REGULATIONS OF USE OF COLLECTIVE MARK



GRANA PADANO & Device

These are the Regulations governing the use of the following collective mark

GRANA PADANO & Device , in the ownership of the Consorzio per la Tutela del Formaggio Grana Padano (the "Consortium") in relation to Grana Padano cheese complying with the Regulations and Specifications of use of the PDO GRANA PADANO D.O.P. in relation to the Class 29 (the "Regulations").

Clause 1 - Ownership of the Collective Trademark

The Collective Trademarks are the property of the Consortium and shall not be used by any person except in accordance with this Regulations.

Clause 2 – Objects and purposes of the Consortium.

The Consortium does not trade in cheese.

The Consortium is non-profit-making organisation and its objectives are:

- a) the protection of the PDO "Grana Padano", which was recognized by the European Union Regulation EC n. 1107/96 of the EU Commission and Regulation No. 1151/2012;
- b) supervision over the production and marketing of "Grana Padano" cheese;
- c) enhancement of the production of "Grana Padano" cheese;
- d) promotion, distribution and awareness-raising of the PDO and of the trademarks reserved to it, for the purpose of the general care of the interests relating to the PDO;
- e) promotion of consumption of "Grana Padano" in Italy and overseas, as well as the development and the support of any and all initiatives, including those of a commercial nature, intended to enhance "Grana Padano" cheese and increase its reputation and fame.

In order to achieve the purposes referred above, the Consortium carries out a number of duties including the verification of the correct fulfilment of the specifications of Grana Padano and, when necessary, proposes changes and/or implementations, including through new regulatory discipline proposals. Moreover, in its capacity as an owner of the PDO and the related Collective trademarks, the Consortium supervises the correct use thereof.

As representative of the common interests of its members, the Consortium has the right to bring any kind of judicial or administrative action before the competent bodies or authorities, both national and/or international, for the protection and safeguard of the PDO "GRANA PADANO" and of the related Collective trademarks.

Clause 3 – Use of the Collective Trademarks

The Authorised Persons may place and/or use the Collective Trademark in association with the Products. The Collective Trademarks shall be used with the following indications:

- On authorised packaging: Authorization from Consortium in the following form "AUTORIZZAZIONE CONSORZIO GRANA PADANO n°.....", in English "Grana Padano Consortium's Authorization nr";
- As to Ministerial Decree: "CERTIFICATO DA ORGANISMO DI CONTROLLO autorizzato da MIPAAF" (Ministero delle Politiche Agricole Alimentari Forestali), in English "Certified by the Inspection Body authorised by MIPAAF" (Italian Ministry of Agricultural, Alimentary, Forestry Politics);



The logo P.D.O.

, with minimum diametre 15 mm.

It is prohibited for Consortium Members to use the Consortium's name on any kind of printed material or advertising material or to make any reproduction of the trademarks and symbols of said Consortium without written authorization by the Consortium.

It is prohibited for parties who are members of the Production Chain to make any use of the trademarks of the PDO "Grana Padano" or in any event of the name, models, patents, symbols other than those authorised by the Consortium.

It is expressly prohibited for parties who are members of the Production Chain to make use, file, have filed, register, use in any way either in Italy or overseas, names, trademarks and/or other symbols, including domain names, which may in some way imitate, evoke, recall or in any event confuse or cause confusion with the trademarks, symbols, names of which the Consortium is owner, or to use names which are confusable or in any way may usurp, imitate or evoke the PDO "Grana Padano" or exploit its reputation, or translations, local slang expressions, abbreviations etc.

Clause 4 – Subjects authorised to join the Consortium

Any Party who is member of the Production Chain for Grana Padano Cheese and is inserted in the control system provided by the Control Body, competent according to current law, is permitted to join the Consortium, if belonging to any of the four categories listed hereunder:

- a) milk producers whose breeding farms are situated within the Production Area whose milk is destined for the Product and who are in possession of the Certificate of Conformity issued by the Control Body;
- b) dairies which are producers of the Product whose establishments are located inside the Production Area and are in possession of the Certificate of Conformity issued by the Control Body;
- c) companies which mature the Product until the end of the required maturing time in warehouses situated within the Production Area and in possession of the Certificate of Conformity issued by the Control Body or other competent authority;
- d) companies which deal with grating of the Product having storehouses or factories situated within the Production Area and in possession of the Certificate of Conformity issued by the Control Body or other competent authority.

