

## FOOD SAFETY CONDUCT

### 1. Definitions

- 1.1 *Conduct*: how the storage operator and its activities are managed or directed.
- 1.2 *Declaration*: an act of formally stating something, by the client of a storage operator, whether orally or in writing.
- 1.3 *Client*: A client includes a producer, customer, or any other market participant that delivers grain and oilseeds for commercial storage to a storage operator

### 2. The storage agreement

The storage operator handles and stores grain and oilseeds on contract for the client.

A storage agreement comes into existence in the following ways;

- 2.1 By the signing of a storage contract
- 2.2 By the signing of the conditions for credit required by the storage operator
- 2.3 By the signing of the storage operator's conditions of sale and/or application for membership, which contains such consent;
- 2.4 By signing and/or accepting any documentation that forms part of the storage chain, including but not limited to delivery orders; receipts; silo certificates; purchase contracts; shipping documents; circulars, harvesting arrangements, and public notices, in which the storage agreement and conditions are incorporated by reference; or
- 2.5 By conduct or by implication, by the delivery or collection of any products from any storage operator's silo, in the normal course of business between the customer and the storage operator, either by the customer himself or by any person ostensibly acting on behalf of the customer and/or represent the customer.

### 3. Declaration by the client: Act 36 of 1947

- 3.1 The client/producer declares that he/she has kept the required records and is legally compliant in terms of chemical product usage and application, prevention of contamination and that he/she is aware of and compliant with any additional legislation that may apply to a client/producer.
- 3.2 By signing the storage contract and/or submitting to the harvest rules of the storage operator, the client declares that;
- 3.2.1 the grain in storage has been produced in strict compliance with Act 36 of 1947.
- 3.2.2 the client is bound to the Agbiz Grain Food Safety Conduct
- 3.3 The declaration by the client is a formal and confident statement that the grain and oilseeds delivered for storage to the storage operator have been produced in strict compliance with Act 36 of 1947.

### 4. Testing of grain and oilseeds in storage

- 4.1 The storage agreement does not require the testing of stored grain for the presence of residues (MRLs) concerning pesticides used in the production of the grain (Pesticides include herbicides, insecticides, and fungicides) or the presence of mycotoxins.

## 5. Discrimination against deliveries

- 5.1 The storage operator will not discriminate against deliveries by a client under a storage agreement that does not submit a declaration in terms of paragraph 3 *Declaration by the client: Act 36 of 1947*.
- 5.2 The parties note that such a refusal to accept delivery will be in contravention of the Competition Act.
- 5.3 A producer declaration at delivery is a voluntary requirement by the industry and is not enforceable by law.
- 5.4 There is no existing accountability requirement towards any legal entity including the JSE or delivery on a JSE contract that justifies refusal of deliveries by a client.

## 6. Food and animal feed safety

- 6.1 The storage operator declares that it complies with the following South African legislation related to food safety:
- 6.1.1 Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
- 6.1.2 Foodstuffs, Cosmetics, and Disinfectants Act, 1972 (Act No. 54 of 1972)
- 6.1.3 Hazardous Substances Act No 15 of 1973 ("HSA").
- 6.2 The storage operator declares that it applies food and animal feed safety and hygienic practices to the handling and storage of whole grain and oilseeds in a safe and hygienic environment and in compliance with national grading regulations.

## 7. Confirmation by PPECB

- 7.1 Concerning grain and oilseeds destined for market the certificate issued by PPECB serves as confirmation that the storage operator complies with the following;
- 7.1.1 Food Hygiene and Food Safety Standard issued under the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990) as stipulated under section 4(3)(a)(ii) of the Agricultural Products Standards Act 119 of 1990, and promulgated in notice R707 of 13 May 2005.
- 7.2 The standard requires that all silos be registered with the Department of Agriculture, Forestry, and Fisheries as Food Business Operators (FBOs). Each site receives its FBO number and certificate individually.
- 7.3 Each registered establishment is allocated a unique FBO Code and is audited on a 3-year cycle by PPECB.
- 7.4 This FBO has been audited and includes all storage sites / only the storage sites listed.

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*Signed: Storage operator*

*Date:* \_\_\_\_\_