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## Scientific Certification Systems – Forest Conservation Program

# Chain of Custody Certification Report for:

## Indiana Department of Natural Resources, Division of Forestry<sup>1</sup>

**SCS-COC-003941**  
**SCS-CW-003941**

Type of Audit: 1st Annual Surveillance  
(Evaluation, 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> Surveillance, Re-Evaluation, Expansion of Scope)  
Audit for the Year 2012

Date Report Finalized: October 26, 2012  
Date of Current Certificate Issuance: November 10, 2011

<b>Contact person for certificate<sup>1</sup>:</b>	<b>Jeff Settle</b>
Organization Street Address:	402 West Washington Street
Zip or Postal Code:	46204-2739
City, State, Country:	Indianapolis, Indiana USA
Phone:	317-232-4114
Fax:	317-233-3863
Email:	<a href="mailto:jsettle@dnr.in.gov">jsettle@dnr.in.gov</a>
Website:	<a href="http://www.in.gov/dnr/forestry">www.in.gov/dnr/forestry</a>

<sup>1</sup> Legal name of company and trade name(s) where applicable



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## Introduction

SCS developed its [Forest Conservation Program](#) in 1991 and has since emerged as a leading certifier of forest management operations and wood product manufacturers. In 1996, SCS became one of the first certification bodies in the world to be [Forest Stewardship Council](#) (FSC) accredited. In 2009 SCS achieved accreditation to offer PEFC ([Programme for the Endorsement of Forest Certification](#)) chain of custody certification services.

Through a well-developed network of regional representatives and contractors, SCS offers timely and cost-effective certification services around the world.

Chain of custody certification is a quality assurance to your customers that your products have positive environmental attributes that are backed by a global system of verification. When you receive a chain of custody certificate, you gain the right to use the program's logo and trademarks both on your products and in business and marketing communications. The certification label helps both businesses and customers make purchasing decisions that support sound forest management.

This report presents the findings of the SCS auditor who has evaluated your organization's systems and performance against the applicable Chain of Custody standard(s) and the SCS staff member who has made the final certification decision (see section 1 below).

If there are any necessary follow-up actions required by your organization, these are outlined in a separate Corrective Action Request form sent with this report. In order to achieve and maintain Chain of Custody certification it is important that all non-compliances are resolved by their stated deadlines.

The checklist(s) in the Appendix present the auditor's findings, demonstrating compliance or non-compliance with each element of the certification standard(s) used for the evaluation.

If you have any questions, comments, or concerns about SCS's Chain of Custody Program, please feel free to contact any member of the SCS chain of custody program.

### **Adam Wiskind**

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## Section 1: Evaluation Process and Conclusions

<b>PART 1A: Certification Decision</b>		
<b>Auditor's recommendation for initial, continued or re-certification based on compliance with requirements:</b> Include recommendation for each standard organization was evaluated against, and per site where applicable.	The Indiana State Department of Natural Resources-Division of Forestry (DoF) does comply with FSC STD 40-004 V-2-0, FSC POL 40-002/FSC PRO-40-002a, and applicable clauses of FSC STD 40-005 V2-1 with the exception of the non-conformances included in the attached list of corrective action requests. It is the recommendation of this auditor that the Indiana DoF continue to be awarded FSC certification for the above named standards for its' secondary manufacturing group.	
<b>To be completed by Certification Decision-Making Entity</b>	<b>SCS Certification Decision:</b> Include any conditions or pre-conditions associated with certification decision.	The Indiana State Department of Natural Resources-Division of Forestry (DoF) is in conformance with FSC STD 40-004 V-2-0, FSC POL 40-002/FSC PRO-40-002a, and applicable clauses of FSC STD 40-005 V2-1 with the exception of two Major CARs, four Minor CARs, and two Observations. Continued certification of a group certificate for secondary manufacturers in Indiana is approved.
	<b>Scope of certificate:</b>	This certificate covers the production of wood products using the transfer, percentage, and credit systems. It also covers the purchase and sale of FSC Controlled Wood.
	<b>Certification decision by:</b>	Vanessa Ellis
	<b>Date of decision:</b> For initial or continued certification	October 29, 2012
	<b>Surveillance schedule:</b> Note any sites or requirements needing special attention at surveillance audits. If no FSC material is present at the time of the evaluation audit and CAR issued regarding Critical Control Point, need to audit site within 3 months of beginning processing.	The second surveillance audit should occur in October 2013.
<b>Allowable size limit and annual growth rate:</b> For Group and Multi-site Certificates only	The organization can add up to 12 sites to the group certificate before the next annual audit (100% growth) and can add a maximum of 48 sites before the current certificate expiration date. These numbers are subject to change at subsequent SCS audits.	

## PART 1B: Compliance Summary

**IMPORTANT NOTE:** The Standards Conformity Checklist(s) in the Appendix of this report outline(s) the auditor's assessment of your organization's conformity with each of the applicable requirements of each standard covered in the scope of the assessment; This section contains only a summary of those findings.

**Evaluation and description of any critical control points with a risk that uncontrolled wood or fiber may enter the FSC Chain of Custody system:**

Critical Control Point	High Risk of Mixing	Low Risk of Mixing
Purchasing eligible material/product		x
Verifying reclaimed/controlled material		N/A
Receiving		x
Segregation		x
Processing		x
Determination of FSC claims (transfer, percentage or credit system)		x
Outsourcing		N/A
Trademark use		x
Sales and shipping documents		x
<b>At the time of the audit, had the organization taken physical possession of FSC-certified material?</b>	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> , if there is a deemed risk that uncontrolled wood or fiber may enter the FSC Chain of Custody system an early surveillance site audit will be required <input checked="" type="checkbox"/> <b>N/A</b> , this is a Surveillance or Re-evaluation audit <input type="checkbox"/> <b>N/A</b> , not normal business practice to take physical possession of material/product <input type="checkbox"/> <b>N/A, PEFC only</b>	
<b>Description of any high risks of mixing:</b>		
None were detected during this auditor's surveillance of the three audited Group Member sites.		

**Review of Corrective Action Requests from previous audit:**

Copy from previous audit report and describe the status of each CAR. Submit evidence with report where appropriate. Minor CARs not closed by the deadline shall be elevated to Major CARs. Major CARs not closed by their stated deadline, may result in suspension until conformity is confirmed.

- N/A Evaluation audit or no prior CARs
- See CARs/OBS form from previous audit

**Summary of identified non-conformities and opportunities for improvement:**

Complete CAR/OBS form and attach with audit report.

