

CONTRACTUAL AGREEMENT – ORGANIC CERTIFICATION

INDIAN SOCIETY FOR CERTIFICATION OF ORGANIC PRODUCTS – CONTRACT OF CERTIFICATION

CONTRACTUAL AGREEMENT BETWEEN

PARTIES

INDIAN SOCIETY FOR CERTIFICATION OF ORGANIC PRODUCTS (ISCOP) (registered society) 135, Ponnurangam Rd WEST, R.S. Puram, Coimbatore, Tamil Nadu 641002 Represented by Prof Dr. K. K Krishnamurthi President, ISCOP	OPERATOR
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Section 1: About the contract

1.1 Purpose: This contract is signed between ISCOP as Certification Body and operator, who request certification. The "Operator" is normally defined as the entity, whose name is written as a party to this contract above and in certificate ("Certificate Holder"). In case of organic certification: If the certificate holder subcontracts other units (e.g. farms, factories, warehouses) for production according to the respective organic standard, a subcontract must be signed.

1.2 Appointment: The operator appoints ISCOP to conduct the inspection in accordance with the standard(s) selected in Section 2 for the purpose of this contracts. The standard selected is under operation as a scheme of ISCOP and the operator require holistic understanding of the scheme. The scheme requires conformities against which ISCOP does assessment. Conformity assessment require the operator to execute the standards as described in the standards document.

1.3 Normative Reference Copy: For the purpose of clarity, ISCOP makes it mandatory for the operator to maintain a copy of the normative standards document as references. The operator shall download the normative reference document and maintain a copy through the link given below. The operator shall download the same from <http://iscoporgcertindia.com> as well.

http://www.apeda.gov.in/apedawebsite/organic/ORGANIC_CONTENTS/English_Organic_Sept05.pdf

1.4 Inspection: Most standards require yearly inspections. ISCOP conducts two type sof inspections. Regular inspections are conducted as a procedure to certify or renew the certification as an annual event for the purpose of certification. In this type of inspection, the inspectors shall serve guidances and enable the operator comply. Second type of inspection is conducted as a surveillance inspection. Number of surveillance inspections depends on the condition and cooperation of the operator and it will be mostly unannounced or more detailed inspections shall be carried out at irregular intervals or in response to concerns regarding possible violations of the respective standards.

Section 2: Scope of the Contract

ISCOP is accredited by the National Accreditation Body (NAB) authorised by the Ministry of Commerce and Industry, Government of India. It follows the National Standards for Organic Production (NSOP)

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under the National Programme for Organic Production (NPOP) notified under the Foreign Trade (Development and Regulation Act), 1992 (FTDR). This is a third-party scheme under public legislation.

Please tick the relevant scope.

- Organic agricultural production
- Organic processing operations
- Wild products
- Organic animal production and processing.

Section 3: Obligation of the Operator

The operator is obliged to cooperate with ISCOOP on the following terms and the lack of cooperation shall lead to sanctions as applicable.

3.1 Allow information disclosure by former certification bodies if the operation had previously been certified. ISCOOP require complete disclosure of information for the purpose of validating certification eligibility requirements. So the operator shall cooperate information disclosure to the fullest.

3.2 Operator shall always comply with the requirements of the respective standard(s) as indicated under Section 1.3 of normative references given in this agreement. If the operator has clarifications associated with the reference document, ISCOOP shall assist in referring to consultants and trainer for this purpose. But signing of this agreement shall mean that the operator is in full understanding about the normative reference document relevant to the standard.

3.3 Operator shall assist with inspection procedures prescribed by ISCOOP. In particular, the operator shall provide appropriate information and grant authorized ISCOOP inspectors access to the fields, storage facilities, processing plants, and to all relevant documents. The operator's employees may be interviewed at any time by the inspection personnel. The operator shall cooperate for samples being taken by ISCOOP or by a third party subcontracted by ISCOOP for testing purposes at the cost of operator whenever essential

3.4 The operator accepts to inform ISCOOP immediately of any planned changes to the production system that could affect product conformity to the relevant standard(s) (e.g. change of fields, production units, recipes) and not market the product under the respective label before receiving ISCOOP's approval.

3.5 The operator accepts to notify ISCOOP immediately of any application of prohibited substances in any part of the operation, including pesticide drift and other contamination.

3.6 Operators accepts not to switch in and out of organic certification system. And to use the certification and ISCOOP logo (e.g. in advertising or information material) exclusively for the purpose of affirming that the thus labelled products conform to the relevant standard(s) and for the activities mentioned on the certificate, avoiding misleading use of the certification.

3.7 Operator accepts not to use the certification in any way that would discredit or misutilize ISCOOP.

3.8 Operator accepts to cease immediately all use of the certification in advertising or labelling upon suspension, cancellation, or withdrawal of the certification, and to return all certificates to ISCOOP when requested.

3.9 Operator accepts to inform buyers in writing about products that do not comply with the requirements of the standards and ensure that any indication of conformity to the standard is removed from products not being any longer in compliance.

3.10 Operator accepts to record and disclose any complaints made by third parties relating to conformity of the products to the relevant standards. Records must be kept of the respective corrective actions.

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3.11 Operator accepts to reveal beforehand to IS COP the identity of any other company for which the operator intends to cultivate/manufacture products under license, and thus as a result can use the certifier's mark (name and logo) on the label of the products that it intends to market under its own brand name even though it does not hold a compliance certificate for those products.

