



## Regulations

### 1. Introduction

1. The Regulations (defined below) govern the rules for the Scheme (defined below) operated by the GC (defined below) for the certification of businesses with environmentally preferred products.

### 2. Interpretation

- 2.1 For the purpose of these Regulations:

<b>Advisory Committee</b>	means a committee established by GC comprising members of GC, as well as invited persons from universities, industry, environmental organizations and the like, which shall be responsible for overseeing the operation of the Scheme.
<b>Applicant</b>	means a company, business or person that has applied for but has not been granted a Certificate.
<b>Business</b>	means a person, firm, body corporate or unincorporate which has been granted a certificate.
<b>Certificate</b>	means a certificate issued by the Advisory Committee that recognizes that the Product of a successful Applicant has been audited by the Advisory Committee and is in accordance with these Regulations.
<b>GC</b>	means the Green Council Limited
<b>Guidelines</b>	mean the guidelines of the Scheme issued by GC providing detailed information on the Scheme and application procedures.
<b>Logo</b>	means the logo depicted in Appendix 1 attached hereto.
<b>Product</b>	means a product of an Applicant that has been assessed against relevant Product Criteria.
<b>Product Criteria</b>	means relevant environmental criteria established by GC to assess whether a Product is environmentally preferable and qualifies for certification.
<b>Regulations</b>	means the regulations of the Scheme set out herein.
<b>The Scheme</b>	means the Hong Kong Green Label Scheme to be operated by GC including the Advisory Committee for certifying Businesses as having a Product that is in accordance with the appropriate Product Criteria and other relevant environmental standards.

### 3. Authority

- 3.1 The Scheme is operated and organised by GC on an independent and voluntary basis and provides for the certification of Products that are environmentally preferable and pass defined Product Criteria. GC shall be responsible for undertaking the assessment of Products for determination of compliance with the Product Criteria. For the purposes of conducting audits and assessing Products under these Regulations, GC may from time to time delegate their functions or any of them to individuals whom GC may appoint or remove as they may deem necessary. GC also operates the Scheme in accordance with relevant international standards.

#### **4. Certification**

- 4.1 The procedure for applying, assessing and auditing Products of Applicants and certifying Products is as set out in the Guidelines and such Guidelines form part of these Regulations. An Applicant who satisfies GC that a Product is in accordance with the Product Criteria and other relevant environmental standards, that the Applicant is capable of complying with these Regulations and the Scheme and that it carries on a bona fide business and who gives to GC such undertakings and proof of the Applicant's legal status as it may require shall, subject to the conditions of these Regulations, be entitled to be certified under the Scheme and obtain a Certificate which shall nevertheless remain the property of GC. A separate Certificate will be issued in respect of each certification for which an application is made.
- 4.2 GC shall certify a successful Applicant under the Scheme in respect of an audited Product for an initial period of **three** years from the date of acceptance and thereafter certification under the Scheme shall be renewable on a biennial basis.
- 4.3 Certification is subject to the terms of these Regulations and GC's rights thereunder. If a Business does not intend to renew its certification under the Scheme in respect of a certification pursuant to 4.2 above, it must notify GC in writing three months in advance of the end of the relevant 3 years term. If a Business wishes to terminate certification it must give GC at least 3 months' notice in writing.

#### **5. Assignment**

- 5.1 A Business may not sub-licence or assign or otherwise transfer the right to use the Certificate, Logo or its certification under the Scheme without the prior written permission of GC.

#### **6. Obligations of a Business**

- 6.1 A Business warrants that it shall:

