



Red Tractor Assurance

RED TRACTOR ASSURANCE FOR DAIRY - MEMBERSHIP RULES

Introduction

The Red Tractor Assurance Scheme includes a series of integrated standards for different farming enterprises and different steps in the food supply chain. In the dairy milk sector we operate the scheme for certifying conformity to the RTA Dairy Farm Assurance Standards primarily around milk purchasers. Any business that buys milk wholesale from a producer can apply to become a member of the RTA Dairy Farm Assurance Scheme (the 'Scheme'). In certain circumstances, individual dairy farmers may be eligible to join the Scheme.

This document comprises the Membership Rules for the Scheme

We are Assured Food Standards, trading as Red Tractor Assurance ('RTA'), a not for profit company owned by the British farming and food industry.

1. These rules govern the terms and conditions for membership of the Scheme. All applicants for membership of the Scheme are referred to in these Rules as the 'Applicant Business', all members of the Scheme are referred to as 'Members' and 'you' means such Applicant Business or Member as the context permits.
2. These Rules must be complied with at all times.
3. Failure to comply with these Rules will mean that your membership of the Scheme can be suspended or terminated.
4. These Rules are additional to any statutory requirements.

Claiming Products / Services are 'Assured'

5. You must not describe any products or services you sell as 'Assured' for the purposes of the Scheme until you have been through the application process and your membership of the Scheme ('Membership') has been confirmed. Thereafter, you must not describe products or services you sell as 'Assured' for the purposes of the Scheme:
 - a. if and to the extent that such products or services have not been sourced from RTA assured farms or relate to businesses, locations or activities which fall outside the licensing regime of the Red Tractor Scheme;
 - b. if you do not renew your Membership on time in accordance with these Rules or your Membership is suspended or terminated for any reason; or
 - c. if you have voluntarily left the Scheme.

Application

6. A milk purchaser or milk processor who purchases milk wholesale from UK dairy farms/producers ('Producers') to treat or process within its business can apply to be a Member (such person, if accepted as a Member, being referred to in these Rules as an 'MPP Member').
7. A person who buys milk wholesale from UK farms/producers to sell on to other businesses for processing can also apply to be a Member (such person, if accepted as a Member, being referred to in these Rules as an 'Agent Member').



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8. Exceptionally, dairy producers may become Members in their own right. All dairy producers wishing to become a Member in their own right should follow the application process in the Red Tractor Assurance Membership Rules by first contacting an approved Certification Body (as defined in Rule 20) and they will be bound by the Red Tractor Assurance Membership Rules alone. A list of current Certification Bodies is available on the RTA website at www.redtractor.org.uk/certification-bodies
9. You can only apply by completing the application form available at www.redtractor.org.uk/join-application
10. To be registered as a Member you must be a sole trader, partnership, limited or unlimited company or limited liability partnership or other form of business approved by RTA.
11. In submitting an application form, the Applicant Business is agreeing with RTA to be bound by these Rules at all times.
12. Any false or misleading statement made in application forms or any other communication may lead to termination of your Membership and even exclusion from future membership of the Scheme. You must provide, on request by RTA, any information which RTA considers relevant for the purpose of ensuring your or your supplying Producers' conformance with the RTA Standards, these Rules or the Red Tractor Assurance Membership Rules that apply to producers.
13. Any act or omission to act (whether by you, your officers, employees or agents or a third party and whether taken or omitted to be taken on the premises, site or holding of the Applicant Business or elsewhere) which impacts on your conformance to these Rules or any relevant legislation, will be deemed to be your responsibility for the purpose of assessing your compliance with these Rules. Any rights and remedies available to and sanctions imposed by RTA in respect of your non-conformance to these Rules may, at the discretion of RTA, be deemed to apply also to any other business which operates or proposes to operate from the same premises, site or holding as you and which is or wishes to become a member of the Scheme.

