Primus Standard Audits

PRIMUS STANDARD AUDITS

General Regulations

CONTENTS

1. INTRODUCTION

a.   Primus Standard Audits establish voluntary requirements for the certification of Agricultural sector products (including horticultural, grains, and pulses) designated for human consumption.

b.   These General Regulations detail the requirements of the Primus Standard Audits with which the applicants shall comply in order to gain certification. Provide information on the audit process and describe the programs available within the Primus Standard Audits and the management of Auditing Companies.

2. STANDARD SCOPE

a.   The scope of Primus Standard Audits is focused on the Food Safety of those Agricultural sector products (including horticultural, grains, and pulses). With that intention, Primus Standard Audits establish a series of requirements for managing the production, handling, processing and storing operations.

b.   The main objective is to accomplish certification by Auditing Companies for the relevant food safety topics associated with each of their different production stages. Additionally, it establishes a minimum acceptable condition for the performance of the applicants. For this, the Primus Standard Audits has defined two fundamental areas that a company in the Agricultural sector must consider in the production and/or manufacturing their products:

     i.   Good Agricultural and/or Manufacturing Practices (GAP and/or GMP)
     ii.   Hazard Analysis Critical Control Points (HACCP) System

c.   An explanation of the requirements for each of these areas is provided in the current normative documents of the Primus Standard Audits:

     i.   Primus Standard Audits - General Regulations
     ii.   Primus Standard Audits - Paper Work Checklist
     iii.   Primus Standard Audits - Audit Scoring Guidelines

d.   Primus Standard Audits may issue additional normative documents from time to time.

e.   The normative documents will be reviewed internally if needed, changes will be made, these documents are published and available on the web page www.Primuslabs.com

f.   English is the original language of the normative documents. Translations will be made to other languages as needed, to also be issued as official normative documents. The English version is the primary reference source.

g.   Primus Standard Audits owner shall carry out regular reviews of the operation of the Audit; these reviews shall be part of an internal audit program.

3 . LEGISLATION

a. Food Safety legislation differs from one country to another. Primus Standard Audits have been developed to ensure that where laws, specific guidelines for a product and/or good practices recommendations exist, these practices and parameters are used as a reference for applicant's conformance, establishing minimum acceptable criteria for food safety certification. If there are not documented laws or good practices guidelines, certification Primus Standard Audits users should permit certain degree of risk assessment to meet minimum criteria for food safety certification.

4 . GUIDANCE FOR THE MANAGEMENT OF AUDITING COMPANIES

a. The certification evaluations for Primus Standard Audits can only be performed by Auditing Companies. Certification activities shall be carried out by personnel who have the competence requirements to meet all management, administrative, technical and auditing functions.

b. Auditing Companies must be accredited by a reputable accreditation body under ISO/IEC17065 or its equivalent, for a separate food safety audit scheme, and must maintain such accreditation when performing audits and certification under the Primus Standard Audits. The Auditing Companies shall have a documented and implemented quality system that shall contain all the necessary requirements for conformance with the Primus Standard Audits.

c. There shall be a designated member of the Auditing Company staff responsible for the quality system's development, implementation and maintenance. This person, the QA Manager of the Auditing Company will be the contact person with the Primus Standard Audits Owner for the management of the Primus Standard Audits. The Auditing Company shall maintain records regarding the qualifications, training and experience of all staff involved in the process.

d. The Primus Standard Audits Owner will define a set of indicators of performance for Auditing Companies, which will be monitored according to a risk based program that will consider the number of certifications issued by the Auditing Company, products certified, the types of operation, complaints received and any other that the Primus Standard Audits Owner considers representative.

e. Auditing Companies shall notify the Primus Standard Audits Owner in a timely manner regarding any relevant changes to their ownership, management structure or constitution.

f. In the case of any possible conflict or problems that could bring Primus Standard Audits into disrepute, the Primus Standard Audits Owner and the Auditing Company shall agree on the appropriate action to take.