- (A) At all times comply with these Regulations;
- (B) Claim compliance with the Scheme with respect only to these Product(s) which are the subject to a Business's certification under the Scheme.
- (C) Following certification at all times maintain certified Products to the standards and specifications as tested and certified.
- (D) Notify GC promptly of any intended changes to a certified Product or other changes which may affect conformity with a Business's certification pursuant to the Scheme. Evaluation charges may deem necessary under such circumstances.
- (E) Not use its certification in such a manner as to bring GC into disrepute, and that it shall not make any statement regarding its certification which GC may consider misleading or unauthorized.
- (F) Ensure that the Logo and the trade marks and trade names of GC are not used in a misleading manner.
- (G) Give the representative of GC access (without prior notice) during normal working hours to the premises of a Business or other sites in which certified Products are manufactured or stored for the purpose of, inter alia, examining Products, materials, processes, finished articles, methods of testing, methods of operation and records, and verifying that a certified Product continues to be manufactured in accordance with the relevant Product Criteria and these Regulations, or establishing that a Business has carried out its obligations on withdrawal of certification under the Scheme as described in Clause 13.3.
- (H) Provide GC on request samples of brochures, photos of packaging showing green label and promotional materials, copies of advertisements and samples of certified Products which may be tested by an accredited laboratory to confirm conformance to standards previously required for certification.
- (I) Nominate a management representative who shall be responsible for all matters in connection with the requirements of a Business's certification under the Scheme.
- (J) Notify GC of any changes in the name or address of a Business or any change in the management representative appointed under (I) within 15 days of the change taking place.
- (K) Use certification only to indicate that the certified Product(s) are in conformity with the appropriate environmental standards and do not use the Business's certification to imply that a Product is endorsed or approved by GC.

- (L) Ensure that all certified Products are of merchantable quality and fit for their proper purpose.
- (M) Make available to GC the records of all complaints and corrective actions taken in respect of certified Products.

6.2 The Business acknowledges that the certification of a Product by GC in accordance with the Scheme and any continuing certification has or will in part be based upon samples, documentation and records which the Business has or will provide to GC, and the Business hereby warrants that all such samples, documents and records have in the past and will in the future be entirely accurate and genuine and will not in any way be amended or created for the purposes of certification and that the Business's continuing certification hereunder is conditional on the Business complying strictly with this warranty.

6.3 The Business warrants that it shall only use its certification in relation to certified Product(s) and will not imply that any other product is certified or that the Business itself is certified or that any parent, subsidiary, affiliate, partner or other entity is certified when this is not the case including by the use of any misleading English, Chinese or other translation or version of the name of the certified Business specified in the certified Business's application and proof of legal status as provided under Clause 4.1.

## **7. Charges**

7.1 All application, licence and renewal fees payable by an Applicant and certified Business are as set out in the Application Form and Guidelines. For the avoidance of any doubt an Applicant shall also be responsible for any costs for any necessary testing of a Product by a third party laboratory during application process and compliance monitoring. Additionally, GC shall charge and a Business shall pay any additional costs incurred by GC due to a Business's non-compliance with these Regulations, and activities related to Clause 6.1(G). All application, licence, evaluation and renewal fees are non-refundable.

7.2 If a Business fails to pay any fees on their respective due dates GC shall be entitled to charge a Business interest on the outstanding fee at the rate of 4% per annum above the Prime Rate of the Hong Kong and Shanghai Banking Corporation in force from time to time from the date the payment became due until actual payment is made.

## **8. Obligations of GC**

8.1 GC shall use their best endeavours not to disclose any information concerning a Business which is of a confidential nature other than information which is :

- (A) in the public domain, or
- (B) already in the possession of GC or later comes into their possession without any obligations of confidence from an independent third party who has not derived it from the Business in Question;
- (C) disclosed to a third party pursuant to the written consent of the Business in question;
- (D) disclosed to a third party pursuant to statutory, regulatory or other legal requirements including any Order of court or where GC is of the reasonable opinion that disclosure would be subject to a public interest defence.

8.2 GC will also use their best efforts to notify a Business at its discretion of customer complaints relating to the quality of its Products.

8.3 GC will take all reasonable steps to secure the storage and safety of documents entrusted to them for a period of at least 3 years from the date of withdrawal of certification rights. At the end of this period, or upon notice to a Business GC may destroy the documentation.

## **9. Ownership and use of Logo**

9.1 GC is the beneficial owner of the Logo and is not aware that the use of the Logo will infringe the rights of any third party in Hong Kong or elsewhere but gives no warranty as to whether any such third party rights will be infringed in Hong Kong or elsewhere.