Conditions of Membership

14. Members must ensure that every Producer supplying milk to the Member meets the standards and complies with the Red Tractor Assurance Membership Rules, by engaging a Certification Body (as defined in Rule 20) to carry out certification assessments in accordance with Rule 20.
15. Members must only purchase milk directly from a UK Producer who holds a current valid certificate of conformity to the RTA Dairy Farm Assurance Standards, save only to the extent that Rule 23 or Rule 24 applies.
16. MPP Members buying milk otherwise than directly from a producer must buy RTA Assured milk from another MPP Member or Agent Member. A list of current Members can be found at the RTA website www.redtractor.org.uk/registered-milkprocessors
17. If a processor is handling any non-assured milk there must be strict segregation and traceability of different product streams.
18. Members must also support RTA by:
 - a. responding to requests from RTA for half-yearly ex-farm milk literage figures within 2 weeks of request in the manner prescribed on the Scheme Application form.
 - b. ensuring that RTA has up to date contact information for the people in the Member company responsible for literage information, invoice payments and farmer newsletter circulation.



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- c. keeping RTA informed of any persistently poor performing Producers and providing intelligence relating to prosecutions and any other information which could indicate the Producer is not conforming to the RTA Dairy Farm Assurance Standards.
 - d. informing RTA if any milk from a Producer is rejected for antibiotic failures twice or more during any rolling 12 month period.
 - e. on request from RTA, circulating newsletters or other information to RTA dairy certified producers within reasonably requested timeframes.
19. RTA reserves the right to ask for information or make such checks and enquiries as are required to verify conformance to these Rules.

MPP Members to appoint a Certification Body

20. Every MPP Member must at its cost engage a certification body which is licensed by RTA and subject to RTA terms, conditions and operating protocols ('Certification Body') (an up to date list of Certification Bodies being available on the RTA website at www.redtractor.org.uk/certification-bodies to carry out certification and assessments of conformity to the RTA Dairy Farm Assurance Standards on all farms of Producers supplying the MPP Member with milk. The MPP Member shall:
- a. ensure that any contractual agreements it enters with the Certification Body do not conflict with the Certification Body's obligations under its contract with RTA (and in the event of any such conflict, the Certification Body's obligations under its contract with RTA will prevail).
 - b. inform the Certification Body as soon as reasonably practicable of all Producers supplying milk direct to the Member (including all new Producers as and when they sign a supply contract) so that they can be included in the assessment programme.
 - c. notify the Certification Body as soon as reasonably practicable of any Producer who ceases to supply the Member.
 - d. inform RTA of any additional "bolt on" standards which are being assessed by the Certification Body at the same time as the RTA Dairy assessment, whether at the request of the Member or a customer of the Member.
 - e. make available additional copies of the RTA Dairy Farm Assurance Standards and the RTA Farm Assurance Membership Rules which apply to farmers for supply to any of their Producers who need a copy additional to that supplied by RTA. (These are available from RTA at a small charge).
21. The MPP Member will be responsible for the costs of the service provided by the Certification Body.
22. MPP Members wishing from time to time to change from one Certification Body to another must manage such a change in a way that provides continuity of certification and preserves the integrity of assessment programmes. In such circumstances, the MPP Member must co-operate fully with the relevant Certification Bodies, who will be familiar with the change procedures laid down in the RTA CB protocol and which must be followed at all times.



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New Producers

23. An MPP Member wishing to take milk from a new Producer who is not at the relevant time certified to the RTA Dairy Farm Assurance Standards may so on the strict condition that an assessment is carried out within 14 days after the first delivery of milk by that new Producer and certification is confirmed within a maximum of 28 days after the assessment. If neither of these deadlines is achieved, for whatever reason, the milk from that Producer must not be pooled with RTA assured milk. Similarly, if the initial assessment of the new Producer's milk indicates any significant non-conformance, the Certification Body or RTA may in its sole discretion insist that the milk is not be pooled with RTA assured milk unless and until the non-conformance is rectified.

New MMP Members

24. In the event that a new MMP applies to be a Member of the Scheme and wishes to use a pool of previously uncertified Producers, transitional arrangements will be agreed following established procedures.

Suspension or Termination of Membership

25. Once Membership of the Scheme has been granted it will continue unless and until terminated in accordance with these Rules. A Member may terminate its Membership by giving 6 months' prior written notice to RTA.

