

Organic Inspection and Certification Service Contract

Seeds Canada, doing business as the Centre for Systems Integration, having its registered offices at 85 Albert Street, Suite 1100, Ottawa, Ontario, hereinafter referred to as CSI, and,

hereinafter referred to as the Applicant, having its registered offices at:

agree to abide by this contract pertaining to inspection and certification services to be provided by CSI.

Article 1: Regulations for operating a producer; a grower group; a preparation facility; or a packaging/labelling facility

The Applicant will comply with the stipulations of the Safe Food for Canadians Regulations Part 13 or the Canada organic standard for out-of-scope products (CAN/CGSB-32.310/311/312, as applicable).

The Applicant agrees to abide by the procedures and requirements as described in **ORG-QSP 10.1.0 – CSI Organic Certification Policy Manual**.

Article 2: Rights and Obligations

- 2.1 The Applicant agrees that any activities for which certification may be granted shall be conducted to the same specifications found during the inspection upon which certification was granted.
- 2.2 Certification is based on the system plan submitted by the Applicant and reviewed by CSI, the situation observed by the inspector at the time of the inspection and is also based on the sample documentation examined during the inspection. Any claims made by the Applicant with regards to their organic certification shall be consistent with the scope of certification granted by CSI.
- 2.3 The Applicant shall ensure that no products are represented as organic prior to certification being granted by CSI.
- 2.4 The Applicant must ensure that staff members have as little commercial, financial or other pressures or conflicts which may cause staff to act in other than an impartial manner.
- 2.5 The Applicant agrees that the persons representing CSI, CSI's conformity verification body (CVB) and/or officials representing the Canadian Food Inspection Agency (CFIA) shall be granted access to their premises and operations, including examination of documents and records, and access to equipment, location(s), area(s) and personnel, with reasonable notification during normal working hours.
- 2.6 The Applicant agrees that any information collected by CSI as part of the inspection and certification process may be shared with third parties (e.g., government agencies, competent authorities, etc.).

- 2.7 The Applicant agrees that all business aspects associated with their operation are subject to scrutiny as part of the organic certification process, especially operations in higher risk areas as defined in ORG-QSP 10.1.0.
- 2.8 The Applicant agrees, on behalf of himself and his subcontractors, that where the Applicant and his subcontractors are inspected by different certification bodies, that the different certification bodies may exchange information on the operations under their inspection (e.g., for cross-checking purposes), and on the way this exchange of information is implemented.
- 2.9 In the case of the Applicant changing to CSI from another certification body, the Applicant agrees to the release of all data relating to their previous certification to CSI by the previous certification body.
- 2.10 The Applicant shall make all necessary arrangements to enable CSI to investigate any complaints.
- 2.11 The Applicant shall not use its certification in such a manner as to bring CSI into disrepute and shall not make any statement regarding its product certification which CSI may consider misleading or unauthorized.
- 2.12 When providing copies of certification documents to other parties, the Applicant shall ensure that the documents are reproduced in their entirety or as specified by the certification scheme.
- 2.13 The Applicant shall keep a record of all complaints made known to the Applicant relating to the compliance with certification requirements and to make these records available to CSI upon request. The Applicant shall take appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with the requirements of certification. All actions taken in relation to a complaint shall be documented.
- 2.14 The Applicant shall pay the deposit fee and submit a signed copy of the present document prior to CSI conducting any review activity on the application.
- 2.15 If applying for certification as a grower group (crops), the Applicant agrees to abide by the requirements stated in the COR Operating Manual C.12 and in the CSI Organic Certification Policy Manual (ORG-QSP 10.1.0) with regards to group structure and membership; internal control procedures; and inspection requirements for the group, the sample of producer members and a witness audit of the internal inspector on an annual basis.
- 2.16 If the Applicant belongs to a grower group and has products for which certification is requested that are outside of the group, the Applicant shall pay the applicable fees as described in ORG-QSP 10.1.0; submit the appropriate CSI forms and information; and undergo an inspection of the products for which certification is requested separate from the group certification inspection.
- 2.17 CSI shall agree to review all documentation related to an application for certification presented by the Applicant, conduct an inspection and make a certification decision based on CSI's assessment of the Applicant's compliance with the appropriate scheme(s) to which the Applicant is requesting certification.
- 2.18 The Applicant agrees that if the certification applies to ongoing production, the certified product continues to fulfil the product requirements once initial certification is granted.