5. CERTIFICATION AUDIT DURATION AND FREQUENCY

a.   Auditing Companies will be responsible for evaluating whether a company meets the requirements of Primus Standard Audits and consequent Certification. The Auditing Company will also be responsible defining the audit duration and frequency. The audit duration will be recorded per organization and the operations included in the audit certification process. The audit duration will be composed of the time required to perform the audit of each operation type included in the certification scope. Auditing companies are required to use Azzule's databases.

b.   Audit duration comprises the entire audit process, includes the timeframe from the opening meeting to the closing meeting with the organization (where the non-conformances found are reviewed) where non-conformances are indicated. There shall be evidence in the audit report of the time taken for the audit process. Auditing Companies should be able to justify significant audit duration deviations.

6. FOOD SAFETY REQUIREMENTS

a.   Primus Standard Audits define the food safety requirements for production of food in the following areas:

i.   Good Agricultural Practices (GAP) are guidelines established that ensure that field operations account for potential food safety issues. The Primus Standard Audits GAP address the food safety topics of site selection, adjacent land use, fertilizer usage, water sourcing and usage, pest control and pesticide monitoring, harvesting practices (including worker hygiene, packaging storage, field sanitation and product transportation) and food defense. Their applicability depends on the type of operation being audited:

- Ranch: The ranch audit is usually performed one time each year or during the growing season. The ranch audit is divided into sections that correspond to areas of potential contamination risk in the field operation. These areas include ranch history, adjacent land use, fertilizer usage, water usage, pest control, harvest practices, employee safety & hygiene and food security. A "ranch" is defined as a parcel of ground (not necessarily a "lot" for production purposes) with the following characteristics: common management, common water supply and contiguous grounds. For the purpose of farm or ranch audits, manual development or self-audits, a ranch or farm is defined as contiguous ground that is under common management.

- Greenhouse: The greenhouse audit is usually performed one time each year or during the growing season. The greenhouse audit is divided into sections that correspond to areas of potential contamination risk in the greenhouse operation. These areas include traceability, pest and foreign material controls, growing media, fertilizer/crop nutrition, irrigation/water use, plant protection, employee hygiene and food security. A harvest crew audit (see below for details) will be performed at the same time as the greenhouse audit module in order to assess areas of potential contamination risk in the harvesting operation.

- Harvest Crew: The harvest crew audit is performed periodically during the harvest season. The harvest crew audit is divided into sections that correspond to areas of potential contamination risk in the harvesting operation. These areas include employee safety & hygiene, harvest practices and food security.

ii. Good Manufacturing Practices (GMP) are guidelines that are designed to ensure that packing and processing operations account for food safety issues. Primus Standard Audits cover many topics including pest control, traceability, sanitation, food defense, maintenance, foreign material control and HACCP. Their applicability depends on the type of operation being audited:

- Processing: This type of audit is comprised of three main sections: Good Manufacturing Practices section and a Food Safety File Requirements section and a HACCP section. HACCP can be optional, but many buyers require HACCP to be included. The audit encompasses the areas of pest control, equipment, sanitation, employee hygiene practices, and all other operational practices and documentation as they relate to food safety including HACCP plans. Food security is also addressed.

- Packinghouse: This type of audit is comprised of two main sections: Good Manufacturing Practices section and a Food Safety File Requirements section. The audit encompasses the areas of pest control, equipment, sanitation, employee hygiene practices, and all other operational practices and documentation as they relate to food safety. Food security is also addressed. Some buyers require certain operations in packinghouses to implement a HACCP plan. For this situation it is possible to choose the 'Packinghouse plus HACCP' option.

- Cooling/Cold Storage: This type of audit is comprised of two main sections: Good Manufacturing Practices section and a Food Safety File Requirements section. The audit encompasses the areas of pest control, equipment, sanitation, employee hygiene practices, and all other operational practices and documentation as they relate to food safety. Food security is also addressed.

- Storage and Distribution: This type of audit is comprised of two sections: Good Manufacturing Practices section and a Food Safety File Requirements section. The audit encompasses the areas of pest control, equipment, sanitation, employee hygiene practices, and all other operational practices and documentation as they relate to food safety. Food security is also addressed.

b. Within Primus Standard Audits there are a wide variety of processes that could be audited. Therefore, Auditing Companies should select their auditors based on their skill sets related to the process(es) being audited.

