

Terms & Conditions Agreement for FSC CoC scheme clients

This Certification Agreement ("**Agreement**") is entered between BM Certification SIA ("**BM Certification**") and the client ("**Client**") identified above. This Agreement shall apply to all contracts for the supply of professional services ("**Services**") carried out by BM Certification and becomes effective on the date that both, BM Certification and Client (collectively referred to as the "**Parties**"), sign this Agreement below.

1. Services

Together with this Agreement, the Parties will comply with a contract ("**Contract**") that describes the professional services and quotation BM Certification will perform under this agreement for a Client. BM Certification will perform the Services in a satisfactory and professional manner. In the event of certification services involved in the Services, the applicable certification requirements of the Annex shall apply. Additional Services may be performed under this Agreement according to written modification to this Agreement signed by both Parties. The Client acknowledges and agrees that the BM Certification makes no warranty that Client's products or services will satisfy the requirements of any certification and that any result of objective can be achieved through the Services.

The BM Certification will provide written information, results, technical reports, certificates, recommendations, certification evaluation reports ("**Report**") to the Client in writing to inform Client about the Services carried out.

2. Indemnity and Liability

The Client agrees the indemnification obligation shall survive termination of this Agreement. The Client shall protect, indemnify and hold harmless BM Certification from and against all losses, claims and damages as result of: (a) Clients breach of any law, obligation under this Agreement or other related and specified documentation (e.g. Contract, License of Agreement for the FSC Certification Scheme) of the Services; (b) any claim, failure arising out of the Services and Client's products/services that are outside the scope of BM Certification Services. The BM Certification agrees to indemnify, keep indemnified and hold harmless the Client from and against all losses that result from BM Certification breach or failure to fully meet its obligations specified in this Agreement.

The BM Certification shall not be liable, whether in contract, misrepresentation, torn or otherwise for any indirect, special, incidental or consequential loss, costs, damages incurred by the Client.

Client undertakes to adhere to generally accepted business ethics and moral standards, fair commercial practices, and the principles of a diligent and careful manager in their daily operations. This includes, among other things, timely payment of taxes, fees, and settlements with their business partners; and avoiding actions that could harm their own or their business partner's reputation.

3. Intellectual Property

Neither the Parties grant to the other any rights, title, concept, patents, utility models, copyrights, trademark, service marks, trade/business/domain names, database/topography rights, know-how, moral rights, rights in confidential information and any other intellectual

property rights, except otherwise agreed in written. All Intellectual Property Rights produced during any Service shall belong to and remain the property of BM Certification. Moreover, the Client shall accurately adhere to the specified requirements applicable to any Intellectual Property rights conferred by BM Certification and any applicable certification scheme. The Client can use the certification mark of the BM Certification, logos only after the Client's certification is granted. This Contract does not grant any rights to either Party use the other name in connection with any publication and may not be give any press release/any other public announcement regarding this Contract, the Services or any transaction between the Parties without the express prior written consent of the other party.

4. Confidentiality

The Confidential Information is all information that is secret to the disclosing Party, related to the Services, Party's business, products, costumers and suppliers, trademark, trade secret, copyright, know-how and any other information designated as confidential connected with the Services, which the Parties have or obtained before or after the date of the Agreement. Each Party shall keep all Confidential Information of the other party in the strictest confidence and take all reasonable security precautions, ensuring no disclosure, divulgence or granted access to it prior written consent. Disclosure of the Confidential Information could be made if it is required by any governmental authority, ASI, accreditation body and by law or if it strictly necessary after Party has informed the disclosing Party of the disclosure.

5. Termination and Suspension

The BM Certification may terminate the Agreement unilaterally by giving written notice to the Client, if the Client commits a breach of any terms of the obligations under this Agreement with BM Certification or fails to make a payment within the specified time as well as makes any voluntary agreement that way stopping its business. If either Party has terminated the Agreement or Services for any reason, the Client shall pay BM Certification for all Services with applicable interest. The Agreement will be considered terminated after fulfilment of all the mutual obligations of the Parties and execution of all the payments. BM Certification may suspend performance of the Services and any rights granted to Client under this Agreement for any reasons justifying termination for cause according to the specifications in this Agreement.

6. Force Majeure

The Parties shall not be liable for any delay in performing any obligation under this Agreement due to any act of God, compliance with law, flood, war, terrorism, strike, delay or default by outsourcers or supplier of material or services, or other events beyond the Party's reasonable control without any obligation to make payments due to the BM Certification under this Agreement. Force majeure events shall not include shortage of funds or cash flow difficulties.