Clause 5 - Authorised users of the Collective Trademarks

The Collective Trademarks are available for use by Authorised Users only.

In no event Authorised Users shall:

- a) eliminate, erase or alter (wholly or partly) the Collective Trademarks affixed on the Product:
- b) modify (in whole or in part) the Collective Trademarks affixed on the Product;
- c) modify (in whole or in part) the Collective Trademarks either in text or in drawing, or use the Collective Trademark in a modified or incorrectly reproduced form on any packaging or advertisements;
- d) affix the Collective Trademarks on any packaging or advertisements relating to any goods which do not comply with the Regulations;
- e) assign or grant the use of the Collective Trademarks to any third parties;
- f) use any marks, countermarks or inscriptions (other than the Collective Trademarks) on or in relation to the Product, which may deceive consumers with respect to the features or characteristics of the Product.

Clause 6 - Fees

The Consortium is entitled to ask to the members of the Consortium a contribution having regard to its costs relating to the administration and maintenance of the Directories of Authorised Users authorised to use the Collective Trademarks and the controls on the cheese. Such contributions are determined according to the quantities of product produced.

The list of fees is available on request at the Consortium's Head office at Via XXIV Giugno 8, Fraz. San Martino della Battaglia, 25015 Desenzano del Garda BS – ITALY.

Clause 7 – Inspections

The inspections to verify the proper use of the Collective Trademarks on the market are carried out by the Consortium, while the inspections and control tests to verify the conformity of the Product to the Specifications of use, the monitoring of the use of registered marks on products are carried out by the independent inspection body, namely CSQA Certificazioni S.r.l. with registered office at Via S. Gaetano, 74 - 36016 Thiene (VI), Italy that was formally authorised by Italian Ministry of Agricultural, Alimentary and Forestry Politics.

Authorised users involved in the preparation, packaging, distribution and sale of the Products are subject to such supervisory activities.

The Authorised User's Products will be inspected and examined during the eight months from the month of production of the certifiable goods.

All Authorised Users shall at any reasonable time within normal business hours allow representatives of the Consortium to enter their premises for the purpose of:

- a) inspection and examination of the Product; and
- b) taking samples of the most recently manufactured Products for testing and examination as may be required by the representatives of the Consortium in order to verify that the Product complies with these Regulations.

Representatives of the Consortium include internal and external personnel.

Products which do not meet the requirements of these Regulations and Specifications of use shall undergo an "erasing" operation whereupon the Collective Trademark which has been printed on the Product during production will be removed.

In the event that the representatives of the Consortium, after inspection and examination of the Product, refuse to authorize the marking of the Collective of Trademark, the said Authorised User may appeal this decision in accordance with the Consortium's appeal procedure set out in Clause 8.

Clause 8 – Consequences and sanctions for breaching the Regulations and appeal

In the event that the actions taken by the representatives of the Consortium pursuant to these Regulation reveal breaches of these Regulations, this will be reported to the Consortium and the Consortium shall then determine the type(s) of sanctions to be imposed against the said Authorised User in accordance with the seriousness of the breach. The different types of sanctions are:

- a) written notification to the Authorised User demanding that it corrects the breach or to cease using the Collective Trademarks within no less than 10 days;
- b) money sanctions, whose amount has to be decided by the Board of Directors of the Consortium:
- c) suspension of the Authorised User's authorization to use the Collective Trademarks for no more than ninety (90) days;
- d) permanent revocation of the Authorised User's permission to use the Collective Trademarks in the event of a substantial breach of these Regulations. In such an event, the Authorised User shall also be required to return all moulds or any other marking instruments which were provided by and/ or authorised to be used by the Consortium pursuant to these Regulations;
- e) initiate legal proceedings before the competent court for the compensation of damage suffered.