7 . AUDITOR REQUIREMENTS

a. Auditing Companies are responsible for ensuring that auditors performing the inspections are in conformance and must have a system in place that ensures auditors are conducting and behaving in a professional manner.

b. Auditors must have education in an agricultural/crop based, food or bio-science related discipline or, as a minimum, have successfully completed a higher education course or equivalent qualification in one of those disciplines, with a degree, diploma or a certificate from a recognized institution.

c. All auditors must pass the Primus Standard Audits exam to be initially approved, and subsequently when there is a new version of the scheme or as required by the Scheme Owner.

d.   Auditors must have a minimum of 10 audit days or 5 audits of practical auditing experience on performing audits. This experience can be as third or second party auditor or shadowing an approved auditor. Information about the audit experience shall be documented, including details like: dates, audited organization, type of operation being audited and role of the candidate auditor.

e.   Auditors must have successfully completed a HACCP training course based on the Principles of Codex Alimentarius from a recognized institution with a minimum duration of 2 days or 16 hours.

7.1.   AUDITOR ASSESSMENT

a.   For an auditor's approval, a shadow audit assessment must be performed by an already approved auditor during an official Primus Standard Audit. This will include an assessment of the new auditor's knowledge of the following items:

    i.   Primus Standard Audits normative documents
    ii.   Food Safety principles, HACCP, Pre-requisite programs and access to relevant laws and regulations and be able to apply them when appropriate

b.   The auditor assessment shall be documented. The assessment report will describe the details and outcome of the assessment.

7.2.   QA MANAGER

a.   The QA Manager will have the following responsibilities:

    i.   Maintain the competence of the Auditing Company personnel by training them when there is a new Primus Standard Audits version.
    ii.   Be the person who clarifies technical issues with the Auditing Company personnel and audited organizations.
    iii.   Act as a technical contact with the Primus Standard Audits Owner.
    iv.   Sign-off approval of new auditors for the Auditing Companies.

7.3.   CONTINUED TRAINING

a.   The Auditing Company has the responsibility to ensure that their auditors are current on good practices and to be able to apply relevant laws and regulations. The Auditing Companies shall maintain records of all relevant training taken by the auditors.

7.4.   ATTRIBUTES AND COMPETENCIES

a.   The Auditing Company must keep complete records of auditors' qualifications, experience, training, supervised audits, assessments, sign-off, re-approval and others.

8 . CONFLICTS OF INTEREST

a. Auditing Companies and the personnel they employ that is involved in the certification process must have a signed contract or agreement that commits them to:

i. Avoid any conflict of interest in the certification activities, with regard to services (training and/or consultancy) provided to those applying for certification.

ii. Declare any potential conflicts of interest to the Auditing Company management when assigned duties related to an applicant in the program.

iii. Be free from any commercial interest in the companies or products to be certified.

iv. Maintain the confidentiality of all client specific information except as required by this Primus Standard Audits or by law.

9 . CERTIFICATION PROCESS

9 . 1 . APPLICATION

a. Applicants must provide the Auditing Company with the scope of their operations that they want certified, and the information defining the scope of the certification they want to achieve for their operations. This information should include as a minimum the following:

i. Organization details;

ii. Contact information;

iii. Details about the operation(s) to be included in the scope of the certification. In case of field operations, each site is called either "Ranch" or "Greenhouse" and the application should detail the different sites to be certified.

In case of facility operations, each site can either be called a "Storage & Distribution Center", "Cooling/Cold Storage", "Packinghouse" or "Processing".

iv. Field operation products covered in the scope of the certification.

- The commodities must be present in the field at the time of the audit.

• Where a commodity is not present at the time of the audit but the operation wishes to include it in the certification scope of their audit it may be considered if the commodity is considered to have similar growing processes as to what is going to be audited, and the same personnel involved.

