

**SERVICE PROVISION CONTRACT FOR CERTIFYING WITHIN THE SCOPE OF
THE BIOGARANTIE® / ECOGARANTIE® AGREEMENT**

GENERAL CONDITIONS

BG / EG

BETWEEN : **CERTISYS sprl,**
 having its seat at B-1150 Brussels
 avenue de l'Escrime, 85,
 Company number: BE 445.344.915

AND : Name :

 Address :

hereafter called « the applicant »,

PREAMBLE:

The applicant shall not use any reference to the trademark Biogarantie® / Ecogarantie® unless having obtained an authorization from an inspection and certification body.

Such a body must provide sufficient guarantees of competence, efficiency and independence towards any firm of the sector as foreseen in the legal texts (council regulation (EC) N° 834/2007 and commission regulation (EC) N° 889/2008.

These guarantees are attested by the approval awarded by the Regional Ministries of Agriculture to the inspection body and by its accreditation according to the EN45011/ISO GUIDE 65.

CERTISYS has been recognized as inspection body by the Belgian public authorities on Sept. 19, 1992.

UNDERSIGNED PARTIES AGREE WITH THE FOLLOWING :

ARTICLE 1 : SUBJECT OF THE CONTRACT

The purpose of the contract is to entitle both partners to set up a sustainable collaboration in order to grant the authorization to use the Biogarantie® / Ecogarantie® trademark.

For the products present on the following sites (sales sites, storage sites, processing sites, etc... of the applicant only) :

For the labelling of the following products :

ARTICLE 2 : DEFINITION OF THE MISSION:

The applicant entrusts to the inspection and certification body the complete set of inspection and certification processes where organic farming is concerned .

The body will constitute a file respecting following steps :

- administrative inquiry by questionnaire sent by postal mail,
- annual inspection on the production venues,
- unannounced inspections,
- synthesis of the inspection data.

The conclusions of the inspection and certification body are notified to the applicant and the authorizations are send in case of a positive conclusion. This authorization is valid as from the notification by the inspection body. The notification must be send at latest 8 days after the decision.

ARTICLE 3 : CONDITIONS OF THE MISSION

The inspection and certification body commits itself to:

- comply with the rules drawn up by the asbl Bioforum regarding the organic production method of agricultural products and its labelling on agricultural products and food.
- carry out the necessary inspections in order to draw up a file.
- observe professional secret, that is, not disclose confidential information of which it would have knowledge for the elaboration of the file. The confidential character of the information is presumed until proof of the contrary.
- inspections are carried out in presence of the applicant or his representative.

The applicant commits himself to:

- observe the Biogarantie® / Ecogarantie® specifications :
- answer to a document inspection by postal questionnaire
- accept an inspection visit at the company seat and at the production sites,
- accept one or more unannounced inspections,
- facilitate work by the inspection body especially during physical inspections, by giving access to the premises and production venues especially for sampling,
- providing the elements needed during the inspection, that is :
 - purchase and sales accounting
 - invoices
 - labels and packages counting
 - advertising documents
 - material counting
 - any technical, health monitoring or bookkeeping documents
- providing the inspector with an register of every formal claim regarding the compliance of the products with regard to the Biogarantie® / Ecogarantie® specifications.
- take appropriate actions following claims or regarding any non-compliance observed in a product which might affect its conformity with the requirements of the technical standards.
- register the corrective actions after any claim
- accept one or more additional inspections when the inspection and certification body requires it, following to stated non-compliances and pay the costs according to the rates in force.
- remove the marks with reference to the organic production method of any batch or production affected by an irregularity,
- accept when clear violation is observed or with long lasting effect, the prohibition of commercialising products referring to Biogarantie® / Ecogarantie®.

ARTICLE 4 : ANALYSES

Samplings will be performed in the presence of the applicant or his representative who will sign the sampling documents. Samples will be performed in 2 copies. These shall be sealed and shall mention possible remarks. The second copy is stored by the inspection and certification body until reception of a negative result of a first analysis and 8 working days after sending a positive result to the applicant .

The inspection and certification body decides which type of analysis is to be performed. The samples will be send to a laboratory which is recognized by the inspection and certification body. The results will be send by the laboratory to the inspection and certification body and by the latter to the applicant.

After receiving the results of the first analysis and in case of objection, the applicant has the right to ask within 8 working days to have a counter-analysis carried out on his costs by a laboratory of his choice which is accredited on the basis of the ISO/IEC 17025 standard or recognized by the inspection and certification body.

ARTICLE 5 : FEES AND PAYMENT CONDITIONS

The annual fee for inspection is determined according to the annual rates edited and provided by the inspection and certification body at the latest in November for the next year.

The rate in force is attached to the present contract and the applicant acknowledges having read it and accepting it.