26. RTA is entitled at any time after the occurrence of a Default Event (as defined below) to give notice in writing to a Member either immediately to terminate the Member's Membership or, at the option of RTA, to suspend the Member's Membership for such period as RTA may consider appropriate. Termination or suspension of Membership under this Rule 26 shall be without prejudice to RTA's accrued rights and the rights and remedies of RTA in respect of the Default Event. The Member shall give RTA notice in writing immediately upon the occurrence of any Default Event. The 'Default Events' are:

- a. a breach of Rule 15 or Rule 16.
- b. failure to provide accurate data on milk literage in accordance with Rule 18a.
- c. failure to make any payment due to RTA under these Rules within 28 days after such payment shall have become due for payment.
- d. (without prejudice to Rules 26 a, b and c above) a material breach of these Rules where such breach is not capable of being remedied or, in the event that such breach is capable of being remedied, a failure to remedy a material breach of these Rules within 30 days after receiving written notice to remedy it from RTA.
- e. the voluntary or compulsory bankruptcy or liquidation of the Member or the appointment of a receiver, liquidator, administrative receiver, administrator or other such officer over any of the assets of the Member, or the entering into by the Member of any composition or arrangements with its creditors.
- f. a change of control of the Member (control being defined as in the Income and Corporation Taxes Act 1988), which in RTA's reasonable opinion will or is likely to have a detrimental effect on the integrity or reputation of or goodwill in the Scheme Member logos set out in the RTA website at www.redtractor.org.uk (the 'Scheme Member Logos'), the Standards and/or RTA.



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- g. gross negligence or fraud on the part of the Member.
 - h. any act or omission by the Member which brings or threatens to bring RTA or the Scheme or the Standards into disrepute.
27. RTA may give notice to terminate the Member's Membership immediately if RTA ceases to operate the Scheme.
28. The Member shall be entitled to give notice in writing to terminate its Membership in the event of the voluntary or compulsory winding-up or liquidation of RTA or the appointment of a receiver, liquidator, administrative receiver, administrator or other such officer over any of the assets of RTA, or the entering into by RTA of any composition or arrangement with its creditors.
29. If a Default Event occurs in relation to a Member under any sub-paragraphs a, d, f, g or h of Rule 26 which RTA, in its reasonable opinion, considers brings or threatens to bring RTA or any of the Standards into disrepute or to damage the integrity of any of the Standards, then the Member acknowledges and agrees that RTA may suffer and shall be entitled to claim damages from the Member for loss of business, loss of profits, damage to goodwill, and indirect and consequential losses.

Consequences of Suspension and Termination

30. During any suspension of Membership and after termination of Membership, the relevant Member or former Member shall not claim to be a Member, or sell milk as RTA assured, or use any Scheme Member Logos or any other trademarks certification marks or logos relating to Scheme membership.
31. RTA may refuse future applications or impose particular conditions including additional charges for re-entry into the Scheme where an application relates to or the applicant is in any way associated with a former Member whose Membership has previously been terminated or suspended in accordance with Rule 26.

Fees

32. All Members shall pay the fees applicable to their Membership type. RTA shall be entitled to adjust the fees from time to time and will normally review fees annually. Such fees are listed on the RTA website.
33. All fees payable directly to RTA shall be due and payable within 30 days of the date of a valid VAT invoice issued by RTA.
34. MPP Members will be required to pay an Annual MPP Membership fee and Agent Members will be required to pay an Annual Agent Membership fee.
35. MPP Members and Agent Members will, in addition, be required to pay a literage fee based on the volume of milk collected from their supplying Producers multiplied by the literage fee rate.
36. RTA will invoice Members twice a year for the literage fee, based on literage data supplied by the Member in respect of the previous 6 months. One of these invoices will also include the relevant annual Membership fee.

Confidentiality

37. Your details will be treated in confidence but, in applying to join the Scheme, you agree that RTA may confirm, to any third parties who have a legitimate interest in knowing the same, your Membership status within the Scheme. You also agree that this information can be made available on the RTA website.