The auditor will indicate on the audit report what products were observed at the time of the audit, similar products not observed at the time of the audit and products that were not similar and not seen at the time of the audit. The auditor is to include specific detail in the scope of the audit and throughout the audit report related to which products were observed at the time of the audit, as well as which records were reviewed.

If the commodity was not grown by the field operation during the previous growing cycle (12 months), they cannot be

considered in the audit scope. Records of production of the additional products should be available for review.

v.   Facility operation products covered in the scope of the certification.

-    The operation must be running and the commodities must be present in the operation at during the audit

-    Where a commodity is not present at the time of the audit but the operation wishes to include it in the certification scope of their audit it may be considered if the products have similar production processes as to the products that are going to be audited, and the same personnel is involved.

•   The auditor will indicate on the audit report what products were observed at the time of the audit, similar products not observed at the time of the audit and products that were not similar and not seen at the time of the audit. The auditor is to include specific detail in the scope of the audit and throughout the audit report related to which products were observed at the time of the audit, as well as which records were reviewed.

•   Process description or flow chart, with step-by-step details of the production process and the equipment used needs to be available for review at the time of the audit. If the commodity was not included in the facility's operation during the previous production cycle (12 months), they cannot be considered in the audit scope.

vi.   Desired audit period based on the seasonality of the crop and validity of the current audit certificate.

9.2.   AUDIT EXECUTION

a.   The audit should be performed using the most recent version of Primus Standard Audits Normative Documents.

b.   The Primus Standard Audits are divided in the following programs:

i.   GAP Option

ii.   GMP Option

iii.   GMP with Hazard Analysis Critical Control Point (HACCP) Option.

c.   The GAP Option is applicable for Field operations and the GMP Option is applicable to Facility operations.

-    Within GAP option, the applicability of each section depends on the operation to be certified.

-    Within GMP option, the applicability of each section depends on the operation to be certified.

-    Within GMP with HACCP option, applicability should be determined based on the outcome of the documented hazard analysis of all steps of each process.

d.   The scope of certification should be defined clearly to decide how the audit will be structured for each applicant organization. Ownership of the different areas, locations, activities or crops of the company applying for certification, are elements to consider when deciding what types of operation(s) will be included in the scope. That decision should be made by the applicant organization. The auditor must perform the audit based on the defined scope.

10 .   EVALUATION

10 . 1 .   CONFORMANCE BY INDIVIDUAL QUESTIONS

a.   Each Option of the Primus Standard Audits are composed of several sections and each section includes several requirements. To verify conformance to the Primus Standard Audits requirements, the Primus Standard Audits Checklist GAP and/or GMP and the Primus Standard Audits Guidelines GAP and/or GMP shall be used.

b.   Each question of the Primus Standard Audits Checklist GAP and GMP has a possible score assigned to it.

c.   The auditor must evaluate and answer each one of the questions.

d.   The possible answers to the questions in each Option are listed in the following table (Table 1):

GAP OPTION	GMP OPTION	GMP WITH HACCP OPTION
Possible Answers	Possible Answers	Possible Answers
Yes	Full conformance	Full conformance
No	Minor deficiency	Minor deficiency
Non -applicable	Major deficiency	Major deficiency
	Non-conformance	Non-conformance
	Non-applicable	Non-applicable

Table 1. Primus Standard Audits - Possible answers to questions.

e.   Each question in the Primus Standard Audits Checklist has to be looked at individually and answered according to the observations during the audit.

f.   In case of finding deficiencies to one question and/or its expectations, the following considerations shall be made when noting the issue(s) in the audit report:

i.   For questions in GMP option and GMP with HACCP option, the amount of deficiencies and the associated risks have to be considered to assign the severity of the finding, which can be Minor Deficiency, Major Deficiency and Non Conformance. When no deficiencies are found, a Full Conformance is given. When the requirement is not applicable for the operation being audited, a Non- applicable answer is given. Some general statements for the scoring decision are described in the table below (Table2). These statements are superseded by the criteria described in the question's expectations and users should be aware that some questions do not follow these general statements e.g. automatic failure questions.