Article 3: Continuation of Certification

- 3.1 The Applicant, if certified by CSI and if the Applicant chooses to renew certification with CSI, agrees to undergo an annual inspection which will be conducted by a CSI organic inspector, who is selected by CSI and subject to acceptance by the Applicant. The applicant may request that another inspector be selected and must provide reasonable validation.
- 3.2 The full cost of all inspections (including any inspections required of non-certified subcontracted parties) is the responsibility of the Applicant. Fees are described in ORG-QSP 10.1.0. A quote is provided for certification services. Any additional fees that may apply after inspection will be determined before final invoicing. Fees are reassessed each year and are subject to change.
- 3.3 Samples may be taken during the inspection as deemed necessary by the inspector or as directed by CSI. Any fees associated with testing of the samples are the responsibility of the Applicant if positive results are returned by the testing laboratory. The Applicant is notified of the choice of laboratory and may object to the laboratory proposed for testing, in which case CSI will identify an alternate ISO 17025 accredited laboratory to conduct the testing, if possible.
- 3.4 On-going compliance with the appropriate scheme(s) to which the Applicant is requesting certification and any applicable equivalency arrangements is the responsibility of the Applicant.
- 3.5 The Applicant is obligated to inform CSI of any complaints received by the Applicant that pertain to the organic status or integrity of products covered under the scope of certification delivered and/or sold by the Applicant and will keep a log of such complaints.
- 3.6 The Applicant will abide with the request from the CSI to make modifications to its operations to bring it into compliance with the appropriate scheme(s) to which the Applicant is requesting certification.
- 3.7 The Applicant understands that they may be subject to unannounced inspections based on the results of the risk assessment conducted as part of the inspection, that is if the Applicant is identified as being high-risk. Unannounced inspections are conducted by an inspector selected by CSI. The Applicant is responsible for all fees associated with unannounced inspections.
- 3.8 If the Applicant wishes to change certification from CSI to another certification body (CB), the Applicant agrees to abide by all requirements as stated in this contract until such time as a certificate has been issued by the new CB. Failure to abide by the conditions of certification by CSI during the change period will result in suspension of the Applicant's certification, regardless of whether the change to another CB is complete.

Article 4: Information on modifications

- 4.1 The Applicant shall inform CSI of any change to the status of the crops or livestock listed under the certification of the organic production unit; or products listed under the certification of the organic preparation facility; or products listed under the certification for a packager/labeler; or products listed under an attestation of compliance.
- 4.2 The Applicant shall notify CSI of any changes made to the organic system plan that was approved at the time of certification over the course of the year of certification. CSI shall approve all changes that impact on the organic integrity of the products certified by the operation (e.g., product profiles, ingredient sources, label changes, new product additions, etc.).

- 4.3 The Applicant shall inform CSI without delay of changes that may affect its ability to conform with the certification requirements (e.g., changes to: legal, commercial, organizational status or ownership; organization and management as related to key staff; modifications to the product or production method; contact address and production sites; scope of operations in the production method; and major changes to the management system).

Article 5: Publicity and Use of Certification Marks

- 5.1 The Applicant shall not use its authorization for promotional or publicity purposes if CSI considers such use to be misleading. The Applicant shall label organic production and products in accordance with the appropriate scheme(s) to which the Applicant is requesting certification, including equivalency arrangements and trade agreements.
- 5.2 All labels shall be approved by CSI prior to use.
- 5.3 If the Applicant chooses to use the certification mark for any of the applicable schemes listed, it must be used in accordance with the labelling rules in the relevant scheme as noted. The Applicant may also choose to use the CSI certification mark on organic products. Use of the CSI mark must comply with the applicable guidance.
- 5.4 Upon request by CSI and pursuant to article 8 of the agreement, the Applicant shall discontinue the use of all advertising material that contains any marks belonging to the relevant certification scheme(s) or the CSI logo/certification mark. Product that has been labelled pursuant to the relevant certification scheme that is in storage shall have such labeling removed. Further, the buyers of the product shall be informed in writing to request that the indications referring to organic production are removed from the product.
- 5.5 All advertising (e.g., print material, websites) produced by the Applicant shall be subject to examination by CSI to determine the accuracy and veracity of any organic claims made.
- 5.6 Incorrect references to the certification scheme(s) or misleading use of licenses, certificates, marks or any other mechanism for indicating a product is certified, found in documentation or other publicity, shall be dealt with in a suitable manner by CSI.

Article 6: Confidentiality

- 6.1 CSI is responsible for seeing that confidentiality is maintained by its employees, contractors and organic inspectors concerning information with which they become acquainted as a result of contact with the Applicant.
- 6.2 When CSI is required by law or authorized by contractual arrangements to release confidential information, the client concerned shall, unless prohibited by law, be notified of the information provided. Information about the client obtained from sources other than the client (e.g., complainant, regulators) shall be treated as confidential.