Standard	# Major CARs	# Minor CARs	# Observations
FSC-STD-40-004: Chain of Custody	2	1	2
FSC-STD-40-005: Controlled Wood		1	
FSC-STD-40-007: Reclaimed Material			
FSC-STD-40-003: Multi-site CoC Certification			
FSC-POL-40-002: Group CoC Certification		2	
FSC-STD-20-001: Complaints Procedures			
FSC-STD-50-001: Trademark requirements			
PEFC ST: 2002-2010 Chain of Custody Requirements			
PEFC ST: 2001-2008 PEFC Logo Usage			

<b>PART 1C: Evaluation Summary</b>	
<b>Description of evaluation:</b>	<p>Thursday, September 27, 2012</p> <p>I initially met with Jeff Settle, the IN DoF FSC Group Entity Administrator the morning of the first audit day, at the Leiberling Dimension plant in Ferdinand, IN. There, I conducted the Leiberling site audit, which took until noon.</p> <p>Following the noon break, we traveled to the Tedrow Dimension plant site in Shoals, IN, where I conducted the site audit.</p> <p>Friday, September 28, 2012</p> <p>I met with Jeff at E M Cummings in New Albany, IN to conduct that site surveillance.</p> <p>I met with Jeff following the E M Cummings audit to conduct the IN DoF Secondary Manufacturers Group audit. There I reviewed the IN DoF procedures and checked documentation. Jeff provided me with copies of the current IN DoF Group Entity and Group Member Procedures. He also provided a CD with copies of the Group Entity audits and supporting documents. I reviewed my findings with Jeff at that time.</p> <p>Each site audit included: an initial briefing, staff interviews and discussions; a review of each site's procedures and FSC files; an inspection tour of the facility; and a wrap up meeting of the site audit observations. Names of staff members interviewed during each site audit are included in the individual site evaluation audits, attached.</p>
<b>Number of sites audited out of total number of sites in scope of certificate:</b>	Three of eleven and the group entity: IN DoF.
<b>Date(s) of evaluation:</b>	September 27 and 28, 2012
<b>Duration of evaluation:</b>	Thirteen hours.
<b>Auditor name:</b>	Frank S. Judd, Lead Auditor, SCS
<b>Auditor qualifications:</b>	BS Forestry, MS Forest Resources, The Pennsylvania State University; US Army Captain, Military Intelligence. Nine years experience in FSC Chain of Custody market development, auditing, and product management; over thirty years of management in forest products manufacturing, procurement, marketing, and process development; ISO 9001:2008 accredited auditor.

## SECTION 2: Organization Information

PART 2A: Certificate Scope																									
<b>Number of sites included in the certificate scope:</b> Excluding outsourcers	12 <input checked="" type="checkbox"/> <i>Changed since previous audit</i>																								
<b>Standards used in assessment of the organization:</b> Check all that apply, for any & all sites	<table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td>FSC-STD-40-004 v2-0</td> <td>FSC Chain of Custody Standard</td> </tr> <tr> <td><input type="checkbox"/></td> <td>FSC-STD-40-004 v2-1</td> <td>FSC Chain of Custody Standard</td> </tr> <tr> <td><input type="checkbox"/></td> <td>FSC-STD-40-003 v1-0</td> <td>Multi-site CoC Certification</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>FSC-STD-40-005 v2-1</td> <td>Company Evaluation of Controlled Wood</td> </tr> <tr> <td><input type="checkbox"/></td> <td>FSC-STD-40-007 v1-0</td> <td>Sourcing Reclaimed Material</td> </tr> <tr> <td><input type="checkbox"/></td> <td>FSC-STD-40-007 v2-0</td> <td>Sourcing Reclaimed Material</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>FSC-POL-40-002</td> <td>Group Chain of Custody</td> </tr> <tr> <td><input type="checkbox"/></td> <td>PEFC ST: 2002- 2010</td> <td>PEFC Chain of Custody Requirements</td> </tr> </table> <input type="checkbox"/> <i>Changed since previous audit</i>	<input checked="" type="checkbox"/>	FSC-STD-40-004 v2-0	FSC Chain of Custody Standard	<input type="checkbox"/>	FSC-STD-40-004 v2-1	FSC Chain of Custody Standard	<input type="checkbox"/>	FSC-STD-40-003 v1-0	Multi-site CoC Certification	<input checked="" type="checkbox"/>	FSC-STD-40-005 v2-1	Company Evaluation of Controlled Wood	<input type="checkbox"/>	FSC-STD-40-007 v1-0	Sourcing Reclaimed Material	<input type="checkbox"/>	FSC-STD-40-007 v2-0	Sourcing Reclaimed Material	<input checked="" type="checkbox"/>	FSC-POL-40-002	Group Chain of Custody	<input type="checkbox"/>	PEFC ST: 2002- 2010	PEFC Chain of Custody Requirements
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<input type="checkbox"/>	PEFC ST: 2002- 2010	PEFC Chain of Custody Requirements																							
<b>The scope of this certificate includes the following:</b> Check all that apply	<p><b>Forestry</b></p> <input type="checkbox"/> <b>Forest Management Operation</b> holding FSC FM/COC certificate <p><b>Manufacturing: (with retail, wholesale, or other processes)</b></p> <input type="checkbox"/> <b>Primary</b> Organization uses round wood (logs) as inputs or does pulp or paper milling <input checked="" type="checkbox"/> <b>Secondary</b> Organization does not use round wood as inputs nor does it conduct pulp or paper milling (Secondary manufacturers includes printers) <p><b>Non-timber forest products (NTFPs)</b></p> <input type="checkbox"/> <b>Organization collects or processes NTFPs</b> <p><b>Trading only:</b></p> <input type="checkbox"/> <b>Desk</b> Trades in product <u>without</u> physical possession <input type="checkbox"/> <b>Wholesale</b> Distributes product <u>with</u> physical possession <input type="checkbox"/> <b>Retail</b> Sells to end-user with physical possession <input type="checkbox"/> <i>Changed since previous audit</i>																								
<b>Type of Facility (main site):</b> e.g. Sawmill, Paper mill, Lumber Broker, Wholesaler, Retailer, Distribution Facility, Warehouse, Paper Converter, Printer	Indiana State, Department of Natural Resources, Division of Forestry offices. Group members are secondary manufacturers of various wood products.																								
<b>Type of data control system (e.g. manual, barcodes, computer automation, etc):</b>	MSN Office for the IN DoF; software systems vary by group member.																								
<b>Approximate number of employees (main site):</b> Full-time equivalent employees	140 for the IN DoF <input checked="" type="checkbox"/> <i>Changed since previous audit</i>																								