CONFORMANCE FOR QUESTIONS IN GMP OPTION AND GMP WITH HACCP OPTION.

Answer	Criteria Used
Total conformance	To meet the question and/or conformance criteria in full.
Minor deficiency	To have minor deficiencies against the question and/or conformance criteria. To have single or isolated non-severe deficiencies (usually up to three) against the question and/or conformance criteria. To have covered most of the question conformance criteria, but not all.
Major deficiency	To have major deficiencies against the question and/or conformance criteria. To have numerous non-severe deficiencies (usually more than three) against the question and/or conformance criteria. To have single or isolated severe deficiencies against the question and/or conformance criteria. To have covered some of the question conformance criteria, but not most of it.
Non-conformance	To have not met the question and/or conformance criteria requirements at all. Having systematic deficiencies against the question and/or conformance criteria (severe or non-severe issues).
Non-applicable	The requirement described in the question is not applicable for the operation being audited. Justification should be provided in the auditor's comments. Be aware that there are some questions that do not allow answering Non-applicable.

Table 2. Primus Standard Audits – Statements of conformance for questions in GMP option and GMP with HACCP option.

CONFORMANCE FOR QUESTIONS IN GAP OPTION

Answer	Criteria
Total conformance *(can be Yes or No, depending on the question)*	To meet the question and/or conformance criteria in full. This is when the answer Yes or No is the same as the "earning points answer".
Non-conformance *(can be Yes or No, depending on the question)*	The question or conformance criteria have not been fully met. This is when the answer Yes or No is NOT the same as the "earning points answer".
Non-applicable *(can be Yes or No, depending on the question)*	The requirement described in the question is not applicable for the operation being audited. Justification should be provided in the auditor's comments. Be aware that there are some questions that do not allow answering Non-applicable.

Table 3. Primus Standard Audits – Statements of conformance for questions in GAP option

ii.   For questions in GAP option, in case of finding deficiencies for the question and/or the expectations for that question, assign the answer to each question as described below in the general statement of the table (Table 3x). When the requirement is not applicable for the operation being audited, Non- applicable answer is given. These statements are superseded by the criteria described in the question's expectations and applicants and users should be aware that some questions do not follow these general statements e.g. automatic failure questions.

10 . 2 .   SCORING SYSTEM

a.   Each question in the Primus Standard Audits Checklist have a possible score assigned to it. Depending on the answer given, the score obtained will be defined.

b.   For questions in GMP option and GMP with HACCP option, each question has certain possible points that can be obtained depending on the conformance assigned to it. The score system for each question is described in the table below (Table 4):

POINT SYSTEM FOR QUESTIONS IN GMP OPTION AND IN GMP WITH HACCP OPTION				
Possible Question Points	Full Conformance	Minor Deficiency	Major Deficiency	Non-conformance
15 Point Question	15 points	10 points	5 points	0 points
10 Point Question	10 points	7 points	3 points	0 points
5 Point Question	5 points	3 points	1 point	0 points
3 Point Question	3 points	2 points	1 point	0 points

Table 4. Scoring System for questions in– GMP option and GMP with HACCP

c.   For questions in GAP option, each question has certain possible points that can be obtained depending on the conformance assigned to it. The score system for each question is described in the table below (Table 5):

POINT SYSTEM FOR QUESTIONS IN GAP OPTION						
Possible Answer	Possible Points for the Question					
	20 Points	15 Points	10 Points	7 Points	5 Points	0 Points
Total conformance *(may be Yes or No)*	20 points	15 points	10 points	7 points	5 points	0 points
Non-conformance *(may be Yes or No)*	0 points	0 points	0 points	0 points	0 points	0 points

Table 5. Scoring System for questions in GAP option

d.   It is important to note that for all questions answered Non-applicable, the points assigned to that question will be taken out of the possible total score, so calculations are not affected by those answers.