Article 7: Payment

- 7.1 Fees are payable to CSI upon invoicing after the on-site inspection. The invoice will be adjusted to reflect the payment of the deposit fee, and any additional fees that are deemed necessary in accordance with ORG-QSP 10.1.0.

Article 8: Suspension/Cancellation of Certification

8.1 If certification is granted to the Applicant, the following schedule of notice will apply if there is reason for suspension or cancellation of certification:

Situation requiring the dispatch of notice that can lead to suspension/cancellation	Days of notice prior to suspension/cancellation
Certified operation's wish to cancel:	30 days
Violation of an existing standard:	30 days
Failure to meet other provisions of the certification:	30 days
Non-payment of CSI fees:	30 days

8.2 Interest charges of 1.5% per month shall accrue on outstanding fees after 30 days. Non-payment of fees is grounds for suspension and cancellation. When the Applicant's account is 90 days in arrears, the Applicant shall be suspended for non-payment of fees. If the Applicant's account is still in arrears 30 days following the date of suspension for non-payment of fees, the Applicant shall be cancelled.

8.3 In the case of severe infractions against any of the standards included in the Applicant's scope of certification, identified either by the inspector or by CSI because of a complaint, CSI shall immediately suspend the operation's organic certification. All costs associated with the investigation of such infractions (e.g., additional inspections, sample collection and testing, etc.) shall be the responsibility of the operator.

8.4 In the case of a group certification applicant, CSI shall hold the grower group responsible for compliance of all members. Suspension procedures for group certification shall be those described in ORG-QSP 10.1.0, in the event of a non-compliance identified by the grower group or a member. CSI shall suspend or cancel the certification granted to the grower group as a whole, in accordance with Section 350 of the *Safe Food for Canadians Regulations*, in cases where the grower group's internal control system fails to act on the non-compliances.

8.5 Advice of suspension/cancellation shall be sent by registered letter (or equivalent means) to the operator. The suspension/cancellation procedures shall be those described in **ORG-QSP 10.1.0**. Cancellation shall not proceed until the operator has been given an opportunity to be heard in a notice also stating the grounds for proposed cancellation.

8.6 The CSI CVB or scheme owner related to the certification of the Applicant shall be notified of all suspensions and/or cancellations.

8.7 Upon the stated date of voluntary withdrawal or cancellation of certification, the Applicant shall discontinue its use of all advertising matter that contains any reference to organic certification by CSI and shall return any certification documents and take any other required measure by the certification scheme(s).

Article 9: Modification of Certification Requirements

- 9.1 If the certification requirements are modified, CSI shall inform the Applicant stating at what date the modified requirements will become effective and advise them of any need for a supplementary inspection of the operations which are subject to this agreement.
- 9.2 Within a specified period after receipt of the notification described in paragraph 9.1, the Applicant shall inform CSI as to whether they are prepared to implement the modification(s). If the Applicant provides confirmation within the specified period of their acceptance of the modification and provided the result of any supplementary inspection (as required) is favourable, an amended certificate will be issued if necessary and CSI's records shall be modified as necessary.
- 9.3 If the Applicant advises CSI that they are not willing to implement the modification within the specified period in accordance with 9.2, or if they allow the terms for acceptance to lapse, or if the result of any supplementary inspection is not favourable, CSI shall institute its suspension and cancellation procedures as described in ORG-QSP 10.1.0.

Article 10: Liability

- 10.1 The Applicant shall indemnify and save harmless CSI from and against all manner of actions, claims, demands, loss, damages, actions, suits, or other proceeding by whomsoever made, sustained, brought or prosecuted in any manner based upon, caused by, arising out of or attributable to the performance of this agreement.

Article 11: Appeal/Dispute

- 11.1 All disputes that may arise in connection with this agreement are to be settled in accordance with CSI appeal procedures (section 14 of ORG-QSP 10.1.0).

Article 12: Reporting and Records

- 12.1 All applicants will keep records according to the period established by the standards identified in Article 1 of this agreement.
- 12.2 All information submitted to CSI and/or its accreditation bodies shall be accurate and truthful.

This service contract comes into effect on the date indicated below and remains in effect until the Applicant's certification is cancelled by CSI or the certification has expired.

For CSI:

For the Applicant:

Date

Date

(Print Name)

(Print Name)

(Signature)

(Signature)