9.2 A Business will not make any representation or do any act which may be taken to indicate that it has any right, title or interest in or to the ownership or use of the Logo except under the terms of its certification under the Scheme and acknowledges that nothing contained in these Regulations shall give a Business any right, title or interest in or to the Logo save as granted hereby.

9.3 A Business undertakes only to use the Logo in accordance with the provisions set out in Appendix 1 and will on request

give to GC any information as to its use of the Logo.

## **10. Exclusion of liability**

- 10.1 GC shall not be liable to a Business for any loss or damage whatsoever or howsoever caused arising directly or indirectly in connection with the certification of a Business under the Scheme or the sale of certified Products or rendering of services to the public by a Business (whether or not by reference to the Logo) and notwithstanding the generality of the foregoing GC expressly exclude liability for consequential loss or damage suffered by a Business including any loss or damage resulting from claims brought by any clients or customers of a Business, or for loss of profit, business, revenue, goodwill or anticipated savings.
- 10.2 All conditions and warranties on the part of GC implied by statute, common law or otherwise are expressly excluded.
- 10.3 Without prejudice to Clauses 10.1 and 10.2 and in the event that the courts of Hong Kong consider a complete exclusion of liability hereunder to be unreasonable, GC's liability in contract, tort or otherwise to a Business with respect to any claim arising in connection with its acts of omissions in assessing and/or certifying a Business and/or operating the Scheme shall be limited to no more than 20 times the fees received by GC from a Business in the year in which the alleged liability arose or HK\$250,000 whichever is less.

## **11. Indemnity**

- 11.1 A Business shall be liable for and will indemnify GC against any and all liability, loss, damages, costs, legal costs, professional and other expenses of any nature whatsoever incurred or suffered by GC whether direct or consequential (including but without limitation any economic loss or other loss of profits, business or goodwill) arising out of any dispute or contractual, tortious or other claims or proceedings brought against GC by a third party claiming relief against GC by reason of:
- (A) the certification of a Business under the Scheme and/or the breach of these Regulations by a Business;
  - (B) the manufacture, use or sale of any certified Products or the provision of any services by reference to the Logo or a Business's certification under the Scheme.

## **12. Suspending certification rights**

- 12.1 If a Business is temporarily unable to comply with the requirements of these Regulations, GC may require the Business in question to discontinue use of the Logo or any claim to certification under the Scheme with immediate effect until it is satisfied that the conditions of certification are again achieved.

## **13. Reducing and withdrawing certification rights**

- 13.1 GC may forthwith withdraw a Business's certification under the Scheme in respect of all or identified certified Products of a Business or refuse to grant or renew certification by notice in writing if a Business:
- (A) commits a breach of these Regulations, or relevant laws and Ordinances concerning the Product provided that if the breach is capable of remedy the notice shall only be given if a Business shall not have remedied the same within one month of having been given notice in writing specifying the breach and requiring it to be remedied.
  - (B) becomes subject to the bankruptcy laws or makes any arrangements or composition with its creditors, or enters into liquidation, whether compulsory or voluntary (but not including liquidation for the purpose of reconstruction), or has a Receiver of its business appointed, or an officer of a Business is convicted of an offence tending to discredit the reputation and good faith of the Business as a trader.
- 13.2 The decision to withdraw or reduce the certification rights of a Business shall be at GC's absolute discretion and such decisions or grounds shall be notified to a Business in writing.
- 13.3 Upon suspension or withdrawal of certification under the Scheme in respect of the Product(s) (for whatever reason) a Business warrants that it shall forthwith:
- (A) cease using the Logo in any manner whatsoever in respect of the certified Product(s) in question and shall cease using any other material that may imply that such Product(s) is certified under the Scheme. However, where stock has been manufactured before termination the Logo may continue to be displayed on that stock after termination, except where GC has terminated certification for breach.
  - (B) cease carrying on business or operation in a manner which may imply that the certified Product(s) in question is

certified under the Scheme and cease holding out any present connection or association with GC.

(C) deliver up to GC or destroy in the presence of a representative of GC (if GC wishes a representative to be present) all Logos and other material contemplated by sub-clause (A).

