

BM TRADA LATVIJA

PEFC Forest management, PEFC chain of custody and products certification process description

1. General

BM TRADA Latvija ("BM TRADA") offers certification services of PEFC Forest management schemes, PEFC Chain of Custody and various standards of products in order for potential and existing Clients to be able to demonstrate conformity of products, services, personnel and Systems to customers and end-users.

2. Scope of Contract

2.1. This document, together with the application for quote (when accepted and signed by the Client) are part of the Commercial Contract and shall form the terms and conditions of Contract between the parties ("the Contract").

2.2. This document describes the rights, responsibilities and duties of BM TRADA, and the business or organisation, as identified in the Contract (the "Client"), whose System(s) ("System" shall mean the PEFC Forest management scheme or PEFC Chain of Custody or the certification of wood construction, construction lumber, solid wood panelling or other Accredited scheme, the organisational structure, responsibilities, activities, resources, events that together provide organised procedures and methods of implementation to ensure the capability of the Client to meet the standard(s) (the "Standard")) has been or is to be Certified ("Certified" shall mean a System is in operation and subject to a valid certificate of conformance ("Certificate")) by BM TRADA to the Standard.

2.3. The Certificate awarded by BM TRADA covers only those services or products manufactured and/or supplied strictly within the scope of the Client's System as Certified by BM TRADA.

2.4. The Client remains solely liable for any defect in its products, services or System discovered during compliance audits.

3. IP Rights and Licences

3.1. The BM TRADA intellectual property rights, titles and interests in all service mark(s), trademark(s), certification mark(s), other names or logos, copyright works and inventions remain the property of BM TRADA and cannot be sold or licensed by the Client.

3.2. BM TRADA shall award a licence to the Client to use its certification mark(s) and logo(s) for the duration of this Contract when used in accordance with the applicable Terms of Use (as amended from time to time), which are available on the BM TRADA web site (www.bmtrada.lv) or on request.

3.3. BM TRADA will audit the use of logos and/or marks. BM TRADA reserves the right to substitute or withdraw the right to use any or all logos, marks, certificates and audit documentation at any time in the event of noncompliance with the Terms of Use or should the Contract be terminated, for whatever reason.

3.4. Intellectual property rights, titles and interests in all service mark(s), trademark(s), other names or logos and copyright works belonging to organisations which formally approve BM TRADA to offer Services or organisations working on their behalf (the "Accreditation Body(ies)") shall remain the property of the respective organisations.

3.5. Use of the service mark(s), trademark(s), other names or logos and copyright works described in Clause 3.4 are governed by Standards and rules which are available from the Accreditation Body or BM TRADA.

3.6. All claims and uses of the Accreditation Body's service mark(s), trademark(s), other names or logos and copyright works must be in compliance with the requirements of the relevant Standards and rules.

3.7. The Client acknowledges the title of the Accreditation Body's intellectual property rights and that the Accreditation Body shall continue to retain full ownership of the intellectual property rights and that nothing shall be deemed to constitute a right for the Client to use or cause to be used any of the intellectual property rights.

3.8. BM TRADA reserves the right to use any information that is brought to its attention and to investigate any infringements of trademark, service mark and intellectual property rights of the Accreditation Body.

3.9. The Client complies with the requirements of the certification body or as specified by the certification scheme in making reference to its product certification in communication media such as documents, brochures or advertising.

4. Obligations of BM TRADA

4.1. BM TRADA will appoint competent qualified auditors to conduct audits and assessments of the Client's System in accordance with the Accreditation Body's rules and procedures and BM TRADA's management system requirements.

4.2. For PEFC forest and forest contractor certification BM TRADA conducts stakeholder consultation 30 days prior each year PEFC forest contractor audit and 14 days before forest certification initial audit.

4.3. BM TRADA will ensure that audit and assessment services are delivered at a frequency determined by BM TRADA or Standards in order for BM TRADA to maintain confidence in the ongoing efficiency of the System.

4.4 Following the assessment of the application of quote and conclusion of the Contract, BM TRADA will implement the audit procedure in accordance with the Standard and internal procedures and both parties shall agree upon the planned days, dates, venue of audits and the audit team. Not later than 2 weeks after the initiation of the audit procedure.

4.5. BM TRADA will issue audit and non-conformance reports, if appropriate, after each audit activity.

4.6. BM TRADA will issue a Certificate on successful completion of the initial certification assessment to the satisfaction of BM TRADA.