The Consortium shall notify, in writing, the relevant Authorised User of the type of sanction(s) decided by the Consortium. The Authorised User may appeal the Consortium's decision within fifteen (15) days from the receipt of the said written notification. If no appeal is made during the prescribed deadline, the Consortium's decision shall be final and the Authorised User shall be required to comply therewith.

In the event of appeal, the Authorised User's authorization to use the Collective Trademarks might be suspended until the outcome of the appeal.

The appeal filed against the resolution of the Board of Directors on the subject of the exclusion of a Consortium Member or infliction of sanctions or claims for compensation in damages, shall be filed within 15 days, before an Arbitration Panel, whose decision is not appealable. The Arbitration Panel is independent from the Consortium.

Clause 9 — Cheese under the Protected Designation GRANA PADANO

The protected designation of origin GRANA PADANO refers to cheese produced all year round from untreated cows' milk and partially creamed using natural separation, a cooked curd, hard and slow maturing cheese used as a table cheese or grated, which complies with the conditions and requirements set out in this product specification.

Clause 10 - Characteristics

The characteristics of the product when ready for consumption are as follows:

Shape: cylindrical with slightly convex or nearly straight sides and flat, slightly rimmed faces;

diameter: from 35 to 45 cm;

side height: from 18 to 25 cm, with greater or smaller variations in both, depending on manufacturing conditions;

weight: from 24 to 40 kg to be intended as referred to the average weight of the entire parcel subject to quality inspection with a tolerance of 2.5% of the single whole cheese, provided that the whole cheeses taking advantage of the tolerance are a part of an entire parcel that falls within the parameters indicated above;

rind: hard and smooth, 4 to 8 mm thick;

texture: hard, with a fine grained composition, radial flaky cracking and barely visible perforations;

Fat content of the dry cheese: 32% minimum;

Rind colour: dark or natural golden yellow; any artificial colouring is expressly not accepted;

Colour of the cheese: white or straw coloured;

aroma: sweet-smelling;

flavour: delicate.

The specific amino-acid composition of the GRANA PADANO cheese has been registered with the *Consorzio per la Tutela del Formaggio GRANA PADANO* (GRANA PADANO Cheese Preservation Consortium) and the Italian Ministry of Agriculture, Forestry and Foods and was determined with the use of ionic interaction chromatography and post-column photometric measurement with ninhydrin.

The specific isotopic composition of the GRANA PADANO D.O.P. cheese has been registered with the *Consorzio per la Tutela del Formaggio GRANA PADANO* (GRANA PADANO Cheese Preservation Consortium) and the Italian Ministry of Agriculture, Forestry and Foods and was determined using isotopic ratio mass spectrometry (IRMS) techniques. The lysozyme content of the finished product – where used in cheese-making – measured with reverse phase liquid chromatography and fluorescence detection, must tally with the amount stated and be checked during the cheese-making process.

In its "grated" format, GRANA PADANO is obtained solely from already certified whole cheeses. In the limits and according to the conditions specified under Clause 14, is however, allowed the use of scraps originating from the cut and packaging of "Grana Padano" in pieces at a variable weight and or at a set weight, blocks, cubes, pieces etc., for the production of grated "Grana Padano".

The grating process must be carried out within the confines of the GRANA PADANO D.O.P. area of production.

Packaging should take place immediately, in the same area, with no treatment or addition of other substances.

While the typical characteristics of GRANA PADANO remain unaffected, the "grated" product should demonstrate the following:

- humidity: no less than 25% and no more than 35%;
- appearance: non-powdery and consistent, no more than 25% of particles less than 0.5 mm in diameter;
- quantity of rind: no more than 18%.

Skimming by natural surfacing, cooking, brining and a long and patient ripening – from 9 to over 24 months and longer – with strict quality controls on every cheese wheel made at 9 months of ageing, complete the production cycle.

GRANA PADANO is the mark to be used on cheese made in accordance with the PDO GRANA PADANO that is fully nine months old.

Clause 11 – Area of production

The area of production and grating for GRANA PADANO comprises the provinces of Alessandria, Asti, Biella, Cuneo, Novara, Turin, Verbania, Vercelli, Bergamo, Brescia, Como, Cremona, Lecco, Lodi, Mantua to the left of the Po, Milan, Monza, Pavia, Sondrio, Varese, Trento, Padua, Rovigo, Treviso, Venice, Verona, Vicenza, Bologna to the right of the Reno, Ferrara, Forlì Cesena, Piacenza, Ravenna and Rimini and of the following municipalities of the province of Bolzano: Anterivo, Lauregno, Proves, Senale-S. Felice and Trodena.