<p><b>FSC Annual Accreditation Administration Fee (AAF) Class based on combined turnover of all sites included in certificate scope:</b></p>	<table border="0"> <tr><td><input type="checkbox"/></td><td>I:</td><td>&lt;\$200,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>II:</td><td>\$200,000 to \$1,000,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>III:</td><td>\$1,000,000 to \$5,000,000 USD</td></tr> <tr><td><input checked="" type="checkbox"/></td><td>IV:</td><td>\$5,000,000 to \$25,000,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>V:</td><td>\$25,000,000 to \$100,000,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>VI:</td><td>\$100,000,000 to 500,000,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>VII:</td><td>500,000,000 to 1,000,000,000 USD</td></tr> <tr><td><input type="checkbox"/></td><td>VIII:</td><td>&gt;1,000,000,000 USD</td></tr> </table> <p>Organization shall disclose annual sales of all products containing wood fiber. This information is used for the purposes of calculating the AAF (Accreditation Administration Fee) for FSC. The information is treated as confidential.</p> <p><input type="checkbox"/> <i>Changed since previous audit</i>  <input type="checkbox"/> <i>N/A, PEFC only</i></p>	<input type="checkbox"/>	I:	<\$200,000 USD	<input type="checkbox"/>	II:	\$200,000 to \$1,000,000 USD	<input type="checkbox"/>	III:	\$1,000,000 to \$5,000,000 USD	<input checked="" type="checkbox"/>	IV:	\$5,000,000 to \$25,000,000 USD	<input type="checkbox"/>	V:	\$25,000,000 to \$100,000,000 USD	<input type="checkbox"/>	VI:	\$100,000,000 to 500,000,000 USD	<input type="checkbox"/>	VII:	500,000,000 to 1,000,000,000 USD	<input type="checkbox"/>	VIII:	>1,000,000,000 USD
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<input type="checkbox"/>	VIII:	>1,000,000,000 USD																							
<p><b>PEFC Annual Notification Fee</b></p>	<p><b>Annual turnover of organization: N/A</b> (include currency)</p> <p>Notification fee is based on total turnover (not only wood or PEFC products) for all sites included in the scope of the certificate. Varies per country.</p>																								
<p><b>Language(s) of certificate:</b></p>	<table border="0"> <tr> <td><input checked="" type="checkbox"/> English</td> <td><input type="checkbox"/> Dutch</td> <td><input type="checkbox"/> Portuguese</td> </tr> <tr> <td><input type="checkbox"/> German</td> <td><input type="checkbox"/> Spanish</td> <td><input type="checkbox"/> Other</td> </tr> </table>	<input checked="" type="checkbox"/> English	<input type="checkbox"/> Dutch	<input type="checkbox"/> Portuguese	<input type="checkbox"/> German	<input type="checkbox"/> Spanish	<input type="checkbox"/> Other																		
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<input type="checkbox"/> German	<input type="checkbox"/> Spanish	<input type="checkbox"/> Other																							
<p><b>Has organization been FSC CoC certified previously?</b></p>	<table border="0"> <tr><td><input type="checkbox"/></td><td><b>Not previously FSC CoC certified</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Transfer from other CB:</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Previous SCS CoC client with lapse in certification</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>New SCS CoC client with lapse in certification</b>, previous CB:</td></tr> <tr><td><input checked="" type="checkbox"/></td><td><b>N/A, existing SCS client</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A, not FSC certified (PEFC only)</b></td></tr> </table>	<input type="checkbox"/>	<b>Not previously FSC CoC certified</b>	<input type="checkbox"/>	<b>Transfer from other CB:</b>	<input type="checkbox"/>	<b>Previous SCS CoC client with lapse in certification</b>	<input type="checkbox"/>	<b>New SCS CoC client with lapse in certification</b> , previous CB:	<input checked="" type="checkbox"/>	<b>N/A, existing SCS client</b>	<input type="checkbox"/>	<b>N/A, not FSC certified (PEFC only)</b>												
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<p><b>PART 2B: Overview of Organization</b></p>	
<p><b>General description of organization: its operations, products and function of the sites.</b></p>	<p>The Group Entity is the State of Indiana, Department of Natural Resources-Division of Forestry (DOF). Within Indiana, there are 180,000 acres of FSC certified Indiana State Forests (state owned). Additionally, there are approximately 600,000 acres of privately owned "Classified" forests, with about 8,000 ownerships, which are now FSC FM/COC certified, by SCS.</p> <p>The DOF had determined a small group certification would be created to supply the market for the FSC certified forest products from these forests. A network of FSC CoC loggers/haulers, small sawmills, and veneer log processors (primary manufacturers) was previously established as FSC CoC certified as a group, with the IN DoF acting as the Group Entity. These companies harvest and/or perform primary processing from timber (logs) taken mainly from these FSC certified forestlands.</p> <p>This audit is for a group of small secondary forest products manufacturers within Indiana. Operations and functions vary among members. However all are remanufacturers of lumber, veneers, and</p>

	<p>other wood components, and/or manufacturers of finished wood cabinetry or furniture. The Indiana DoF will continue to function as the Group Entity.</p> <p>All group members have been assigned the general category of secondary processors, and are determined to be included in one set of sites.</p>
<p><b>Description of the system by which the organization maintains control over the Chain of Custody for all products included on the organization's certified product group list, covering:</b></p> <ul style="list-style-type: none"> <li>a) Quality management</li> <li>b) Material sourcing</li> <li>c) Material receipt and segregation</li> <li>d) Volume control</li> <li>e) System for controlling FSC claims</li> <li>f) Sales and delivery</li> <li>g) Labeling (where applicable)</li> <li>h) Outsourcing (where applicable)</li> <li>i) Minor components (where applicable)</li> </ul>	<p>Ref. the FSC STD 40-002 V-1 checklist and audits attached. The DoF maintains its FSC Small Group organizational control as follows:</p> <ul style="list-style-type: none"> <li>a. The DoF has created extensive Group Entity and Group Member procedures. The DoF has an experienced and well-qualified Group Administrator, Jeff Settle: Forest Products Specialist. The IN DoF has up-to-date IT systems to support the management of the Group FSC certification. The DoF audits each group member annually for compliance to the applicable standards, or it waives the audit if the group member had no FSC transactions.</li> <li>b. Material sourcing for Group members is prescribed in the Group procedures. Group members must purchase wood from either verified FSC suppliers or from FSC certified controlled wood suppliers. Group members must establish and maintain a register of FSC suppliers that are verified for FSC COC, FSC CW (when applicable), and product scope.</li> <li>c. All Group members are required to maintain segregation and identification of all FSC certified wood. FSC CW must be identified on receipt and further marked as required by the applicable control system used by the group member.</li> <li>d. Group members must report annually to the DoF all FSC purchases and sales of FSC wood materials. Each member must have the capability to record and document all FSC material transactions.</li> <li>e. Each Group member must include, in that member's product group list, the control system(s) it has adopted. The DoF has included the following control systems in the group members' template procedures: Transfer, Percentage, and Credit.</li> <li>f. The DoF requires that Group member's transportation and sales documentation includes the DoF FSC CoC code/sub-code and the appropriate FSC claim. Transportation and sales documentation for FSC Controlled Wood must contain the DoF FSC CW code and the statement "FSC Controlled Wood".</li> <li>g. All labeling of FSC products must be approved by SCS through the DoF. Approval records are maintained by the DoF.</li> <li>h. Outsourcing is not applicable to most all of the group members. The procedures and a contract template for outsourcing are included in the group member procedures.</li> <li>i. One group member has used Minor Components that were less than 1% of the products weight (wood dowels). No other uses of Minor Components have been reported to the IN DoF.</li> </ul>
<p><b>Are there sites owned by the organization that are not included in the certificate scope?</b></p>	<p><input type="checkbox"/> No      <input checked="" type="checkbox"/> Yes*</p> <p><b>Remarks:</b> The State of Indiana DOF owns facilities throughout the state; however none of these are applicable or included in the Group.</p> <p>*Certificate shall not be used for material handled at uncertified locations.</p>

**Wood / fiber purchased and sold over previous 12 months**

N/A, PEFC Only

For 1st evaluation, provide total wood/fiber purchased and sold

For all surveillance and re-evaluation audits, provide total FSC certified wood/fiber purchased and sold

*Include units: volume, dry weight, or number of pieces as appropriate*

<b>Approx. quantity purchased:</b>	See individual reports; see attached CAR #8
<b>Approx. quantity sold:</b>	See individual reports; see attached CAR #8

**FSC Product Group List for Organization (all sites). Data to be posted / updated on [www.info.fsc.org](http://www.info.fsc.org):**

N/A, PEFC Product Group information collected on PEFC Reporting Form

Complete this table **exactly** as provided by the organization and check the box below if nonconformities are found