7. Outsourcing

The BM Certification may outsource the Services after agreed to be bound by confidentiality obligations. However, BM Certification is responsible and retains authority for all decisions related to certification and its inspections. BM Certification does not outsource such decisions as certification granting, maintaining, renewing, extending, reducing, suspending and withdrawing.

8. Governing Law

The Parties shall held mutually liable in accordance with the legislation of the country in which BM Certification or its Affiliate offices are registered. Any dispute and disagreement between the Contracting Parties regarding execution of the Contract will be settled amicably in mutual consultations. If an Agreement cannot be reached the settlement of disputes will be brought to the relevant country courts in accordance with the national legislations.

9. No Partnership

This Agreement is not intended to or shall not be deemed to construct as creating any partnership relationships or joint venture between the Parties, and no such relationship shall be implied from performance of this Agreement or the Services. Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

10. Third Party

There is no rights granted to third parties under the Agreement to enforce any terms of any applicable Services and the Agreement. Nothing contained in this Agreement shall create contractual relationship with or give any favour of third party against either BM Certification or Client.

11. Data protection

The Parties seeks to implement and follow data processing under on in connection with the Agreement that complies with the requirements of the current legal framework in relation to data processing of the EU General Data Protection Regulation 2016/679 of the European Parliament and of the Council ("**Regulation**") from May 2018 and/or other applicable data protection legislation in force, repealing Directive 95/46/EC.

12. Notices

All notices to this Agreement must be in writing and shall be sent to the other Party in such way that the receiving Party confirms receipt in writing (courier service, mail, email). Notice shall be deemed given upon receipt or the receiving Party's refusal to sign the requested confirmation of receipt.

Annex of the certification service

The terms of this Annex shall apply for Clients, whose certification Services is provided by BM Certification.

Clients are required to conform with all applicable certification requirements of Certification Agreement in accordance with FSC-STD-20-001 *General requirements for FSC accredited certification bodies* and FSC-STD-20-011 *Chain of Custody evaluation*. A legally enforceable certification agreement is signed prior to the main evaluation and after the clients have obtained a License Agreement for the FSC Certification Scheme. The BM Certification commits to make available applicable requirements of the Chain of Custody program to the Client. All relevant FSC normative documents in its most recent version are available on FSC's website.

The Services shall be carried out in accordance with designed procedures to ensure that all activities under this Agreement are in compliance with the requirements of the Standard.

Obligations of Client

Client agrees to comply with following requirements, where the BM Certification provide certification Services:

- a) always comply and conform with all applicable requirements of the FSC certification, including regarding trademarks, as well as implementing appropriate changes after they have been notified (email) by the BM Certification within a specified period by the BM Certification;
- b) comply and fulfil any conditions and agreements set by BM Certification, including any action required for the correction of non-conformities of the applicable Standard within the period specified by BM Certification during validity of the certificate. Client acknowledges that Services shall be carried out in accordance with procedures designed by BM Certification to ensure that any initial assessment, surveillance or re-certification audit is in compliance with the requirements of the Standard;
- c) Client shall disclose current or previous applications or certification with FSC and/or other forest certification schemes in the last five years;
- d) Client shall enable the BM Certification to conduct its own audit, visit to a site as a part of the routine compliance activities or as a response to complaints, assess all relevant items (process, products, sites) related to the specified certification standard and other FSC related documentations. Such visits may be announced, unannounced or short notice in client-owned or operated properties, and, if necessary, outsourcing facilities to determine conformance with the requirements of applicable certification;
- e) Client shall not reject a request for witness or compliance audit conducted by ASI. All clauses referencing BM Certification are applicable to ASI as well, in the case of a compliance audit. Client shall not cover any costs related to the participation of the ASI;
- f) Client agrees that BM Certification publish specified information about the Client, as indicated in the applicable FSC normative documents, including but not limited to: Client name, address, certificate code with issuance and expiration dates, standards against which Client is certified, product groups, sites, company public summary, BM Certification summary and the results of the risk assessment for Chain of Custody Controlled Wood;
- g) Clients agree to consider the participation of observers as specified in FSC-PRO-01-017, when applicable;
- h) If a complaint is submitted, the Client shall first handle the complaint according to the BM Certification procedure. If the complaint is not resolved through this process, it shall be referred to ASI and FSC in case of disagreement with audit findings related to FSC normative documents;
- i) The client shall keep a record of all complaints related to conformance with certification requirements and make these records available to BM Certification upon request. The client is responsible for taking appropriate action in response to such complaints, addressing any deficiencies found in products that affect conformance with certification. Documentation of the actions taken must be maintained and provided to BM Certification as part of the reporting process;
- j) certification is granted, if Client is determined to be in conformance with all applicable