Clause 12 – Milk collection, cheese production and forage

The making of GRANA PADANO cheese starts with untreated cows' milk from cows that are milked twice a day and that does not take advantage of the dispensations available under current health regulations as regards the total bacterial load and the level of somatic cells.

The milk must be collected within twenty-four hours of starting the first milking.

The basic foodstuff for the milking cattle consists of forage, green or preserved, which is given to cows in lactation, those that are dry and heifers over 7 months old.

The milking cattle's diet is based on the use of foodstuffs obtained from farming businesses or within the confines of the area of milk production for GRANA PADANO, as specified in clause 11.

Within the daily ration, no less than 50% of the dry material should be provided in the form of forage, with a ratio of forage / fodder to dry material of not less than 1.

At least 75% of the dry forage material in the daily ration must come from foodstuffs produced in the area of milk production, as specified in clause 11.

Acceptable forage includes:

Fresh forage - fresh forage from meadows that are established, artificial or mown.

Ideal forage constituents are: mixed established meadow grasses, lucern and clover; separate herbage or similar, consisting of darnel, rye, oats, barley, maize, wheat, grain sorghum, corn, millet, cock's foot, fescue, timothy, white lupin, pea, vetch and field bean.

Hay: obtained from field drying, air drying methods or dehydration of forage constituents usable as green forage.

Straw: from cereals such as wheat, barley, oats, rye, and triticale.

Silage:

- -chopped corn;
- -silo hay.

Acceptable fodder

Below is a list of raw materials for fodder, grouped by category, that are acceptable for adding to forage for feeding cows in lactation, those that are dry and heifers over 7 months old and reared for milk production for GRANA PADANO cheese.

Cereals, and their by-products:

Maize, barley, wheat, grain sorghum, oats, rye, and triticale: grain, flour and related by-products both dried and silaged, including crushed grain and heat treated by-products such as those that are flaked, extruded or ground.
Corn mash: whole ears of corn, ground into a wholemeal corn mash or into *Pastone di pannocchia* (ears of corn mash) or damp grain ground into *Pastoni di farina umida* (damp flour mash).

Oilseed and its by-products

- <u>soya, cotton, sunflower oil and linen</u>: grain, flour and related by-products, such as flour from expeller extraction and subjected to heat treatment.

Tubers, roots and their products

- Potatoes and associated by-products.

Dehydrated forage

- Forage constituents: straw from cereal crops, corn-cobs, whole corn plants, as they are, chopped, ground or pelleted.

By-products from the sugar industry

- Dry spent pulp, dried half-sugar mangold pulp and pulp with added molasses;
- molasses and / or by-products: only for technical advantages or improved taste, up to a maximum of 2.5% of the dry material in the daily ration.

Seeds of Leguminous plants and carob-beans

- <u>Protein-rich peas, broad beans and field beans</u>: grain, flour and associated by-products.

- <u>Carob-beans</u> and associated by-products.

Fats

- <u>Facts of vegetable origin</u> with an iodine number no higher than 70 and fatty oil acids of vegetable origin with the fatty acids as they are salified. Fish oils are acceptable as a medium for "additives" and "premixes".

Minerals

- Mineral salts, authorised under current legislation.

Additives

 Vitamins, trace elements, amino acids (rumen-protected), flavourings and antioxidants, authorised under current legislation. Only natural or nature-identical antioxidants and flavourings are acceptable.

Further clarification on the possible use of new additives accepted by legislation will be provided by the Consortium via its own Committee.

Miscellaneous

- The use of inactivated beer yeast is acceptable as a medium for "premixes".

Clause 13 – Method of production

Production under sub-contract or lease arrangements are not accepted.

The temperature of the untreated milk, when kept at the cowshed and when transported, must be no lower than 8°C.

Whether from a single milking session or from two mixed together, the milk can be processed after allowing it to settle and separate naturally.

