

TRUE *NATURAL COSMETICS*
ARE RECOGNISED
BY THIS SEAL



**NATRUE Label
Agreement
Certified
Raw Materials**

Version 7.1 - 2020

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Agreement on the Usage of the NATRUE Label

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Latest Version of the Annexes is always publically available in the NATRUE website
www.natrue.org

between

NATRUE AISBL - The International Association for Natural and Organic Cosmetics
c/o MAI- Maison des Associations Internationales
40, rue Washington - 1050 Brussels - Belgium
Enrolled with the Crossroads Bank of Enterprises with number 820.350.873

(Hereinafter referred to as NATRUE)

And the undersigning company as of Appendix X

(Hereinafter referred to as the Company)

NATRUE · International Natural and
Organic Cosmetics Association

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Chapter 1. Foreword

1.1 NATRUE AISBL (International non for Profit Association) based in Brussels is The International Natural and Organic Cosmetics Association whose objectives are:

Vision: to be the voice for all friends of true natural and organic cosmetics

Mission: to protect and promote true natural and organic cosmetics for the benefit of consumers worldwide.

Main Commitments:

- Ongoing development and promotion of a high quality Standard for Natural and Organic Cosmetics
- Promotion of the NATRUE Label, as an expression of the NATRUE Standard, to which producers certify their products via independent NATRUE Approved Certifiers.
- Participation and contribution to EU regulatory decision-making ensuring the availability of Natural and Organic Cosmetic ingredients and advocating for a strong definition for Natural and Organic Cosmetics.
- Access for consumers to high quality information regarding Natural and Organic Cosmetics and their ingredients.

1.2 NATRUE has drawn up the following general regulations for the use of the NATRUE Label and which should be read in conjunction with the latest version of all relevant documents available on the NATRUE website and/or made available by NATRUE in different form.

1.3 The NATRUE Label is a certification mark protected by law. Action will be taken against any unlawful usage of this Label.

Chapter 2. Certification Requirements

By signing this Agreement, the Company declares to agree with the following:

2.1 The NATRUE Label is awarded on request. For this purpose, the Company must obtain a Certificate of Compliance delivered by a NATRUE Approved Certifier after a successful Certification Process.

2.2 The Certification Process starts with Company's request of Certification (application) to one of the NATRUE Approved Certifiers. The Company agrees to rapidly make available all the documents and records required for the process upon request and to provide the said information truthfully and in the form requested by the chosen NATRUE Approved Certifier. The Company hereby agrees that the documents and records provided to the NATRUE Approved Certifier may also be made available to NATRUE. The Company shall ensure that the above requirements shall also be met by any contract manufacturers that it might use.

2.3. Raw materials eligible for Certification are only those categorised as natural or derived natural according to the document *NATRUE Label: requirements to be met by natural and organic cosmetics* usually referred as "the Standard" or "NATRUE criteria". Nature-identical raw materials are not eligible for Certification.

2.4 Before launching the Certification, the NATRUE Approved Certifier shall deliver this Agreement to the Company. The Company shall send the signed Agreement to NATRUE and to the NATRUE Approved Certifier once it has been counter-signed. The NATRUE

Approved Certifier cannot continue the application request without a counter-signed version of this Agreement on the Usage of the NATRUE Label.

2.5 The Company can market raw materials bearing the NATRUE Label only when a Preliminary Certificate is granted. As of the date of this Preliminary Certificate and for a period of 24 months (i.e. 2 years), lawful usage of the NATRUE Label shall be granted. The Final Certificate will be issued when the production audit will be carried out successfully in accordance with the procedures available on the NATRUE website.

2.6 The Company agrees that Certificates (Preliminary and Final) are obtained for each raw materials submitted and successfully certified. It does not extend to non-submitted raw materials and to raw materials which have not been found in compliance. Moreover the Company agrees that Certificates obtained are therefore raw material-based and not Company-based.

2.7 Two years after the Preliminary Certificate is obtained, the Company shall inform the NATRUE Approved Certifier about its desire for Recertification or not. If the Company does not wish to Recertify its raw materials, the Company will immediately inform the NATRUE Approved Certifier about this decision and the right to use the Label shall be terminated.

2.8 The Company agrees that for the entire duration of the Final Certificate, the relevant information related to the certified raw material must be uploaded to the online NATRUE database by the NATRUE Approved Certifier and therefore publically available. NATRUE ensures that no confidential information will be made available via the website or any other tool.

2.9 The Company undertakes to report any change made to a raw material to the NATRUE Approved Certifier which issued the NATRUE Certificates. The NATRUE Approved Certifier shall then decide if the raw material still comply with the NATRUE Standard and whether therefore the Company is authorised to continue to use the Label.