10 . 3 .   AUTOMATIC FAILURE

a.   There are some questions in the Primus Standard Audtis Checklist GAP and/or GMP, that if down scored will lead to an automatic failure and an overall score of 0% for the corresponding section.

b.   These questions are identified with a phrase similar to: "ANY DOWN SCORE IN THIS QUESTION RESULTS IN AN AUTOMATIC FAILURE".

c.   Applicant should be immediately informed of the automatic failure by the auditor during the audit.

10 . 4 .   SPECIAL CIRCUMSTANCES

a.   a.   Automatic Failure

        i.   The Auditing Company reserves the right to fail the audit due to special circumstances for example, deliberate illegal activities, physical acts/threats to an auditor, attempted bribery, falsified records, etc. or finding serious food safety issues during the audit.

b.   Significant Food Safety Events for Certified Organizations & their Operations

        i.   All certified organizations shall inform their corresponding Auditing Company about any food safety related prosecution, significant regulatory food safety non-conformity, product recall related to food safety or any other issues that could bring the Primus Standard Audits into disrepute. Auditing Companies shall ensure the integrity of certification after notification and consider the need to suspend or revoke certification. Auditing Companies should correspond these significant events to the Primus Standard Audits Owner.

c.   Cause for Early Re-evaluation of a Certified Organization

        i.   The certified organization shall inform the Auditing Company of any significant changes, which could affect the safety of product, changes to the requirement of the certification of Primus Standard Audits, changes of ownership and/or management.

        ii.   If the Auditing Company has any reason to believe there could be compliance issues in relation to the certification requirements, a re-evaluation shall be performed to verify conformance with the Primus Standard Audits normative documents or the license agreement. This can include an on-site re-visit to verify that the organization is in compliance with the Primus Standard Audits compliance criteria prior to certifying the organization.

11 .   REQUIREMENTS FOR AUDIT REPORTS

a.   The audit report will be always issued from the Azzule's database.

b.   After each audit, the auditor must enter the information into the Azzule database to generate a preliminary audit report within 15 calendar days.

c. The audit report will be written in the language that the applicant requests (English and Spanish are currently the only languages available in the Azzule database). The information input to the Azzule's database shall be also provided in English.

d. Every audit report shall include as a minimum the following information:

  i. Name of the Auditing Company

  ii. Name of the applicant organization

  iii. Details about the operation under certification

  iv. Date and time of the audit

  v. Name and version of the Primus Standard Audits normative documents used for certification

  vi. Audit scope – details of the process under certification

  vii. Product(s) observed during audit, similar product(s) not observed and product(s) applied for but not observed.

  viii. Names of personnel involved in the audit from the applicant organization

  ix. Auditor name

  x. Audit scoring summary

  xi. Answers and comments for each of the questions in the Primus Standard Audits checklist.

12 .   EVALUATION OF SCORES

a. Based on the outcome of the final audit report, the scores should be calculated and analyzed for each operation to determine if they comply with the minimum score for certification.

  i. The Overall Total Score for Primus Standard Audits must be at least 85% to achieve certification.

  ii. If the final score is less than 85%, another audit will be necessary to receive certification.

  iii. An explanation for the audit score guidelines is provided in the current Normative Documents of the Primus Standard Audits-GAP and GMP Scoring Guidelines at Primuslabs.com

12 . 1 .   ISSUING CERTIFICATION

a. Certification will be issued individually to each operation that complies with the minimum scoring criteria. There is no certification issued for Harvest Crew.

b. Primus Standard Audits are valid for maximum period of 12 months from the Certification date.

c. The certificate must be issued from the Azzule system.

12 . 2 . COMPLAINTS AND APPEALS

a.   The Auditing Company shall have in place a procedure to handle complaints and appeals, which shall be publicly available.

13 . SANCTIONS

13 . 1 . SANCTIONING OF AUDITING COMPANIES

a.   An Auditing Company shall be suspended if:

      i.   The Auditing Company does not pay the agreed fees.

      ii.   The Auditing Company improperly uses the Primus Standard Audits logo or trademark.

      iii.   An issue is discovered by the Primus Standard Audits Integrity Program

      iv.   The Auditing Company does not abide by the requirements of the General Regulations, License Agreement or other Primus Standard Audits requirement.

b.   An Auditing Company shall have its approval revoked if:

      i.   Evidence of fraud is found.

      ii.   The Auditing Company declares bankruptcy.

      iii.   A suspension related issue is not adequately resolved.