FSC and BM Certification requirements within a defined scope, therefore, Client acknowledges that only claims regarding certification within the scope of certification can be made and any claim of conformity with FSC requirements can be made until and unless certification is granted;

- k) The client agrees not use its certification in such manner as to bring BM Certification, FSC or ASI into disrepute and not make any statement regarding its certification that may be considered misleading or unauthorized and nor use or permit to use the certificate in such manner that would bring certification system into disrepute and lose public trust;
- l) The Client shall inform the certification body within ten (10) days of changes in the ownership, structure of the organization (e.g. changes in key managerial staff), certified management systems or circumstances which relate to the implementation of FSC certification requirements;
- m) The client agree's, that in case of reduction, suspension or withdrawal of the scope of BM Certification's FSC accreditation, the certification of the client will be suspended within six (6) months after the date of reduction, suspension or withdrawal of the respective scope of FSC accreditation;

Regarding the rights of the certification body, ASI, and FSC

- n) BM Certification has the right to delay or postpone its decision on certification, if new or additional information need to be considered in its report, which could affect the outcome of evaluation;
- o) BM Certification shall not be obligated to enter into or maintain any commercial or other relationship with any entity or issue or maintain a certificate previously issued to any entity, if its activities conflict with the requirements of BM Certification as specified in its accreditation contract with ASI, or which reflect badly on the good name of BM Certification, FSC or ASI;
- p) The client agrees, that the certification body and FSC have the right to revise the requirements of certification within the period of validity of the certification, including the revision of costs and fees;
- q) BM Certification, ASI and FSC shall have access to Confidential Information, relevant equipment, locations, areas, personnel and outsourcers in order to evaluate Client compliance with all relevant requirements;
- r) BM Certification will approve FSC trademark use by Client and will control the FSC trademark use according to FSC trademark requirements both on-product and promotional uses. BM Certification has the right to use information which is brought to its attention, to follow up on misuses of the FSC trademarks and of the intellectual property rights held by FSC;
- s) Client acknowledges FSC's intellectual property rights and that FSC shall continue to keep full ownership of the intellectual property rights and nothing is considered a right for Client to use any of the intellectual property rights;
- t) BM Certification shall have the right to suspend and/or withdraw Client's certificate with immediate effect, in the reasonable opinion of the BM Certification, if there is non-conformities with the conditions specified for the maintenance of the certificate;

Changing the scope of certification

In the event that Client wishes to change the certification scope:

- a) Client shall give all information to BM Certification in accordance with applicable certification requirements and within specified period required by FSC normative documents;
- b) the changes of scope shall not include or result in an extension of the certification's expiry date beyond the time period for which it was originally granted;
- c) BM Certification reserves the right to perform an on-site inspection prior to granting a change to the certification scope, if the change is significant in terms of area or operational instructions;
- d) if a change in the scope is granted, BMT shall review the wording of the previously issued certificate, and if necessary issue a new certificate reflecting the change of scope (then old

certificate shall be returned to the certification body or destroyed by the client where applicable).

Suspensions or withdrawal of certification

In the event of certificate suspension or withdrawal, Client agrees to comply with following requirements:

- a) immediately stop to make any use of any BM Certification and FSC trademarks that products comply with the requirements of the certificate, or to make further promotion from certificate or to use any reference to the certificate (including advertising materials that contains a reference to certification);
- b) immediately stop to sell any products previously labelled with any trademarks, certification marks and other names belonging to the BM Certification and FSC;
- c) identify all relevant existing costumers and notify those costumers of the suspension or withdrawal in writing within three working days of the suspensions or withdrawal, and maintain records of that advice;
- d) cooperate such information with BM Certification, FSC and ASI, if required, to confirm that these obligations have been met;
- e) in the event of withdrawal, Client shall promptly return the certificate and all copies to BM Certification or destroy the original and commit to destroy any electronic copies and hard copies of certificate in its possession or control, at its own expense remove all uses of BM Certification and FSC name, initials, logo, certification mark or trademarks from its products, information, website, documents, advertising or marketing or any other materials.