Nonconformity(ies) identified regarding product group list

<b>Product Code</b> FSC-STD-40-004a	<b>Species of material inputs</b> (Common + Latin name)	<b>FSC Material Category of Input</b>	<b>Control System</b>	<b>Material Category of Output</b>	<b>Sites involved</b>
See At. 2, Group Member Procedures with Product Group List					

*'Tab' in last box to add additional rows as necessary*

**PART 2C: Site information**

N/A, only one site in certificate scope

*NOTE: Administrative and manufacturing sites need to be considered separately if administrative sites do the invoicing. Legal and trade names must also be provided.*

**All sites audited by SCS**

*Complete site table below for all sites*

**Sites audited on sample-basis by SCS** (Group or Multi-site Certificates only)

*Verify List of Sites spreadsheet and submit with report (do not complete site table below)*

**Site Table**

Site name	CoC Admin	Address	Approx No Employees	Type of Facility	Standards					
					40-004	40-003	40-005	40-007	40-002	PEFC
See At. 3, Group Member List					x		x		x	

*'Tab' in last box to add additional rows as necessary*

**Part 2D: Outsourcing**

N/A, does not use contractors for outsourced processing of FSC / PEFC product

**Contractors doing outsourced processing of materials/products covered by scope of certificate(s)**

**No Outsourcing has been conducted by any Group Members up to the dates of this Group surveillance.**

*Expand as necessary to include all outsourcers or insert list (including all required information) into Appendix of report*

Name of Contractor	Contact information	Outsourced activity	Organization's reason for outsourcing	Risk Level (High/Low)	#* (n/a if low risk)	Audited this year? (n/a if low risk)

*'Tab' in last box to add additional rows as necessary*

<b>* Indicators of high risk outsourcing</b>
1. The organization is outsourcing a wide range of production related activities
2. The organization is outsourcing to a number of contractors on a regular basis
3. The contractor grades or sorts the material during outsourced processing
4. The contractors label the product during outsourced processing
5. Contractors do not physically return the FSC-certified product following outsourced processing
6. The organization is outsourcing processing across national borders

**PART 2E: FSC Controlled Wood**

N/A, does not deal in Controlled Material or FSC Controlled Wood, incl. PEFC only

**Purchases FSC Controlled Wood from CW certified supplier(s)**

- Purchases FSC CW, does not sell FSC CW (not certified to 40-005)
- Purchases and sells FSC CW Risk Assessments not necessary, issue CW code

**Implements a Controlled Wood verification program**

- Annex II risk assessments, does not sell FSC CW submit reviewed Risk Assessment(s)
- Annex II risk assessments, sells FSC CW submit reviewed Risk Assessment(s), issue CW code
- Annex III site audits, does not sell FSC CW submit reviewed RA(s) showing categories of 'unspecified risk'
- Annex III site audits, sells FSC CW submit reviewed RA(s) showing categories of 'unspecified risk', issue CW code

**Suppliers of Controlled Material** (non-FSC certified material included in organization's controlled wood verification program):

(complete chart below or submit a complete list with report)

Supplier name and address	Description of non-FSC certified wood / fiber received	Species received (Common and Latin names)	Approx. volume received

*'Tab' in last box to add additional rows as necessary*

<b>Description of the system by which the organization assessed the level of risk of their controlled material suppliers:</b>	N/A All CW purchases are from FSC COC and CW certified suppliers.
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**District(s) of Origin of non-certified wood included in organization's controlled wood verification program:**

District of Origin (per Risk Assessment)	New	Updated	Approved

*'Tab' in last box to add additional rows as necessary*

### PART 2F: Minor Components

- N/A, does not use ineligible wood/fiber components in FSC products
- N/A, minor components between 1 & 5% (submit derogations with report)
- N/A, PEFC only

#### Minor Components <1%

*Expand as necessary to include all minor components used (intended for use) in FSC products <1%*

*For minor components between 1 and 5%, submit completed derogation application(s) from client (one per minor component)*

Common Trade Name of Component	Description of Component	Volume/weight of wood/fiber	% volume/ weight of total product wood/fiber	Species (where applicable)	Dimensions	FSC Product Group & Product Code FSC-STD-40-004a	FSC label?
Dowel Interior Fixtures and Millwork	Wood Dowel		0.3%	N/A	N/A		no

*'Tab' in last box to add additional rows as necessary*

<b>Justification</b> why material for the specified components could not be sourced from FSC-certified, controlled or reclaimed sources.	A justification has not been provided to the IN DoF by Interior Fixtures and Millwork, see attached CARs.
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## SECTION 3: Additional General Requirements

By acknowledging and agreeing to the findings provided in this report, the Organization hereby agrees to notify Scientific Certification Systems of any of the following changes that could have a material impact on their continued certification:

- Fulfillment of Corrective Action Requests (CARs) / conditions
- Date of production start of certified products if initial audit was conducted during absence of certified material
- Change in organization/company name
- Change in ownership and/or management
- Change in contact name(s) and address(es)
- Change to the scope of the certificate, as it appears on the certificate or FSC / PEFC database
- Addition of new facility(ies) and/or termination of facility(ies) covered by the certificate
- Circumstances and/or resource conditions that could materially impact the continued validity of the certification
- Addition / removal of Product Groups
- Material changes to existing Product Groups, such as commencement of new accounting systems or modification of product claims
- New use of the SCS and/or FSC Trademarks
- Incident report of incorrect claim or deviation from FSC or PEFC regulations
- Trademark misuse by suppliers
- New outsourcing agreements
- Agreements with vendors or other certificate holders for on-product labeling using certificate code
- Material change to documented control system
- Termination of FSC business in whole or in part
- Any other circumstances where the product may no longer comply with the requirements of the certification system

## SECTION 4: Standard Conversions

1 mbf	2.36 m3
423.7 bf	1 m3
1 cord	2.55 m3
1 inch	2.54 cm
1 foot	0.3048 m
1 square foot	0.0929 m2
cubic foot	0.028317 m3

1 yard	0.9144 m
1 gallon (US)	3.78541 liters
1 pound	0.4536 kg
1 US ton	907.185 kg
1 UK ton	1016.047 kg
1 acre	0.405 hectares
1 mile	1.60934 km



## Appendix: Standard Conformity Checklist(s) and Required Supporting Documentation *(suppliers, outsourcers, product group list, if not listed in report above)*

Referenced Attachments:

1. Group Member FSC COC Procedures
2. IN DoF Group Entity Procedures
3. List of Group Members
4. Cummings FSC suppliers
5. Cummings credit account
6. Gilbert training records
7. IN DoF audit reports and supplemental documents.

### **SCS Supplemental Report for FSC Group Chain of Custody Certification FSC-POL-40-002 and FSC-PRO-40-002a** *For evaluation of the Group Entity*

<b>Certificate Holder:</b>	<b>Indiana Department of Natural Resources-Division of Forestry: Group Entity</b>
Site:	State Offices, 402 West Washington Street, Indianapolis, Indiana 46204: Secondary Manufacturers Group
Audit for the Year:	2012
Auditor:	Frank S. Judd
Date of audit:	September 28, 2012

<b>Group Certificate Overview</b>	
Describe the sites included in the certificate by type of businesses, number of facilities, their relationship to each other, their function and the standards they were evaluated against:	Sites included in this group certificate all deal in the secondary manufacturing of wood products. These group members have no legal ties to each other; but these sites do frequently have commercial transactions among the group. At the time of this audit, eleven firms were included as members.