13 . 2 . SANCTIONING OF CERTIFIED ORGANIZATIONS

a.   If upon inspection of a certified organization the Auditing Company finds a non-conformance with the Primus Standard Audits Documentation, a sanction (suspension or revocation) shall be issued.

b.   All sanctions shall be in writing, and shall include the nature of the non- conformance, the time frame for resolution (if applicable) and provisions for escalation of sanctions if the non-conformance is not corrected within the specified period.

c.   Only the Auditing Company may lift a suspension sanction after sufficient corrective actions have been submitted with verification either through written or visual evidence and/or an on-site visit.

d.   Note, the Auditing Company can issue the sanction to an entire certified organization or narrow it to a specific certified product(s) or specific operation(s) within the scope of the current certification.

e.   There are two types of possible sanctions to organizations:

      i.   Suspensions - an organization's certification shall be suspended if:

        -       A non-conformance is found to be a food safety issue and an immediate threat to the public.

- An inspection results in an automatic failure.

- If a critical food safety issue is detected during an audit (e.g., automatic failure, special circumstance, etc.), then the Auditing Company should consider suspending existing certificates related to this new observation(s).

- The organization improperly uses the Primus Standard logo or trademark

- An organization is involved with an illegal activity or serious food safety issue.

ii.   Revocations - an organization's certification shall be revoked if:

- An organization does not pay the agreed to fees

- Evidence of fraud is found

- A suspension related issue is not adequately resolved

- The organization declares bankruptcy

f.   The Auditing Company shall always notify the Primus Standard Audits Owner in a timely manner and in writing of any sanction applied to a certified organization, as well as update the system to reflect those changes.

g.   There is a list that contains all suspended operations (those suspended after receiving certification), and those operations "not certified due to special circumstances" where the operation was "not certified" based on reasons other than score, which is available to Auditing Companies.

14 .   DISTRIBUTION OF AUDIT REPORTS

a.   Auditing Companies must provide and make available the information for each certification process, including but not limited to, audit details, outcome and the certification status to the Primus Standard Audits Owner by using the Azzule system or by any other means established by the Primus Standard Audits Owner.

b.   The documented audit reports generated by the Auditing Company in the certification process for each operation, including those submitted through the Azzule database, should be provided to the applicant, the Auditing Company and the Primus Standard Audits Owner.

c.   Ownership of the audit report, determination of details made available and authorization for access shall remain with the applicant. Except where required by law, the Auditing Company shall not release any certification activity information of applicant to any outside party without applicant's authorization. The Auditing Company shall document any and all communications between Auditing Company and applicant whereby applicant authorizes the release of certification information to an outside party.

15 . USE OF LOGO AND REGISTERED TRADEMARK

a.   The Primus Standard Audits trademark and logo may only be used with the permission from the Primus Standard Audits Owner.

b.   The Primus Standard Audits logo must always be obtained by the Auditing Company from the Primus Standard Audits Owner. This will ensure that it contains the exact corporate color and format.

The Auditing Company is responsible for the control of the use of the Primus Standard Audits trademark and logo on certified operations. The rules for the use of the logo and trademark will be defined in the License Agreement signed between the Primus Standard Audits Owner and the Auditing Company (exhibit C of the Auditing Company license agreement) and in the Sub-License Agreement signed between the Auditing Company and each organization.

c.   Infringement of the rules by either Auditing Companies or organizations could lead to sanctions.

d.   Organizations can only use the trademark and/ or logo when there is a valid Primus Standard Audits certificate linked to that organizations and making clear reference to the certified operations. The logo can only be used for business to business communications.

e.   Primus Standard Audits approved Auditing Companies, can use the trademark and/or logo for promotion of their accredited Primus Standard Audit certification activities in business-to-business communication and on their accredited Primus Standard Audit certificate.