



DEMETER ASSOCIATION, INC.

For Certification of BIODYNAMIC® AGRICULTURE

TERMS OF AGREEMENT – COMMERCIAL COMPOST OPERATION

1. **Demeter Association, Inc.** (Contractor) hereby grants to (licensee) the right to use the Contractor's DEMETER® and BIODYNAMIC® certification marks and language on qualifying products. The Contractor certifies these products as meeting its Guidelines and Standards for Compost Production. Packaging, processing, and/or handling done by the Licensee or subcontracted by the Licensee must be approved under a separate agreement with the Contractor.
2. The Licensee understands that this right to use said marks and language are owned solely by the Contractor and are not transferable by Licensee to any other entity who further processes and/or packages the product, and Licensee assumes responsibility of so notifying customers and potential customers of this.
3. This agreement is granted pending the results of annual application and inspection of land, facilities, administrative procedures, and audit trail.
4. In consideration of rights granted, the Licensee will pay to the Contractor annual fees as outlined in the Fee Schedule in effect at the time fees are due, plus all costs of annual inspection, as well as possible testing and/or audit costs. Payment of annual renewal fees is due at the time that the annual certification renewal is due.
5. The Contractor will:
 - a. provide Licensee with Compost Guidelines and Standards, which will be periodically updated as research and conditions warrant.
 - b. provide renewal application forms to Licensee, review the information thereon, arrange an inspection visit with a suitable evaluator, and determine suitability of licensing.
 - c. upon granting of licensing, provide Licensee with a Certificate, shipping certificates (as requested), guidelines for labeling, and ready artwork for the certification mark.
 - d. respond to industry and public requests for confirmation of certification.
 - e. maintain confidentiality farming and facility information provided by Licensee.
 - f. within the context of its resources, work to raise industry and public awareness of the certification mark.
6. The Licensee will:
 - a. comply with the Guidelines and Standards established by the Contractor.
 - b. conduct itself in a manner supportive of the reputation and integrity of the certification process in its business, technical, and professional dealings.
 - c. establish and maintain complete and adequate records for the purpose of providing an audit trail that enables the product to be traced from sales of produce back to harvested crops and will make said records available to the Contractor and its agents upon request.
 - d. cooperate with audit and/or testing procedures should a question arise as to compliance with the Guidelines.
 - e. notify the Contractor immediately in the event of a change in circumstance which may jeopardize Licensee compliance with Contractor Guidelines and any changes in information initially supplied by Licensee.
 - f. affix Contractor certification mark and/or language to all products qualifying for same and to related documents involved in sale, trading and advertising of the product(s) and will submit same to Contractor for approval before printing or publication.
 - g. comply with all local, regional, state, and Federal laws and industry standards governing the production operation and the product.
 - h. notify the Contractor immediately of any change in source of materials used for production.