It is also acceptable to process the milk from two milking sessions mixed together, if only one of the two is allowed to settle and separate naturally.

The milk must be partially creamed using natural separation, at a temperature between 8 and 20°C, such that the fat / casein ratio in the boiler is between 0.80 and 1.05. For Trentingrana cheese, the maximum fat / casein ratio of the milk in the boiler is 1.15. This ratio is also permissible whenever milk from a mixture of two milking sessions is used and one of the two is allowed to settle.

From the cowshed to processing, the milk may not be subject to any physical, mechanical or heat treatment, which may alter its status as natural untreated milk.

The milk is then placed in upturned bell shaped boilers, made of copper or with a copper internal lining.

The use of lysozyme is accepted up to a maximum of 2.5 g per hundred kilograms of milk.

Coagulation is achieved using calves' rennet, after the addition of a natural whey starter. Should the fermentation acidity level of the whey starter at 24 hours be lower than 26° Soxhlet Henkel / 50ml, it is acceptable, up to a maximum of twelve times a year, to add native lactic bacteria such as Lactobacillus helveticus and / or lactis and / or casei, when starting to prepare the whey starter for the following day.

The curd is broken into fine granules and cooked until these become elastic, at a maximum temperature of 56°C and left fully immersed in the whey, in the same boiler, for a maximum of 70 minutes after the cooking is finished.

It is then put into the special cheese-moulds, which leave marks of origin impressions, for at least 48 hours and then into brine for a further period of between 14 and 30 days.

Natural ripening is achieved by keeping the cheese in a place where the temperature is between 15 and 22° C, for a period of nine months after moulding.

Only cheese that shows an alkaline phosphatase level in the part of the cheese located one centimetre below the rind, taken at mid height on the side and measured using the fluorimetric method or one compatible with the use of untreated milk that also complies with all the parameters set out in this Regulation, undergoes expert checks, no earlier than eight months after moulding.

The expert checks will then lead either to branding, or else to deletion of the marks of origin impressions left by the moulds, using crosshatching or bleaching, should the product not show the characteristics required by this Regulation.

The product cannot be sold as GRANA PADANO PDO (D.O.P.) until it is fully nine months old. Before the end of this period, the cheese may not leave the area of production.

Clause 14 – Packaging authorizations

The processing of GRANA PADANO, of any type and size - whether in segments or grated, with or without the rind (on the side) - using the Protected Designation of Origin and the logo that distinguishes it, may only be handled by those holding the appropriate packaging authorisation issued by the Consortium, the body recognised and charged with undertaking the functions described in clause 14, paragraph 15 of law number 526, dated 21 December 1999.

Two separate packaging authorisations are provided for, one relating to segments with rind and the other relating to grated cheese. Any type of cheese product packaged without the rind (small pieces, slices without rind, flakes etc.) is treated like grated cheese and is subject to the same requirements.

The only case in which packaging authorisation is not required, is for "pre-packed" cheese, in other words, where the packaging takes place at the point of sale.

TERRITORIAL CONSTRAINTS FOR THE 'GRATED' FORMAT

In order to safeguard quality in the best way possible, to ensure traceability and guarantee controls over the product, packaging authorisations for GRANA PADANO D.O.P. cheese in its 'grated' format and for similarly treated formats, can only be issued to individual businesses operating within the area of production specified in clause 11 and limited to establishments located within that area.

For the purpose of issuing the authorisations in question, prior permission will be required on the part of the supervising body responsible, after it has carried out appropriate investigations at the premises of the applicant company.

LIMITS AND CONDITIONS FOR THE USE OF "GRANA PADANO" SCRAPS IN THE PRODUCTION OF GRATED GRANA PADANO

The use of scraps coming from cut and packaging of GRANA PADANO in parts at a variable weight and/or at a set weight, blocks, cubes, pieces etc for the production of grated "Grana Padano" is allowed only at the following conditions:

- a) The maximum percentage of cheese rind of 18%, as indicated under clause 10, must be fulfilled;
- b) The traceability of whole cheese GRANA PADANO from which the scraps originate must be guaranteed. To this aim, in order to use the scraps coming from the cheese processing, it is necessary to fill up the specific production control card, provided by the Consorzio of Tutela, bearing the identifying matricula of the producing diary, the month and year of production and the terms of the arrival document, allowing to go back to the entry of the captioned cheese and the amount of scraps obtained from the manufacturing of the whole cheeses.
- c) In case of deferred utilization and /or transfer from a plant to another one, the scraps shall be kept separated for matricula and month of production. In order to make easier inspections on boxes or wrappings containing scraps, the respective number of matricula of the producer diary and the relevant month and year of production.
- d) Scraps transfer is allowed only within the same company of group of company and only within the same area of origin. It is therefore prohibited the marketing of scraps to be used for the production of grated GRANA PADANO.

Clause 15 – official Collective Trademarks

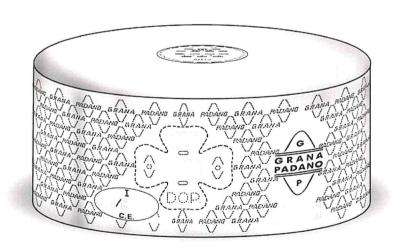
The official Collective Trademarks, certifying ownership of the requirements that legitimise the use of the Protected Designation of Origin GRANA PADANO and that must therefore appear on whole cheeses as well as on all GRANA PADANO PDO cheese packaging, in segments or grated, consists of a rhomboid design, crossed at the shorter diagonal by a wide band, bordered by two parallel stripes above and two below. In the centre of the band, the words "GRANA" and "PADANO", are written on two lines in block capital letters.

Within the upper and lower angles of the rhomboid, which are rounded, are the initials "G" and "P" respectively.

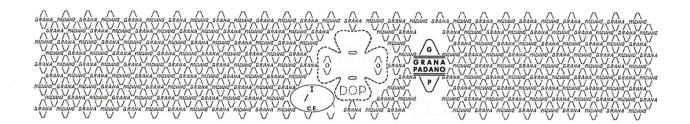
GRANA PADANO cheese is identified by the following marks

A) ON CHEESES of the GRANA PADANO category

The mark of origin bands, cold impressed on the cheeses at the time of moulding, consist of a series of dashed line rhomboidal lozenges containing the alternate words "GRANA" and "PADANO" written in dashed capital letters, sloping slightly to the right, staggered and repeated continuously all round the cheese, except for one empty space reserved for the application of the GRANA PADANO brand as specified above. At the centre is a four-leaf clover, containing two capital letters, one above the other, representing the abbreviation for the province in which the cheese-maker is located, the registration number of the cheese-maker, consisting of three numbers and the inscription "DOP", as well as two small ovals and two small circles, each cutting across a dashed lozenge, located above, below, and to right and left of the registration number. Below and to the left of the four-leaf clover is the EC stamp that identifies the producer's establishment for health purposes, while to the right of the four-leaf clover, below the space reserved for application of the GRANA PADANO brand, the year and month of manufacture are shown, using two numbers and three letters respectively. This description and the illustration below refer to the final effect on the cheese, but it should be clarified that, in the moulds, the items mentioned appear in reverse order, i.e. the EC stamp is to the right, and the space for the brand and for the year and month of manufacture are to the left, of the four-leaf clover.



two-dimensional view of the finished effect on the cheese:



The identification function of the mark of origin bands is combined with the application of the cheese-maker's badge bearing the words "GRANA PADANO", the year of production and an alphanumeric code, which allows every cheese to be unambiguously identified, to ensure that it can be traced precisely.

The brand are applied close to the four-leaf clover, on the opposite side to the GRANA PADANO brand.

B) ON THE PACKAGING

Packaged cheese should carry the GRANA PADANO logo on the packaging. When reproduced on packaging, the official mark certifying ownership of the requirements that legitimise the use of the Protected Designation of Origin GRANA PADANO, all as described at the beginning of this clause, stands on a background of Pantone colour 109.c, of the same shape but slightly larger than the black and white image. The parameters for reproducing the logo on packaging are as follows:



Proprietary font.

CONSORZIO PER LA TUTELA DEL FORMAGGIO GIDANA PADANO IL DIRETTORE GEVERALE (DOE SIEGNO Berni)