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38. Certification Bodies will provide farm assessment data to RTA as required by the Certification Body's agreement with RTA and RTA will keep such data confidential in accordance with the Red Tractor Assurance Membership Rules.
39. The Member will ensure that any information or data relating a supplying Producer's RTA dairy assessment or certification, if provided by the Certification Body under the terms of its appointment, is kept confidential in accordance with the Red Tractor Assurance Membership Rules unless the Producer agrees otherwise in writing. The Member will not have access to individual Dairy Welfare Outcome score results from RTA Dairy assessments.

Trade Marks, Certification Marks and Logos

40. For so long as you are a Member you are entitled to use the Scheme Member Logos on stationery and publicity materials provided that you follow all directions on use of the Scheme Member Logos given from time to time by RTA or set out in its website at www.redtractor.org.uk . You agree to observe all such directions.
41. You cannot use any Scheme Member Logos or any other version of the Red Tractor logo on food packs or at the point of sale of food products unless you have a packer licence issued by RTA. To apply for a packer licence, go to www.redtractor.org.uk/RTLicensing
42. The above right to use Scheme Member logos is limited to using the entire designation and the right to use the Red Tractor logo is limited to using the Scheme Member Logos in an identical form or forms to that or those used by RTA. The rights are personal to you as a Member and may not be assigned, transferred or sub-licensed to any other person.
43. As a Member you shall not use (or authorise or license others to use) the Scheme Member Logos and/or the Red Tractor logo in any way other than as expressly permitted in these Rules (or in a packers licence granted to you) and you shall not use or authorise or license others to use any name, mark, sign or device which is or could reasonably be regarded as similar to the Scheme Member Logos and/or the Red Tractor logo; nor shall you file or cause to be filed any trade mark or certification mark which is or could reasonably be regarded as similar to the Scheme Member Logos and/or the Red Tractor logo; nor shall you register or attempt to register any company in a name which is or could reasonably be regarded as similar to any of the names "Red Tractor", "Red Tractor Assurance" or "Assured Food Standards". You will not oppose or cause any oppositions to be filed to any trade mark or certification mark applications filed by RTA; nor will you register or attempt to register the Scheme Member Logos and/or the Red Tractor Logo anywhere in the world or otherwise cause any question to be raised concerning RTA's ownership of the Scheme Member Logos or the Red Tractor logo.
44. RTA may terminate your right to use any Scheme Member Logo and/or the Red Tractor logo in accordance with these Rules (a) by giving you one month's written notice or (b) immediately on written notice if (i) you have failed to observe the directions of RTA with regard to the use of the such logos or (ii) your Membership has been suspended or terminated for any reason.

Disclaimer

45. Nothing in these Rules shall limit or exclude the liability of RTA or any Certification Body or any of their respective officers, employees, agents or subcontractors for (a) death or personal injury caused by the negligence of any such person; or (b) fraud or fraudulent misrepresentation.



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46. Subject to paragraph 45:

- a. neither RTA nor any Certification Body, nor any of their respective officers, employees, agents or subcontractors, shall under any circumstances be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss caused by business interruption, or any indirect or consequential loss arising under or in connection with the Scheme, its administration and/or your membership of (or application for membership of) or the suspension or termination of your membership of the Scheme; and
- b. RTA's liability and that of its officers, employees or agents in respect of all other losses, damages, charges, costs or expenses of whatever nature, arising under or in connection with the Scheme, its administration and/or your membership of or the suspension or termination of your membership of the Scheme, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the total fees paid or payable by you under these Rules in the 12 months prior to the event giving rise to such losses, damages, charges, costs or expenses.

47. RTA is not a party to the contract you must enter with your Certification Body to govern the assessment of conformance (or non-conformance) by your supplying Producers to the Standards. Subject to paragraph 45, RTA shall not under any circumstances be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any acts or omissions of your Certification Body in connection with that contract.

48. RTA shall be entitled at any time to alter the Standards and RTA and each Certification Body shall be entitled at any time to alter their operating procedures where, in their absolute discretion, they consider it necessary to do so.

49. These Rules and the Standards represent the entire understanding between you and RTA in relation to your membership of the Scheme and you acknowledge that you have not relied upon any statement (written or oral) which is not contained in such documents in applying to be a Member of the Scheme.

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