<p>Describe how Chain of Custody is controlled and how responsibilities are divided between the Group Entity and all Group members:</p>	<p>The Chain of Custody is controlled and monitored by the Group Entity, the Indiana State Department of Natural Resources- Division of Forestry (DoF).</p> <p>The IN DoF provides FSC CoC and Controlled Wood (when applicable) template procedures and guidance for each member. It audits members annually, if not waived. It provides information on FSC CoC and CW certification through its website and periodic announcements and newsletters to members. It has one DoF staff member, Jeff Settle-Forest Products Specialist, with the authority and responsibility for ensuring the compliant operation of the Group. The DoF is responsible to pay all fees to SCS. The DoF must obtain all approvals for the use of FSC trademarks from SCS.</p> <p>Group members must accurately complete the applicable procedure templates relevant to their site, including the product group list. Members are also responsible for: training and training records, supplier verification, receiving, storage, segregation, manufacturing, invoicing, and shipping.</p>
<p>If Group Entity is a membership organization, are there other members of the organization that are not included on the certificate? If yes, indicate whether company understands and acknowledges that certificate may not be used for material handled by uncertified members (FSC-STD-40-002, 1.3.3).</p>	<p><input type="checkbox"/> <b>No, all members included</b>  <input type="checkbox"/> <b>Yes, explain how this is controlled</b>  <input checked="" type="checkbox"/> <b>N/A, not membership organization</b></p> <p>Group members must have their company headquarters, or the participating site, in the State of Indiana.</p>
<p>How many sites were audited?</p>	<p>Central Office/Group Entity plus 3 of 11 sites.</p>
<p>Assess the Group Entity's capacity (including resources and systems) to manage the number and complexity of the Number of sites on the certificate:</p>	<p>This auditor did confirm during the audit process that the DoF has the capacity to manage the number of sites that are currently included. It has one full time employee participating in fulfilling Group Entity responsibilities. Jeff Settle is responsible for all FSC COC certification activities in Indiana; and he has full control over this group certification at the state level. He has current computer software and supporting systems, as provided by Indiana State, for regular communication with and direction of the group members. The DoF pays for all travel expenses for Mr. Settle to travel to all group members' sites.</p>

SECTION 1 Group Eligibility Requirements		
Requirement	Evidence and Findings	Conformance
FSC-PRO-40-002a List of approved national Chain of Custody group eligibility criteria		

<p><i>FSC-PRO-40-002a, 1.0</i> Group members meet international eligibility criteria for Group COC certification according to FSC-POL-40-004 section 1.4.3 or approved national eligibility criteria according to FSC-PRO-40-002a table 1.1 where applicable.</p>	<p>This auditor confirmed that the IN DoF staff established that all initial and subsequent group members did meet the existing national eligibility criteria of \$5 million or less in annual sales.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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<p><i>FSC-PRO-40-002a, 2.1</i> Group members who joined a group according to the generic eligibility criteria as specified in the COC group Policy before the approval of new nationally adapted eligibility criteria may stay in their group until the certificate is terminated or withdrawn.</p>	<p>All group members have joined following the adoptions of the new nationally accepted eligibility requirements.</p> <p>The DoF does require all new group members to meet the criteria (less than \$5million in sales, US) in order to join this group.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A</b>, no national criteria</td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A</b> , no national criteria
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<p><i>FSC-PRO-40-002a, 2.2</i> New group members shall comply with nationally adapted eligibility criteria before joining a Group COC certificate.</p>	<p>The DoF does monitor individual group member's sales. If those sales do exceed the threshold for 2 consecutive years, the individual group member will be removed from this group. It would then become the individual group member's responsibility to seek single FSC CoC certification.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A</b>, no national criteria</td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A</b> , no national criteria
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<p><i>FSC-PRO-40-002a, 2.3</i> In the year that a group member surpasses the defined threshold, its membership would become 'transitional'. Transitional membership in a group certificate is allowed until growth beyond the surpassed threshold is documented for 2 consecutive years. At that time, the individual entity is no longer eligible to be part of the group certificate and shall pursue and transition to an independent single certificate in order to continue its certification.</p>	<p>In the individual member audits, and during the audit of the Group Entity, this auditor established that membership criteria is met in accordance with the applicable clauses of this standard.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> </table> <p><b>(applicable to all)</b></p>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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C – conformance    NC – non-conformance    C w/Obs – conformance with observation  
 N/A – requirement not applicable