3.12 Operator accepts to provide a detailed Organic System Plan (OSP) for the purpose of evaluation before IS COP starts inspection. IS COP shall guide the operator in this process of developing a system plan. IS COP treats the ability of operator to complete an OSP as criteria for organic awareness.

Section 4: Obligation of IS COP

IS COP accepts to carry out the inspection in a timely manner not later than 45 days from application and payment of professional fee as mutually accepted conditional to a complete Organic System Plan and application review. Please refer to the certification process document of IS COP for clarification of the process.

IS COP accepts to inform the client in a timely manner in less than 45 days about the results of the inspection, i.e. either send the client the certificate or inform the client about the requirements that have yet to be fulfilled before the certificate can be issued. This time frame begins with the submission of all necessary information and documents as well as the payment of the final invoice by the client.

IS COP accepts to inform the client in a timely manner about all relevant modifications of standards or of IS COP's procedures and policies.

IS COP shall assist immediately and adequately on any complaint by the operator, according to the procedures established by the respective standard and/or by the IS COP quality manual.

Section 5: Professional Fees

The offer presented by IS COP and accepted by the operator is part of this contract. The offer is valid for a period of at least one year. If applicable, IS COP will inform the client of any fee increases at least one month before the expiration of the contract. The contracting parties will come to a consensus on changes of the fees.

Additional Inspection charges, testing charges arising out of the Extradinary circumstances of non-conformities, complaints and sanctions shall be fully borne by the operator on the case specific basis at that time.

Payment of professional fee does not guarantee certification by any means, it only facilitates the process of certification, grant of certification is limited to the accreditation body's approval, in this case NPOP, Government of India.

Section 6: Sanctions

The relevant Sanction Catalogue(s) is/are part of this contract. In the event of deviations, or violations to the standard(s), IS COP is entitled to impose the indicated sanctions, including a cancellation of the certificate. The sanctions categories are presented below for reference;

M 1 Minor non-conformity, not affecting organic status of the product - **Measure of warning** -

Depending on the case, non-conformity can be closed before or after issuing the certificate and the validity period depends on the case and type of production.

M2 Measure of warning not applied in prescribed dead line or not applied in full/ major non-conformity - **Measure of distrust** - Depending on the case, possibility of losing organic status of the

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products/field or new start of conversion period and Nonconformity must be closed before issuing the certificate.

S 1 Major non-conformity, affecting organic status of the products - **Measure of suspension-1** – Product/Field cannot be certified. Plots are keeping statuses.

S 2 Major non-conformity, affecting the organic status of production - **Measure of suspension-2/rejection**- Product concerned cannot be certified, plots, part or in full, must undergo a conversion period from the beginning.

If measure is defined as M1 in case of repeating the non-compliance that caused it, the measure becomes M2, S1 or S2, depending of the severity of non-conformity and its frequency. A detailed sanction catalogue is available in IS COP public information site.

Section 7: Contract Period

The contract period shall be flexible based on the choice of the operator, however for the purpose of continuity IS COP recommends operator to hold the contract at least for the total conversion period, if the decide to migrate certifying body. So the contract will be concluded for an indefinite period of time.

IS COP is not responsible for delays of service due to acts of God or due to events outside its control, even if target dates had been guaranteed. Such events also authorize IS COP to completely or partially withdraw from the contract, whereby the client does not gain the right to sue for damages for non-performance. If the obstruction lasts longer than 12 weeks, the client is authorized to withdraw from not yet fulfilled portion of this contract after a reasonable extension. Claims for damages are excluded.

Section 8. Indemnity/Liability

Operator is fully responsible for the indemnity arising out of the non-compliances, infringements, irregularities. Operator is liable for the risk cover that comes out of the damages arise out of sanctions on IS COP as a result of operator misconduct and misuse of certification.

IS COP is not liable for any consequential harm caused by errors in the analyses of the laboratories contracted by us. Obligatory compensation for any other damages caused by IS COP is limited to the indemnification covered by its liability insurance. IS COP is neither able nor allowed to guarantee a market for the certified products. IS COP has no liability for product quality.

Section 9: Right to terminate contract

Notification of cancellation of the contract can be made by either party and must be made in writing at least three months prior to the end of the year or three months prior to the end of the certification period. Both parties may terminate the contract immediately in cases of extraordinary circumstances. For IS COP, extraordinary circumstances justifying termination of the contract include payment that is more than 1 month overdue, or refusal of the client to cooperate during inspections. For the client, extraordinary circumstances include IS COP not meeting its obligations.

Section 10: Confidentiality obligations

IS COP and its subcontractors are obliged to hold all business information confidential so far as information is not already publicly known, excluding data that is demanded by the competent state authorities, the accreditation agency, or private standard setting organizations.

Section 11 Appeals and complaints

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The client may file a complaint against the certification decision within one month after receiving the decision. If the client does not file a complaint within this period, the certification decision is considered legally binding effective the date of the decision. Appeals do not result in postponement of the certification.

ISCOP will incorporate into the present contract any changes required by the competent state authorities or private standard-setting organizations or by the liability insurance company. The operator shall be informed about any changes without delay. All amendments or additions to the present contract must be made in writing. This contract is governed by the laws of the Republic of India. The court of jurisdiction is that of the registered domicile of the headquarters of ISCOP, Coimbatore, Tamil Nadu.

Signature of Operator:

Place:

Date:

Signature of Certifying Body Representative

Place:

Date: