

Contract for Global Organic Textile Standards Accreditation

This contract is drawn up, under the law of the state of Delaware, USA between:

International Organic Accreditation Service Inc. (IOAS) of
102½, 1st Ave. South, Suite 4, Jamestown, ND 58401, USA
hereinafter referred to as the Licensor
and
of
hereinafter referred to as the Licensee.

Preamble

The Licensor, upon successful completion of the evaluation conditions precedent, by official act on date of signing does hereby grant the above named Licensee entitlement to indicate that the organic certification program operated by the Licensee is "GOTS Accredited" in accordance with the limitations placed on such indications as set out in this contract.

The GOTS Accreditation Programme is described in the current Operating Manual and Quality Manual of the IOAS.

The current version of the Approval Procedure and Requirements for Certification Bodies published by the International Working Group on Global Organic Textile Standard is incorporated here by reference.

For valuable consideration given, the sufficiency of which is hereby acknowledged, the parties agree as follows:

A) Limitations on Use of Accredited Designation

1. Reference to GOTS Accreditation, whether referred to as Global Organic Textile Standards accreditation or as GOTS accreditation, by the Licensee on the basis of this contract shall be limited to:
 - a) Oral representations
 - b) In writing on official stationary of the Licensee
 - c) In documents, reports and promotional material of the Licensee
2. All other uses including any use of the GOTS logo are not bestowed by this accreditation contract. Use of the logo by an accredited certifier is defined in the valid version of the GOTS 'Licensing and Labelling Guide'. The precondition for use is a valid 'Certifiers Contract' with the Global Standard GmbH.
3. Reference to GOTS accreditation may only be made with regard to the scope of the accreditation, as stated in the schedule of this contract.
4. The right to use of the accreditation designation is nontransferable

B) Duties of Licensor

The Licensor does agree to:

1. Issue a Certificate of Accreditation following the signing of this contract ;
2. Include Licensee on any accreditation list published by the Licensor and to freely acknowledge the accreditation status of the Licensee for the term of this contract;
3. Inform the Licensee of changes to the Approval Procedure and Requirements for Certification Bodies published by the International Working Group on Global Organic Textile Standard and of any substantial changes to the procedures of the accreditation programme;
4. Permit the Licensee a reasonable period of time, being not less than 12 months, to implement changes in the Requirements that come into force during the period of this contract;
5. Supply invoices to the Licensee for fees due;
6. Take action against any parties fraudulently claiming to have been issued GOTS accreditation status by the Licensor

C) Duties of Licensee

The Licensee does agree to:

1. Comply with the Approval Procedure and Requirements for Certification Bodies published by the International Working Group on Global Organic Textile Standard which is hereby incorporated by reference;
2. Comply with any additions, amendments and changes to the Approval Procedure and Requirements for Certification Bodies. Such compliance shall not be required earlier than 12 months after distribution by the Licensor of such additions amendments and changes;
3. Comply with all conditions annexed to this contract and complete such improvements according to the stated timetable;
4. Comply with any additions and amendments to the aforementioned conditions resulting from changes made to it's operation by the Licensee, or as a result of additional information received by the Licensor;
5. Carry out the procedures and regulations of Licensee's certification programme as set out in the documentation which the Licensee supplied at the time of application for accreditation, or in documentation subsequently supplied;
6. Inform the Licensor of all changes to their procedures and regulations within three months of the decision to implement such changes; and to ensure that any such change shall not infringe the terms of the GOTS Approval Procedure and Requirements for Certification Bodies or the GOTS standard. The Licensee must submit to the Licensor an application for extension and reduction of scope before making any claim that that field of activity is included or removed from the accreditation;
7. Submit, to the Licensor, at the time due, an annual update that provides all the information requested by the Licensor, which request shall be sent at least one month before the date of the submittal;
8. Inform the Licensor immediately of any withdrawal of accreditation by another accreditation body or suspension/withdrawal of recognition by a government authority as well as situations that suggest the competence or integrity of the Licensee is in doubt;
9. Submit to surveillance visit of IOAS staff or agents;

10. Allow the Accreditation Programme staff or the assigned evaluator full access to any documentation pertaining to the certification program on request and secure and facilitate their access to operator premises as necessary;
11. Undergo a re-evaluation at the time set out in the schedule of this contract, or when deemed necessary by the IOAS in accordance with the terms of this contract;
12. Submit the necessary documentation to determine the annual fee and to pay all fees due (upon receipt of an invoice from the IOAS) at the current rate when due;
13. Indicate that the IOAS is the accreditation body on all certificates (operator certificates, transaction certificates or other documents confirming certification) issued under the accredited programme. This may be achieved either by use of the IOAS logo or by stating 'This certificate is issued within the scope of the accreditation issued by the IOAS. Registration number: (your contract number with IOAS)'. Use of the IOAS logo is limited to certificates. Its use must comply with the guidelines issued by IOAS as document PL0515.
14. Submit samples of references made to their accreditation status;
15. Refrain from using their accreditation status in a manner that brings the Licensor into disrepute

D) Remedies in the event of breach

In the event of breach of this contract by the Licensee, the Licensor may undertake any one or more of the following measures:

1. Impose additional conditions and insist on corrective action according to a timetable;
2. Require the licensee to undergo an evaluation visit at Licensee's expense;
3. Require the Licensee to undergo a full re-evaluation within such interval as the Licensor considers appropriate and at Licensee's expense;
4. Impose penalty fees;
5. Suspend or terminate the accreditation license and publish the name of the Licensee and the reason for the withdrawal; and
6. Where Licensor believes a regulatory authority has made use of the accreditation status, inform the authority of the breach

E) Investigative Authority

In the event of the Licensor having reason to believe that the Licensee may be in breach of the contract, either as a result of changes made by the Licensee, as a result of additional information received by the Licensor, or when the Licensor, due to unforeseen circumstances or developments has reasons to believe that there is a risk of widespread non-compliance to a particular aspect of the Approval Procedure and Requirements for Certification Bodies does by this contract authorize the Licensor to adopt any of the following measures:

1. Require Licensee to reply in writing to any and all questions that the Licensor may pose and any requests for documentation within a reasonable time-period;
2. Conduct either a partial or a full re-evaluation of the programme during the term of this contract, such evaluation to be at Licensee's expense;

F) Period of Contract.

1. The term of this contract is for the period set out in the schedule

2. This contract may be voluntarily terminated by the Licensee with three months notice in writing or by either party upon insolvency of the Licensee.
3. The Licensor may terminate the contract if the Licensee does not fulfill its obligations as set down in this contract
4. The Licensor may terminate the contract on dissolution or insolvency of the IOAS.
5. The Licensor may in writing extend this contract for a period of not more than three months for the purpose of facilitating the renewal procedures.
6. The parties to this contract agree that, subject to written approval by both parties, this contract may be replaced in its entirety.
7. Upon suspension or withdrawal of its accreditation (however determined), the Licensee shall discontinue use of all advertising matter that contains any reference thereto and shall return any accreditation documents as required by the Licensor.

G) Renewal of Contract

Renewal of contract shall be based on the Approval Procedure and Requirements for Certification Bodies and the reference standard as current at the time of renewal of the contract.

The Licensor may:

1. Renew this contract only following a re-evaluation and upon completion of all changes and improvements considered necessary by the Licensor. Licensor reserves the right to require such changes prior to renewal or to agree a timetable for completion of such changes. Licensor shall reissue the schedule to include such conditions and the time for completion.
2. Amend the stipulations of the contract.

H) Confidentiality

1. Upon written request of the Licensee, the Licensor may, at its discretion, provide information on the Licensee's certification programme to regulatory authorities. In such event, the Licensor may provide any and all information it deems necessary for such purpose.
2. Where the law requires information to be disclosed to a third party, the Licensee shall be informed of the information provided, if permitted by the law.
3. Subject to the conditions stated above, the Licensor shall at all times treat any given information concerning the Licensee or the operators of the Licensee as confidential, and shall not disclose same to a third party without the prior consent of the Licensee. To this end the Licensor shall implement and maintain a confidentiality policy and shall obtain confidentiality agreements from all persons who come into contact with such information.

I) Liability

1. The Licensee agrees to defend, indemnify and hold harmless, the International Organic Accreditation Service Inc., including its directors, officers and employees against any loss, costs, legal fees and expenses arising out of or in connection with the operation of the Licensee's certification programme, or resulting out of any misuse by the Licensee of the accreditation status, or arising out of any violation by the licensee of the terms and conditions of this contract.

J) Disputes

1. The licensee agrees to refer any disputes arising from this contract, including disputes over accreditation conditions and decisions and disputes over sums of money to the IOAS appeals and complaints procedures.
2. The parties shall agree by separate arrangement on a Court of Arbitration. In event of the failure to resolve disputes through the appeals process the parties legal recourse shall be exclusively to the agreed Court of Arbitration.

K) Validity of the parts

If any part of this agreement is found to be invalid under the law of Delaware it shall not affect the validity of the remaining parts.

Signed (for the Licensor) :

Position: Executive Director

Date:

Place: Exeter, Devon, UK

Signed (for the Licensee) :

Position:

Date:

Place:

THE SCHEDULE

This schedule forms part of the Accreditation Contract between the International Organic Accreditation Service Inc. (IOAS) of: 102½, 1st Ave. South, Suite 4, Jamestown, ND 58401, USA hereinafter referred to as the Licensor;

And of , hereinafter referred to as the Licensee.

The scope of the accreditation is as follows:

is accredited against the Approval Procedure and Requirements for Certification Bodies published by the International Working Group on Global Organic Textile Standard for: **{Delete as applicable}**

- Certification of mechanical textile processing and manufacturing operations and their products
- Certification of wet processing and finishing operations and their products
- Certification of trading operations and related products
- Approval of textile auxiliary agents (chemical inputs) on positive lists

The Licensee agrees to undertake the corrective action as detailed in the attached sheets, which form part of this schedule and according to the timetable specified.

The Licensee agrees that a full re-evaluation visit shall take place no later than and that the application documents shall be filed no later than . Licensor may at any time prior to this require a re-evaluation pursuant to Section C10. In cases where the Licensee operates in territories outside their home-base, the Licensor may require, in line with its foreign visits policy, audits of foreign operations during the term of this contract.

During the term of this contract (including the next re-evaluation) the Licensee agrees that up to foreign visits will be conducted. This number may be amended in the event of changes in activities undertaken by the Licensee during the term of this contract.

The licensee agrees that the following premises which conduct key activities shall be visited prior to the next full evaluation visit:

The Licensee agrees to submit the annual update as specified in Section C6 of this contract each year starting in

This contract begins on the date of signing by the Licensor and expires on

Signed (for the Licensor) : _____
Position: Executive Director
Date: _____
Place: Exeter, Devon, UK

Signed (for the Licensee) : _____

Global Organic Textile Standards Accreditation contract -

Position:

Date:

Place:

COPY

Conditions for Global Organic Textile Standards Accreditation of

In accordance with Clause C3 of this contract agrees to make the changes to their standards, procedures and policies as detailed on the following pages, within the stated time period.