<b>SECTION 2 Group Requirements and Responsibilities</b>		
<b>Requirement</b>	<b>Evidence and Findings</b>	<b>Conformance</b>
<b>2.1 Group entity requirements</b>		
<i>Group entity authority</i>		
2.1.1. In order to be eligible to apply for group certification, the group applicant must be an independent legal entity or an individual acting as a legal entity.	As written in the Group Entity procedures, At. 1, the DoF requires that all group members are Indiana-based and legal companies, firms, or corporate entities.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
2.1.2. The group entity shall be contractually responsible to the certification body for ensuring that the requirements of all relevant FSC guidelines are fully implemented by all members of the group.	SCS COC staff has instructed this auditor that the DoF and SCS have a signed contract, renewable on a two-year basis. The DoF has met, and does continue to meet, all financial obligations of the contract; and it makes all payments to SCS.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
2.1.3. The group entity shall be responsible for ensuring that any conditions on which certification is dependent and any corrective action requests issued by the certification body thereafter are fully implemented.	During the tenure of this group certification's existence, the DoF has effectively audited each group member. It has thoroughly checked on each members meeting of initial and continuing responsibilities; it has demonstrated that the corrective actions issued by SCS and/or the DoF will be fully implemented. This process was confirmed by this auditor in a review during the 2012 surveillance of the responses to the CARs issued during the 2011 initial evaluation of this Group.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
2.1.4. The group entity shall have the authority to remove members from the scope of the group certificate if the requirements of group membership or any corrective action requests issued by the certification body or the group entity are not complied with.	The authority for the DoF to remove any member is included in requirements for group membership as stated in At. 1, the Group Entity Procedures.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
2.1.5. The group entity should be responsible for collecting any fees due to FSC certification from the members.	The DoF does collect all fees; if it requires them. It does make all payments to SCS, as confirmed to this auditor by Jeff Settle.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>2.1.6. The group entity shall be responsible for the annual monitoring of each and every member. Monitoring procedures must be in line with the FSC CoC Certification Requirements and the guidelines in Sections 3 and 4 of this document.</p>	<p>The DoF does conduct a site audit of all group members that have had any FSC transactions. It does monitor all group members throughout the year. This was confirmed in a review, by this auditor, of the IN DoF Group Member site audit reports.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p><i>Group entity system and documentation requirements</i></p>								
<p>2.1.7. The group entity's responsibilities with respect to managing the chain of custody certification program for the group, shall be clearly defined and documented, including procedures for new members to join the certified group after a certificate has been awarded.</p>	<p>The DoF has prepared a comprehensive set of FSC CoC procedures for each group member; At. 2 Group Member procedures. A second set of procedures and processes, At. 1, has been written and is in force for the DoF, entitled Division of Forestry (Group Entity) Procedures.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>2.1.8. The group entity must have a system in place for providing information and/or training to group members.</p>	<p>Jeff Settle explained to this auditor that the DoF provides information and training to group members using these contacts: 1, the group members DoF email list-serve for direct contact with all group members; 2, Indiana Hardwood Lumberman's Assn. organization; 3, Purdue School Forestry &amp; Natural Resources extension service; 4.the Indiana Licensed Timber Buyers monthly bulletin; and 5, the Indiana Forestry Exchange Site. Jeff also will visit each site having FSC activity a minimum of once each year.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>2.1.9. The group entity must carry out an initial inspection to verify that the potential group members comply with certification requirements, including business installation and documentation systems, before they can be admitted.</p>	<p>Documents reviewed by the auditor confirmed that the DoF conducts an initial inspection of each new group member. The DoF verifies that the potential group member can meet the required business and documentation system requirements before admission to the group.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>2.1.10. The group entity must have clear procedures for annual monitoring of each group member which is designed to ensure that CoC requirements are upheld. Additionally it must have a method for providing information on the results of its monitoring to the certification body.</p>	<p>See At. 1, DoF procedures, 2.2.4 and 2.2.5. The DoF has established procedures, now in place, to provide annual audits of all group members. This information is recorded on IN DoF computers, summarized by group member, and provided to the SCS auditor. See At. 7, IN DoF file of audited Group Members.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>2.1.12. The group entity must keep all CoC documents related to member businesses and have a centralized record keeping system related to inflows and outflows of material in member facilities. They must also be prepared to submit reports summarizing member activities.</p>	<p>All documents, as required for the DoF, are stored electronically on the Group Administrator's computer. . A record of FSC inputs and outputs is summarized on an Excel spreadsheet.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>2.1.13. The group entity must have its own written guidelines that outline CoC procedures for member businesses.</p>	<p>See At. 1, the IN DoF Group Entity Procedures, and At. 2, Group Member FSC COC Procedures.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><i>New members</i></p>		
<p>2.1.14. The group entity shall have clear documented procedures for new members to join the certified group after the certificate has been awarded. The group entity must carry out an initial inspection of the business installations and their documented systems before they are eligible to enter into the certified group, and hence be permitted to use the FSC trademark.</p>	<p>See At. 1, IN DoF Group Entity procedures, 2.2.1. The DoF conducts and "Initial Inspection" of new members before a new group member is accepted into the group. The IN DoF has a full and complete procedure template that is required for use by each group member.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>2.1.15. If a group member joins or leaves the group certification scheme, the group entity shall inform the certification body in writing within one month.</p>	<p>The DoF has notified SCS of all prospective members prior to their initial SCS evaluation. This was confirmed by this auditor in a review of the FSC website that is inclusive of all current Group members. This process is also required in At. 1, the IN DoF Group Entity procedures.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>2.2. The group entity shall have sufficient legal and management authority and technical support to implement the requirements and responsibilities specified in 2.1.1-2.1.15 and to support the size of group proposed for certification.</p>	<p>The Indiana Division of Forestry is part of the Indiana State Department of Natural Resources. It has full authority and computer support to implement the requirements and responsibilities for itself, the Group Entity, and for the size of the existing group and compliant additions. This auditor has, on past IN DoF audits, conducted audits at IN State offices in Indianapolis, IN and has met with Jack Seifert, the IN State Forester.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><i>FSC-STD-50-001 V1-1, Annex 2</i>                  1.2 The group entity shall not produce any document similar to an FSC certificate for its participants. If individual membership documents are issued, these statements shall be included:                  a) "Managing the FSC certification program of [name of group]"                  b) "Group certification by Scientific Certification Systems (SCS)"</p>	<p>This auditor confirmed in discussion with Jeff Settle that the DoF has not produced any document similar to an FSC certificate for the group members. It has received, and forwarded to each IN DoF Group member, the group member certificate provided by SCS.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

2.3 Group member requirements and responsibilities								
<p>2.3.1 Every group member must comply with the FSC requirements of CoC certification as specified in the FSC CoC standards.</p>	<p>As evidenced in site audits by this auditor, the group members have generally complied with the requirements of the FSC CoC standards. Exceptions are included as non-compliances in the attached reports and CAR's checklist.  <b>CAR #7</b>  <u>However, in reviewing At. 7 (the DoF member audits and supporting documents), the Group Entity has not issued CARs for the following:</u></p> <ol style="list-style-type: none"> <li>1. <u>Interior Fixtures and Millwork has not provided an explanation for its use of dowels as minor component less than 1% of the total weight.</u></li> <li>2. <u>Interior Fixtures has issued an FSC claim of "FSC Mixed 70/30" on 8/7/12 for job #4045.</u></li> <li>3. <u>The Custom Millwork Delivery Receipt to McShane Construction on 8/23/12 states an FSC claim of "FSC Mix".</u></li> </ol>	<table border="0"> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px; text-align: center;"><b>x</b></td> <td style="padding-left: 5px;"><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>C w/Obs</b></td> </tr> </table>		<b>C</b>	<b>x</b>	<b>NC</b>		<b>C w/Obs</b>
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<b>x</b>	<b>NC</b>							
	<b>C w/Obs</b>							
<p>2.3.2 The group members' management responsibilities, (e.g. with regard to management planning, monitoring, quality control, marketing) for certification shall be clearly defined and documented.</p>	<p>Each group member's responsibilities regarding managing its FSC program are delineated in 1.1 Eligibility of both the Group Member Procedures, At. 2, and in the Group Entity Procedures, At. 1.</p>	<table border="0"> <tr> <td style="border: 1px solid black; width: 20px; height: 15px; text-align: center;"><b>x</b></td> <td style="padding-left: 5px;"><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>C w/Obs</b></td> </tr> </table>	<b>x</b>	<b>C</b>		<b>NC</b>		<b>C w/Obs</b>
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<p>2.3.3 Any representation of certified status of group members and their products must be made in reference to the group. Each member must utilize the group's chain of custody code in relevant sales documentation.</p>	<p>Group members are listed as members of the IN DoF group with their products on the <a href="http://info.fsc.org">http://info.fsc.org</a> website. This auditor has determined that each member utilizes the DoF group FSC CoC code, with its respective sub-code, in relevant sales and/or delivery documents. All group members audited during the 2012 site surveillances provided sample or actual shipping and sales documents, evidencing this process.</p>	<table border="0"> <tr> <td style="border: 1px solid black; width: 20px; height: 15px; text-align: center;"><b>x</b></td> <td style="padding-left: 5px;"><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="padding-left: 5px;"><b>C w/Obs</b></td> </tr> </table>	<b>x</b>	<b>C</b>		<b>NC</b>		<b>C w/Obs</b>
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2.4 Informed consent of group members		
<p>2.4.1 A 'consent form' or its equivalent must be signed by each group member or the member's representative who voluntarily wishes to join the certification scheme. The consent form:</p> <ul style="list-style-type: none"> <li>i. acknowledges and agrees to the requirements and responsibilities of group membership;</li> <li>ii. agrees to membership of the scheme for the full period of validity of the group certificate;</li> <li>iii. acknowledges their compliance with the chain of custody guidelines; and</li> <li>iv. authorizes the group entity to apply for certification on the member's behalf.</li> </ul>	<p>The DoF has developed a Group Member application included in At. 2. It meets the State of Indiana requirements for participation. It also requires the applying company agree to the requirements of the applicable FSC standards and include a signature of the responsible individual. The application also requires compliance with the attached procedures that include DoF requirements for eligibility; and compliance with sub clauses: i, ii, iii, and iv of this clause. For the sites audited in 2012 by this auditor, a signed copy of this application was available for review.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>2.4.2 The group entity must provide each group member with documentation, or access to documentation, specifying the relevant terms and conditions of group membership. The documentation shall include:</p>		
<p>i. a copy of the Chain of Custody certification standard to which the group is committed;</p>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>ii. explanation of the certification process;</p>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>iii. explanation of the certification body's, and FSC's, rights to access the group members' documentation and installations for the purposes of evaluation and monitoring;</p>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>iv. explanation of the certification body's and FSC's requirements with respect to public information;</p>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>v. explanation of any obligations with respect to group membership, such as:</p> <ul style="list-style-type: none"> <li>a) maintenance of information for monitoring purposes;</li> <li>b) use of systems for tracking and tracing of forest products;</li> <li>c) requirement to conform with conditions or corrective actions issued by the certification body;</li> <li>d) any special requirements related to marketing or sales of products covered by the certificate;</li> <li>e) use of the FSC trademarks and product claims;</li> <li>f) proper use of CoC certificate number and sub code; and</li> <li>g) other obligations of group membership.</li> </ul>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>vi. explanation of any costs associated with group membership.</p>		<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs



Findings related to above Provision of Documentation requirements, that were confirmed by this auditor during the 2012 conduct of the audit of the Group Entity and Group members, were:

- i. Group members audited had copies of applicable FSC standards in paper and/or electronic format.
- ii. The certification process is thoroughly explained in the Group membership procedures and has been explained to members in person by Jeff Settle.
- iii. The rights of the DoF and the certifying body, SCS, are explained in Group member's procedures, 1.1 Eligibility.
- iv. Each Group member agrees to provide all required information to the Indiana DoF, a public body with the requirement of making all information public, on request. All group members are listed on the DoF website, along with copies of the initial FSC evaluations and following annual surveillances.
- v. The requirements for eligibility, section 1.1, in the individual group member's procedures, along with the requirements for compliance within the body of those procedures, fully document the respective obligations of each group member as referred to in sub clauses v: a, b, c, d, e, f, and g.
- vi. Costs of group membership are described in 1.2 Membership fees and 1.3 Annual Licensing fees.

## 2.5 Group records

2.5.1 The group entity shall be responsible for maintaining the following records up to date at all times:

i. list of names and addresses of group members, together with date of entry into group CoC certification scheme and sub code assigned;	Ref. the DoF Group member list, as provided to this auditor by Jeff Settle, At. 3.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
ii. evidence of consent of all group members, preferably in the form of a signed 'consent form' (see paragraph 2.4, above);	A signed application form (consent agreement) is retained in the file folder of each group member; these are physically on file with the Group Entity Administrator and have been provided to this auditor.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
iii. relevant documentation and records regarding the scope of Chain of Custody certification for each group member.	All records, relevant to each group member's CoC certification, are retained in file folders by the Group Entity Administrator, Jeff Settle. These are in turn copied and saved on a CD; see At. 7.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
iv. records demonstrating the implementation of any internal control or monitoring systems (see paragraphs 2.1.2 - 2.1.5, above). Such records shall include records of internal inspections, non-compliance identified in such inspections, actions taken to correct any such non-compliance;	Copies of all FSC CoC audits, conducted by the DoF and SCS, are retained, in Word files by the Group Entity Administrator. Records include the dates of site audits and non-compliances. See At. 3, list of sites and applicable dates.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>v. relevant documentation regarding production and sales;</p>	<p>Group members are required to maintain production and sales records of FSC materials. All IN DoF Group members surveyed by this auditor during the 2012 annual surveillance had the ability, and procedures in place, to develop and retain this data.  <u>The Group Entity has noted records of material balances (FSC inputs, use, outputs), as applicable for some of its Group Members on the site audit forms. However, these are not compiled and/or summarized for the Group. The Group has prepared a spreadsheet for this summary, but it has not been used. At. 3, FSC Input-Output 2011 tab. See CAR #8.</u></p>	<p><input type="checkbox"/> C  <input checked="" type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>vi. the date of leaving of any group members, and an explanation of the reason why the member left the group; and</p>	<p>A column is included on the IN DoF site master list for withdrawal dates. No sites have withdrawn since the initial evaluation in 2011. See At. 3.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>vii. relevant documentation showing that they meet the definition of a “small enterprise”</p>	<p>The audit form used by the DOF requires the Group member to describe and document their meeting of the definition of a “small enterprise.” This is then recorded as the amount of sales in \$US.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>2.5.2 Documentation shall be archived for at least 5 years.</p>	<p>Group members agree and consent, as part of the IN DoF Group member eligibility requirements, to retain all relevant FSC documents for five years. Indiana State policy for the DoF requires the retention of all DoF records for five years. See At. 1 and At. 2. <u>All records requested by this auditor of Group members audited in 2012 were provided, except as noted as a CAR (#6) in the attached site audit reports.</u></p>	<p><input type="checkbox"/> C  <input checked="" type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>2.6 Certification costs</b></p>		
<p>2.6.1 The group entity shall be fully responsible to the certification body for paying all the costs of evaluation and monitoring throughout the period of validity of the certificate.</p>	<p>DoF Group Entity procedures, At. 1, clearly state the DoF is responsible to pay all fees to the certification body. The DoF has signed contracts with SCS, for two years time, to cover all certification costs relevant to this Group certification.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

<b>FSC Trademarks</b>								
<p><i>FSC-STD-50-001 V1-1, Annex 2</i>                      1.1 The group entity (or manager, or central office), shall ensure that all uses of the FSC trademarks by the group entity or its individual members are approved by the certification body prior to use. Group members shall submit all approvals via the group entity or central office and keep records of approvals.</p>	<p>As confirmed by Jeff Settle to this auditor, the DoF Group Administrator does require that Group members submit all requests for the use of FSC trademarks to his (the Group Administrator's) office. The Group Administrator will forward such requests to SCS through the SCS client portal; and has demonstrated, to this auditor, the ability to access that site and obtain approval records.</p>	<table border="0"> <tr> <td style="border: 1px solid black; text-align: center;"><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
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<p><i>FSC-STD-50-001 V1-1, Annex 2</i>                      1.3 No other forest certification schemes' marks or names shall appear on any documents issued by the group in connection with FSC certification, e.g. in cases where the group entity also manages groups certified by other schemes.</p>	<p>The Indiana DoF also has two FM/COC certifications: 1, for Indiana State Forests; 2, and for Indiana State private "Classified" forests. These certification are issued by SCS. The State forests have also been certified by SFI. However, no uses of any SFI trademarks, logos, etc. were observed by this auditor in connection with this IN DoF Secondary Group certification.</p>	<table border="0"> <tr> <td style="border: 1px solid black; text-align: center;"><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
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<input type="checkbox"/>	<b>C w/Obs</b>							
<p>2.7 The group CoC certificate will license all members of the group to use the FSC Trademarks under specified conditions. However the group entity may not issue sub-licenses for use of the FSC Trademarks.</p>	<p>The Group Entity, the Indiana DoF, has not issued sub-licenses for the use of any of the FSC Trademarks. This was confirmed by Jeff Settle, the IN DoF Group Entity Administrator, to this auditor during the conduct of this surveillance.</p>	<table border="0"> <tr> <td style="border: 1px solid black; text-align: center;"><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
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**SCS Supplemental Report for Company Evaluation of FSC Controlled Wood  
FSC-STD-40-005 version 2-1**