(D) notify all customers of the termination of certification rights where certification is a condition of contract with a customer and where business is active or likely to be active with that customer within 6 months of termination.

13.4 On withdrawal or non-renewal of certification of a Business, GC reserves the right to publish such fact in the local media in Hong Kong and a Business shall reimburse GC the cost of such publication.

#### **14. Duration**

14.1 These Regulations (as amended from time to time) shall remain in force for so long as any Business is certified under the Scheme.

#### **15. Waiver**

15.1 No failure or delay on the part of GC to exercise any right or remedy under these Regulations shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy as the case may be. The rights and remedies provided under these Regulations are cumulative and are not exclusive of any rights or remedies provided by law.

#### **16. Alterations**

16.1 These Regulations and/or Scheme including Product Criteria may from time to time be altered by GC. No such alterations shall affect the right of a Business to use the Logo or claim to be certified under the Scheme unless or until it shall have been given notice in writing of such alterations by GC who will notify a Business of the date by which it must comply with the altered Regulations and/or Scheme, which shall not normally be until certification of a Product is due for renewal.

#### **17. Notice**

17.1 Any notice or other document to be given under these Regulations shall be in writing and shall be deemed to have been duly given if left at or sent by hand or by registered post; or by facsimile or other electronic media to a party at the address or facsimile number set out below for such party or such other address as one party may from time to time designate by written notice to the other.

17.2 Any such notice or other document shall be deemed to have been received by the addressee five working days following the date of dispatch if the notice or other document is sent by registered post, or simultaneously with the delivery or transmission if sent by hand or if given by facsimile or other electronic means.

17.3 GC's address for service is:

Address : Room 710, New World Tower 1  
18 Queen's Road Central,  
Hong Kong  
Tel: (852) 2810 1122  
Fax : (852) 2810 1998

17.4 Each Business's address for service shall be as provided in the Application Form or as otherwise notified hereunder.

#### **18. Governing Law**

18.1 The Regulations shall be construed in accordance with the laws of Hong Kong and shall be subject to the exclusive jurisdiction of the courts of Hong Kong.

## APPENDIX 1

### Use of Logo

A Business is only entitled to use the Logo in accordance with these conditions of Appendix 1. An illustration of the Logo is shown below.



HKGLS Code No. GL-XXX-XXX  
Certification No. HK XXXXX

#### Conditions:

1. The Logo must always be used in conjunction with the Business's name and have the Business's Scheme Certification number and the corresponding HKGLS Code number adjacent to it other than in specific circumstances approved by GC. If a Business wishes to vary these conditions it must obtain the express permission in writing of GC. The Required Wording shall be specific to each certified Product explaining the environmental reasons for the certification, and shall be notified to a Business on certification.
2. The Logo may only be used on a certified Product and on advertising in printed media for the Product and must not be used in other circumstances. All proposed uses of the Logo and the required wording expressing the benefits of environmental protection must be approved in advance in writing by GC, before being put into effect. Whilst a Business shall be entitled to use the Logo in a fair and reasonable manner on correspondence and promotional material so as to indicate a Product is certified under the Scheme, a Business shall not use the Logo or indicate certification under the Scheme in such a manner as to be detrimental to the interests of GC.
3. A Business shall only use the Logo in the form stipulated by GC and shall observe any directions given by GC as to colours and size of the representations of the Logo. The Logo may not under any circumstances be used directly on or closely associated with products or by reference to the services provided by a Business in such a way as to imply that the products or services themselves are certified by GC. A business shall not use any mark or device which is confusingly similar to the Logo.
4. The size of the Logo shall be at least such size so that the text "Hong Kong Green Label" and the Certification number shall be clearly legible.
5. Fake and misleading advertising are prohibited and a Business will forthwith discontinue any use of the Logo which is unacceptable to GC and any form of public statement or reference, advertising or conduct in relation to a Business's certification under the Scheme or its right to use the Logo which in the opinion of GC might be misleading.
6. The Logo is the logotype of Hong Kong Green Label Scheme. The Logo shall not be distorted, combined with other illustrations, overwritten with text, or otherwise disfigured in appearance. Neither must the Logo be included in or form part of the Product or the Business's own logotype.