For every new application, a deposit must be paid when opening the file. The deposit is not refundable, even if, next to the inspection, the application is rejected. The certification decision shall be transmitted after receipt of the payment of the amounts due.

The fees are always payable in advance. Staggered payment may be requested by the applicant.

Non-producer companies shall pay the fees in two periods. A provision shall be paid based on an estimate of the coming year's turnover with reference to the turnover of the previous year.

The turnover of in the said year shall be communicated to the inspection and certification body by the applicant at the latest two months after the end of the applicant's bookkeeping year.

The contribution can be increased if additional inspections (administrative or on the spot) are necessary :

- when the inspection was hampered, in particular because :
 - the inspection sites were inaccessible.
 - the bookkeeping was not available or incomplete.
 - insufficient information concerning crop rotation, fertilization, treatments or handling processes.
 - in case of fraud.

The amount of the invoices are payable in cash and on CERTISYS's account, unless otherwise stipulated in writing. In no way they can be paid from hand to hand to a member of the staff, unless written approval by the management.

Unless otherwise stipulated:

- in case of non-observance of payment dates, an interest counted at 15% annually will be due (without notice) by the only fact of expiry date of the invoice on all the amounts due at 60 days from the date of issue of the invoice
- moreover, in case of non payment at the invoice expiry date of the total invoice or part of the invoice, the amount due will be increased with a lump and indivisible indemnity of 15%, with a minimum of 25 euros.
- This clause regarding interests and lump indemnities is accepted by the client in application of articles 1147, 1152, and 1229 of the Belgian Civil Code.

Non payment of due amounts upon maturity entails, after notice by registered mail with acknowledgement of receipt, refusal of the authorization to refer to the organic production method or its revocation if the authorization had already been granted and this from the 15th working day from the transmission of the notice onwards.

The fact that the inspection and certification body does not use one or another clause drawn up in its advantage in the present general conditions, must not be interpreted as a renunciation.

ARTICLE 6 : REFERENCE TO THE INSPECTION AND CERTIFICATION BODY

Reference to the inspection and certification body is only authorized upon receipt of the notification of authorization.

Reference to the inspection and certification body on labels and packaging is authorized only for the products covered by the authorization.

Reference to the inspection and certification body on all other documents issued by the company is prohibited unless written authorization. In no way shall the applicant be allowed to reproduce the brand or logo of the inspection and certification body.

Any document, label or packaging with reference to the organic production method and to the community inspection system as well as to the inspection and certification body, shall be submitted for approval before its publication.

Any abusive or fraudulent use of the name of the inspection and certification body, its brand or logo, will entail payment of a lump indemnity equal two times the annual fee, apart from more important indemnities if necessary. In case of abusive use, the amount of lump indemnity is limited to 2500,00 euro.

The applicant commits himself to remove every reference to the inspection and certification body as soon as possible and in particular, from the new print and at the latest three months after revocation or expiration of the authorization or at the end of the present contract.

ARTICLE 7 : TERM OF VALIDITY OF THE AUTHORIZATIONS

Validity of the certificates is linked to the life cycle of the product except in case of revocation of the certification. The license is send to the operator together with the certificate.

ARTICLE 8 : TERM OF CONTRACT, RENEWAL

The present contract is valid for the calendar year and is renewed by tacit agreement the next years each first day of January, according the rates in force for each of these years.

In case either party doesn't wish to renew the present contract, the party will have to inform the other party about termination of the contract by registered mail with acknowledgement of receipt at least one month before the end of the present contract in case of the applicant and three months in case of the inspection and certification body.

Guilty non-observance by one of the two parties of one or another clause of this contract can entail cancellation of the present contract if the guilty party has not made the necessary corrective actions within 30 days from the date of transmission of a registered letter with the observed non compliances.

ARTICLE 9 : LIABILITY

The inspection and certification body which is only hold with regard to the applicant to an obligation of means, is liable towards him and his rightful claimants only in case of willful misdemeanour or serious misdemeanour and its liability is limited to a maximum amount of 12.000 euro per damage and per year.

The applicant has to inform the inspection and certification body in writing of the possible damages within the month when the damage has occurred, otherwise the damage claim can expire.

In case marketing of the products is no longer authorized, the applicant has no other recourse than the appeal procedure of the certification system.

ARTICLE 10 : COMPETENCE

Every litigation with regard to the conclusion, the carrying out or the interpretation of the present contract is submitted to Belgian Law. The Courts in the jurisdiction of Brussels shall be the only courts empowered to settle disputes arising out of the present agreement.

Drawn up in two copies in Brussels, on (date)

On behalf of CERTISYS sprl

For the Applicant

Blaise HOMMELEN
Managing director

Name :
Function :

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