5. Obligations of the Client

5.1. The Client shall ensure that its System complies with the current version of the rules, regulations and Standard(s) against which it is certified. Current versions of the rules, regulations and Standards can be obtained from the respective websites of the Accreditation Bodies, or from BM TRADA.

5.2. The Client agrees to undergo regular surveillance and audit as determined by BM TRADA and must provide BM TRADA with reasonable cooperation and assistance and allow BM TRADA access to all premises, documentation and information deemed necessary by BM TRADA to verify the maintenance of the System. For PEFC forest contractor audits Client shall submit annually updated information about customers serviced within last 12 month period.

5.3. The Client agrees that:

- a. BM TRADA has the right to undertake unannounced or short notice surveillance evaluations.
- b. Additional surveillance visits, as deemed necessary by BM TRADA, will be charged at BM TRADA's rates current at the time of supply of such services and as stipulated in the Commercial Contract.
- c. BM TRADA maintains a public database of certified clients. Audit report public part of Forest management and forest contractor certification will be made publicly available at BM TRADA's website.
- d. for certification in conformity with the product certification standard or harmonised technical specifications which indicate that the assessment shall be done in accordance with system 1 and the conduction of initial tests, BM TRADA Latvia utilizes one of the following laboratories:
 - MEKA SIA
 - Chiltern International Fire Ltd
 - Furnitest, UAB
 - Vilnius Gediminas technical university
 - TÜV Eesti OÜ
 - OAO Sokolskiy Derevoobrabativayusiy Kombinat
 - Laboratory of Building Physics of Kaunas University of technology
 - Fire Research Centre of the Fire and Rescue Department under the Ministry of the Interior Lithuania
 - Research Institute of Fire Safety and Emergency Situations of the Republic of Belarus

5.4. The Client recognises that:

- a. Certificate will only be granted once all non-compliances are corrected and closed.
- b. PEFC FM, forest contractor and COC surveillance audits will be conducted not less than once a year, a total of 1 certification audit and 4 surveillance audits will be conducted within the duration of the Contract; recertification audits will be conducted every 5 years.
- c. Recertification audits of product certification schemes will be conducted in conformity with standards EN 14081(VSG), EN14250, EN14915, EN14342, EN14351, EN13964; EN13830, EN16034; A-MARK every 12 months;
- d. ETAG007, ETAG023, ETAG011, ETAG019, EN14081 (MSG); EN13171; EN13986, EN14080; EN14374, EN15497, EAD130005-00-0304 surveillance audits will be conducted not less than once every 6 months and recertification audits - every 12 months.
- e. surveillance audits of the heat treatment process of wood packaging materials will be conducted every 12 months, a total of 1 certification audit and 2 surveillance audits within the duration of the Contract; recertification audits will be conducted every 3 years.
- f. metal certification scheme EN 1090-1 and welding production processes EN ISO 3834 re-certification audits will be conducted every 12 months.

5.5. The Client shall inform BM TRADA promptly of any significant changes to its product(s), services, resources, management, System or any other circumstances, which may materially impact the continued validity of its certification, for example but without limitation: change of site, additional sites, change of process, change of ownership, change of scope. In such circumstances the Client shall agree to perform an extraordinary audit, the costs of which have been stipulated in the Commercial Contract, and pay any applicable additional fees and expenses deemed necessary for BM TRADA to assess the impact and maintain confidence in the System.

5.6. The Client shall allow the Accreditation Body, or its representative, access to any part of the audit or surveillance process for the purposes of witnessing BM TRADA's audit team performing the audit of the System to determine conformity with the requirements of the Standard. This will include the right of access to confidential information. The Client will not have the right within this Contract to refuse such a request either by the Accreditation Body, its representative or BM TRADA.

5.7. The Client agrees that information relating to its certification and scope of certification is made publicly available at BM TRADA's website www.bctrada.lv.

5.8. The Client shall declare to BM TRADA any activity which may create a conflict of interest in relation to its Certified System.

5.9. Where necessary the Client shall also enter into and maintain a valid License Agreement for the use of the certification mark on its certified product. The Client shall affix the CE mark on its products in compliance with the Standard after having coordinated with the Certification Body.

5.10. The Client shall cooperate with BM TRADA and provide the audit team with the required documentation (if necessary to a specific stage of the certification procedure) for assessment purposes, not later than 1 week prior to the initiation of the audit procedure.

5.11. If the Client should submit the Certification documents and copies thereof to third parties, they must be provided with all details of the certification scheme.

