use the BIOAGRICERT mark, after specific authorisation and according to the scheduled modalities. The Firm undertakes to insert in the labels, in the advertising , in the official documents and invoices report truthful information on the product, regarding the origin from organic agriculture and the general information.

**T) FEES :** The firm and BIOAGRICERT agree to fix as remuneration for the Certification and control activity, inclusive of the related activities, the following fees:

- Basic fee of ..... Euro;
- International inspection supervision and feasibility visits fees of ..... (plus taxes) /day (only when agreed case by case);
- The firm pays all visit expenses (travel and boarding).
- The firm pays analysis expenses (when requested)

**U) MODALITY OF PAYMENT-** The payment will be done by the firm after presentation by BAC of the proforma invoice.

**V) SUSPENSION OF THE CERTIFICATION-** When BAC control activity doesn't allow the release of the certificate, due to non conformity of the productions to the rules above referred , the activity must be however considered performed and therefore paid .

If BAC finds a non conformity with the laws in force, it will suspend that particular product and the use of the trademark as foreseen in BAC Regulation; BAC will also notify the interested firm to the Competent authority as foreseen in BAC procedures in line with IFOAM one. BAC can however annul the right to commercialise products reporting the BAC organic trademark, as well as the revocation of the use of wrappers, labels and documents of accompaniment reporting the indications of the Bioagricert control, for the duration and with the modalities eventually agreed with the competent Authority.

The definitive suspension or the interruption of the control will entail the obligation of the firm to pay the annual fee agreed, to deliver to BAC all material reporting Bioagricert certification and/ or to destroy the same.

**Z) VALIDITY.** The present protocol has a yearly validity, with automatic renovation on the 1° of January of each year, except different communication of one of the two parts at least three months before the expiration.

### **X) DISPUTES and ARBITRATION .**

Any dispute related to the present agreement will be decided by means of Arbitration at the “Camera Arbitrale” of the CCIAA in Bologna, an Arbitral Committee composed of 3 arbitrators, elected and working in agreement with the regulation of the “Camera Arbitrale”. The arbitrators will decide equally, respecting the articles 806 & followings of the Civil Code. The Forum of Jurisdiction is the one of Bologna.

**Y) CONFIDENTIALITY.** All the information about the firm will be used ensuring the confidentiality clause .The firm agrees that BAC gives to third parts information about the kind of organic product handled , by inserting the address and list of product in the BAC Internet Database.

Date

Signatures and Stamps

For The Firm

For BIOAGRICERT