2.10 The Company shall be entitled to continue to use the Label during the time between the change being reported and the decision being made by the relevant NATRUE Approved Certifier. If the modification of the raw material(s) leads to the loss of the Label the Company must cease to use it. The Company may request NATRUE to provide a deadline by which raw material(s) bearing the NATRUE Label may be used/must no longer be present on the market.

2.11 The NATRUE Label is the visual sign identifying compliance to the document *NATRUE Label: requirements to be met by natural and organic cosmetics* usually referred as “the standard” or “NATRUE criteria”. The standard is developed and updated by NATRUE’s scientific committee which reserve the right to update it regularly corresponding to the current state of research and technology. If during the validity period of the Certification an update of the NATRUE Standard results in a raw material that was already certified, but is no longer in compliance with the amended requirements, the possibility to implement these necessary changes is granted to the Company, for a period up until two years after the expiration of the current Certification.

2.12 If a third party indicates/complains to NATRUE that there might be a misuse of the NATRUE Label by a Company and/or if NATRUE itself has reason to believe that there might be such misuse, NATRUE may inform the Company concerned thereof. If necessary, NATRUE may investigate the matter and/or appoint a third independent party to investigate the matter. The Company agrees that the investigating third party shall examine all necessary documentation in order to ascertain if the complaint is legitimate. During this process the Company shall grant access to the independent investigator to all documents or information in general, in order for the independent investigator to confirm or refute the allegation.

NATRUE and the Company are informed of the findings of the investigation. In case the complaint is legitimate and the Company has misused the NATRUE Label, NATRUE may terminate this Agreement with immediate effect. NATRUE reserves the right to claim additional sanctions and take legal action against the Company.

2.13 To safeguard the correct application of Certification procedures NATRUE has appointed an independent Accreditation Body to control the overall performance of the NATRUE Approved Certifiers. The Company agrees that in the context of accreditation, personnel appointed by the Accreditation Body may supervise certification activities carried out by the Approved Certifier which includes access to documents and witnesses during on-site audit.

Chapter 3. Labelling Requirements

3.1 The NATRUE Logo is available for download on the website www.natrue.org. If the Company requires different versions of the Logo, the Company can contact NATRUE.

3.2 The Company agrees that the Label and the NATRUE Logo can only be used for raw materials that have been successfully certified by a NATRUE Approved Certifier.

3.3 The use of the Label is subject to the regulations set out in the NATRUE Label guide Annex C. Exceptions concerning the application of the NATRUE Label Guide can be inquired to NATRUE. NATRUE reserves the right to accept or refuse this derogation.

Chapter 4. NATRUE Label Fee

4.1 After successfully accomplishing the Certification Process, in order to use the NATRUE Label, the Company shall pay the corresponding Label Fee. The NATRUE Label Fee is aimed at ensuring NATRUE the financial resources enabling the Association to pursue its mission and goals as laid down in Chapter 1.

4.2 The NATRUE Label Fee is specified in the Annex A of this Agreement. In case of revision of the NATRUE Label Fee, all Label users will be notified and redirected to the updated Annex A, which is always publically available on the NATRUE website at www.natrue.org. The amended fee will only be applicable to new raw materials who obtained the use of the Label after the amended fee was published. For those raw materials who were already certified to use the Label, the amended Label fee will be applicable when the recertification takes place. This principle is applicable no matter if the label fee increases or decreases.

4.3 The NATRUE Label Fee is directly invoiced by NATRUE to the Company signing this Agreement unless indicated otherwise, once the Certification Process is successfully carried out, which means when the raw materials have been granted with the Final Certificate and are activated on the NATRUE Label Extranet. NATRUE and the NATRUE Approved Certifier share a system of alert (so called Extranet) which informs NATRUE in real time about the raw materials Certification. When raw materials are visible on-line on the NATRUE website, they become eligible for invoicing of the Label Fee. It is the responsibility of the Company to ensure that the certification validity correspond as much as possible with the intended marketing date in order to avoid discrepancies in the validly time of the Final Certificate and actual possibility of use of the Label.

4.4 The number of raw materials from a brand registered in the Extranet at the time of checking is relevant for the determination of the product range to calculate the appropriate Label Fee.

4.5 Raw materials which are not yet listed in the NATRUE Label Extranet at the time of issuing the invoice, but which are already planned to be NATRUE certified in the future, will not be taken into account for the calculation of the NATRUE Label Fee.

4.6 Agreements and exceptions between the Company and the NATRUE Approved Certifier that are supposed to differently regulate this matter are not allowed.