5.12. The Client shall register and document all complaints received regarding the conformity of the requirements of the certification and shall perform analysis of such complaints, maintaining the records thereof. The Complaint register and records are available on request for review to BM TRADA.

5.13. The Client does not use its product certification in such a manner that can bring certification body into disrepute and does not make any statement regarding its product certification that the certification body may consider unauthorized or misleading.

6. Suspension or withdrawal of certification

6.1. BM TRADA shall be entitled to suspend or withdraw the Client's certification if:

- a. The certified products or Systems of the Client continuously and consistently fail to comply with the Standard, including the requirements of management system efficiency.
- b. The certified Client refuses to undergo surveillance audits or recertification audits within the specified frequency.
- c. The Client arbitrarily cancels the certification procedure, notifying BM TRADA in writing.
- d. The Client fails to comply with the financial obligations of the Contract.
- e. During the audit procedure 5 or more Major non-conformities or 10 or more Minor non-conformities have been raised by auditor (in case of PEFC Forest contractor certification 3 Major non-conformities)
- f. The Client has not dealt with the non-conformities within the specified deadline.
- g. The Client has failed to comply with the requirements of the use of trademarks of BM TRADA/ Accreditation Body or CE marking (logo) requirements in conformity with the Standard.

6.2. Where it considers it appropriate, BM TRADA may, at its sole discretion, inform the Client of its intention to suspend or withdraw certification and to allow the Client a reasonable opportunity to take a corrective action, within such timescales as BM TRADA may reasonably specify, before the suspension or withdrawal takes effect.

6.3. If BM TRADA's accreditation has stopped due to any circumstances or BM TRADA has inability to continue to supply certification accredited by the respective Accreditation Body, BM TRADA will notify the Client within thirty (30) days of such withdrawal and the Certificates relating to the respective scope of the Accreditation Body will be suspended *ipso facto* within six (6) months after the date of withdrawal.

6.4. On suspension or withdrawal of certification the Client shall immediately cease to use any trademarks associated with BM TRADA, PEFC, CE and the Accreditation Body, or to sell any products that have previously been labelled or marked (or authorised labelling and marking) using the trademarks, and cease to make any claims that imply that they comply with the requirements for certification.

6.5. The Client shall advise all relevant existing customers of the suspension or withdrawal in writing within three (3) working days (or other period as determined by BM TRADA) of the withdrawal or suspension taking effect, and maintain records of that advice.

6.6. The Client shall, as requested by BM TRADA, either destroy all electronic and hardcopy Certificates relating to the certification and at its own expense remove all claims, service mark(s), trademark(s), other names or logos and copyright works from products, documents, advertising and marketing materials with immediate effect or return all such certification to BM TRADA. The Client shall also cooperate with BM TRADA and its Accreditation Bodies to confirm that these obligations have been met and shall, if requested, confirm in writing the destruction or return of all such references or certificates by one of its directors.

7. Appeals and Complaints

Clients wishing to complain or appeal about the decisions of BM TRADA shall do so in accordance with the BM TRADA Complaints and Appeals Processes which are available on request.

8. Materiality (Basis of opinion)

8.1 BM TRADA conducts its audit activity through a sampling process to determine if the System meets the Standard(s). Any statement of conformity issued by BM TRADA in the form of reports, Certificates or other communications is based on these sampling processes. BM TRADA does not warrant, represent or undertake that

these statements mean that all activities are in conformance with the relevant Standard(s) at the time of the audit or that subsequent to the audit activity those activities audited will continue to be in conformity with the relevant Standard. BM TRADA accepts no liability to the Client in the event that any loss or claim is suffered by the Client as a result of any finding that the System does not comply with the Standards.

9. Confidentiality

Except as may be required by law or required by the Accreditation Body, BM TRADA and the Client will treat as strictly confidential and will not disclose to any third party without prior written consent of the other, any information which comes into their possession, the possession of their employees, agents or others by virtue of the Contract, provided that this Clause shall not extend to information which was rightfully in the possession of such party prior to the commencement of the negotiations leading to the Contract or which was already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this Clause) or which is required to be disclosed by law. The foregoing obligations as to confidentiality shall survive any termination of the Contract.

10. Assignment

Neither party shall assign the Contract or any of its rights and obligations hereunder whether in whole or in part without a prior written consent of the other.

11. Additional

11.1. This document is an addendum to the Commercial Contract.