4.7 VAT (Value Added Tax) number – **relevant only for European Union based companies.** VAT number must be valid at European level in order to be used for European transactions. EU level validation can be checked with the on-line tool VIES (http://ec.europa.eu/taxation_customs/vies/). NATRUE's invoices are issued under the reverse charge mechanism - art 44 VAT Directive 2006/112/EC) if the VAT Company number is valid at EU level and provided. If not provided, NATRUE will need to charge 21% Belgian VAT on the invoice (NATRUE will charge the VAT percentage according to the Belgian law – which may vary within the time).

4.8 In the case of a defined extract directly extracted from plants, only the basic formula, for example various extracts from plants made with glycerine/water, shall be regarded as a single product with regards to the NATRUE Label Fee. However, in order to ensure complete information they will be registered as separate entries in the Extranet leading to multiple records in the NATRUE website product database.

4.9 In the case of a defined single ingredient such as natural essential oils or fatty oils directly extracted from plants, only the basic formula shall be regarded as a single product with regards to the NATRUE Label Fee (so called "single ingredient oils rule"). However, in order to ensure complete information they will be registered as separate entries in the Extranet leading to multiple records in the NATRUE website product database.

4.10 When a raw material(s) from the same licensee (whether new applicant or existing Label User) has an identical composition by reference to its INCI(s) (e.g. natural gum with the same INCI(s) but available in various qualities from the same producer), this shall be regarded as a single product with respect to the NATRUE Label Fee. Irrespective of an identical composition, each applicable raw material(s) will be registered as a separate entry in the Extranet in order to present all compliant qualities on the NATRUE website as part of the NATRUE product database.

Chapter 5. Sanction Lists

5.1 The right to use the NATRUE Label shall end if NATRUE terminates this agreement for an important reason. An important reason shall particularly be deemed to apply if the Company breaches the provisions of this Agreement and fails to redress the breach within a period of four weeks after receiving a demand in writing to do so from NATRUE. Breaches of this Agreement would exist if the Company:

- Use/print the label for/on a raw material that does not comply the NATRUE Standard (i.e. no Certificate has been granted).
- Use the Label not in compliance with the mandatory rules set forth in the NATRUE Label guide (cf. Annexe C).
- Failure to settle invoices pertaining the NATRUE Label Fee
- Other action in contrast with the requirements of this Agreement

Chapter 6. Termination of the Agreement

6.1 The Certificate is valid for two years after which the Company, if the Company still wants to use the NATRUE-Label, will need to recertify the raw material(s) by informing the NATRUE Approved Certifier within the last 4-months before the termination of the usage of the Label.

6.2 If the Company remains silent about their intentions whether or not to renew the Certificate, the right to use the Label shall automatically be terminated, two years after the Certificate has been granted.

6.3 After termination of the Agreement, the Company is allowed to sell remaining stock of raw materials bearing the NATRUE Label through general distribution channels, only if the production has taken place during the validity time of the Certification.

Chapter 7. Conclusions

7.1 This Agreement is only drafted in English, whereas the documents/communication provided by NATRUE are available in multiple languages. No translations of this Agreement will be provided and no signed translations will be accepted by NATRUE. However the Company can, at its own cost, demand by an appointed professional translator, a translation in order to understand all the provisions of this Agreement. NATRUE does not take any responsibility if the content will differ from the English version, which is the legally binding version.

7.2 No verbal subsidiary agreements have been made. Amendments, supplements and additions to this Agreement shall only be valid if they have been agreed in writing between the parties to the Agreement.

7.3 If a provision in this Agreement is or becomes invalid, this shall not affect the validity of the remainder of the Agreement. The parties shall undertake to replace the invalid provision by a valid provision which is as close as possible to the commercial objective of the invalid provision. The same shall apply in the event that this Agreement proves to contain a loophole.

7.4 Belgian law will govern this Agreement

NATRUE AISBL

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Appendix X

Signature of the Agreement on the Usage of the NATRUE Label for Approval of Raw Materials

Company name and address

VAT number: _____

Contact person for certification matters:

Name: _____

Position: _____

e- mail: _____

Contact person for marketing/communication matters:

Name: _____

Position: _____

e- mail: _____

Contact person for accounting matters (responsible for receiving NATRUE Label fee):

Name: _____

Position: _____

e- mail: _____

NATRUE Approved certifier appointed for certification: _____

Agreement with NATRUE Approved Certifiers signed on: _____

Planned numbers of raw materials to be certified: _____

Place,
Date,

Signature,
Company stamp,

Place, Brussels
Date,

NATRUE