<b>Certificate Holder:</b>	<b>Indiana Department of Natural Resources-Division of Forestry</b>
<b>Site:</b>	E. M. Cummings Veneers, Inc.; New Albany, IN
<b>Audit for the Year:</b>	2012
<b>Auditor:</b>	Frank S. Judd
<b>Date of audit:</b>	September 28, 2012

C – conformance    NC – non-conformance    C w/Obs – conformance with observation  
N/A – requirement not applicable

<b>Controlled Wood System Overview</b>	
Description of system by which company monitors purchases of non-FSC certified wood included in company’s program of verification:	The Indiana Department of Natural Resources-Division of Forestry (DOF) is the Group Entity for the Indiana Group certification of secondary manufacturers located within the state of Indiana. The IN DOF has established written procedures for each member opting to include Controlled Wood within the scope of certain of the individual member’s certification. The DOF annually audits all group members for compliance to all applicable standards, including CW.  E M Cummings Veneer will only purchase FSC Controlled Wood from FSC suppliers verified by the Cummings to supply FSC Controlled Wood.
<b>Part 1: Quality System Requirements</b>	
<b>1. Company Policy</b>	

<p>1.1 The company has a publicly available written policy commitment, endorsed by the most senior management level of the company, to implement its best efforts to avoid trading and sourcing wood or wood fiber from the 5 categories of wood considered unacceptable to be mixed with FSC certified wood:</p> <p>a) Illegally harvested wood;</p> <p>b) Wood harvested in violation of traditional and civil rights;</p> <p>c) Wood harvested in forests where high conservation values are threatened by management activities;</p> <p>d) Wood harvested in forests being converted to plantations or non-forest use;</p> <p>e) Wood from forests in which genetically modified trees are planted.</p>	<table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>N/A, no program of verification, buys FSC Controlled Wood</b></td> </tr> </table> <p>Ref. At. 2, Group Entity procedures, section V, Controlled Wood. The policy is included on the IN DoF website. E M Cummings Veneer developed a corresponding publicly available policy, and is included in the E M Cummings Veneer FSC folder, as confirmed by this auditor during the site surveillance. It is available on request.</p>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A, no program of verification, buys FSC Controlled Wood</b>
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<input type="checkbox"/>	<b>C w/Obs</b>								
<input type="checkbox"/>	<b>N/A, no program of verification, buys FSC Controlled Wood</b>								
<p><b>2. Procedures</b></p>									
<p>2.1 The company has procedures and/or work instructions covering all the applicable elements specified in this standard.</p>	<p>See summary of procedures: Ref. At. 1, Procedures for the Indiana State DNR, Div. of Forestry Group certification; Part V, Controlled Wood Procedures.</p> <p>E M Cummings Veneer has adopted and uses the applicable IN DOF group member CW procedures.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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<input type="checkbox"/>	<b>C w/Obs</b>								
<p>2.2 The company has identified the person (or position) responsible for implementing each procedure and/or work instruction.</p>	<p>See At. 2, DNR, DOF Group Member procedures; V2 Controlled Wood Procedures. The Group Entity procedures require that responsibilities are assigned through the use of a template, Appendix B-1, with accompanying procedures. E M Cummings Veneer has assigned Adam Bostock to fulfill the responsibilities for this group member.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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<p><b>3. Training</b></p>									
<p>3.1 The company has specified training requirements for all relevant staff, as required to implement the requirements of this standard.</p>	<p>Ref. At. 2, DNR DoF procedures 1.3; and Part V, V3 Controlled Wood Training. Training of all relevant staff is required by the Group Entity as part of the implementation of this standard. All training is audited as part of annual Group Member</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/></td> <td><b>C</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>NC</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><b>C w/Obs</b></td> </tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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	<p>audits by the In DoF, Group Entity, and as audited by this FSC Certification Body according to sampling guidelines in FSC CoC 40-004 V2.</p> <p>E M Cummings Veneer has adopted the required training programs. Staff had been trained before the site audit. Training records provided for this audit were dated 2/8/12, 9/26/11, and 8/31/11.</p>	
<p>3.2 Training has been provided to all staff as specified and as appropriate.</p>	<p>In the interview of Jeff Settle for this audit, it was confirmed that training is provided on a continuous basis to all group members, and the several DoF staff members that support the Group certification. Also ref. At. 1, DNR DoF procedures 1.3; and Part V, V3 Controlled Wood Training.</p> <p>Training of all relevant E M Cummings Veneer staff is required by the Group Entity as part of the implementation of this standard. All training is audited as part of annual Group Member audits by the IN DoF, Group Entity.</p> <p>Staff members involved directly with the purchase of controlled wood, Adam Bostock and Ed Jenkins, were aware of their responsibilities in documenting Controlled Wood when purchased by E M Cummings Veneer. Included in the training records dated 2/8/12 as, reviewed by this auditor, were the names of all foreman and lead employees that have stated responsibilities.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>3.3 The company keeps records of the training provided to staff in relation to implementation of this standard.</p>	<p>Records for training conducted by the Group Entity are on file. E M Cummings Veneer had current training records available for this site audit dated 2/8/12, and included all key staff members.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>4. Records</b></p>		
<p>4.1 The company maintains records that demonstrate compliance with the applicable requirements of this standard. Records are retained for a minimum of 5 years.</p>	<p>The Indiana DNR DoF does maintain records of all applicable requirements as necessary to organize and administer the Group. This does include the annual audits of all applicable Group members. E M Cummings Veneer, as a group member, does comply with this clause, and retains all required records for five years. This was confirmed by Ed Jenkins during the audit.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

**Part 2: FSC Controlled Wood Supply requirements**

**5. Supplier Identification**

<p>5.2 The company maintains an up to date list of all its suppliers of wood or wood products included in the company's FSC Controlled Wood Verification Program. For each supplier the company records:</p> <ul style="list-style-type: none"> <li>a) the name and address of the supplier;</li> <li>b) description of the wood supplied;</li> <li>c) the species and volume of wood supplied and the relevant purchasing documentation.</li> </ul>	<p>Ref. At. 1, DNR DoF Group Procedures 3, Material Sourcing, Supplier Chart and V5, Supplier Identification, and Annex B-3, Supplier Chart. Individual Group members are required to maintain individual listings of their CW suppliers.</p> <p>A complete listing of all suppliers of wood assessed by E M Cummings Veneer was on file and provided for this audit. It is included in the E M Cummings Veneer folder and in the IN DoF E M Cummings folder. See. At. 4, Cummings FSC supplier list including CW suppliers.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
<input checked="" type="checkbox"/>	C									
<input type="checkbox"/>	NC									
<input type="checkbox"/>	C w/Obs									
<input type="checkbox"/>	N/A									

**7. FSC Controlled Wood inputs from suppliers certified to Trade in FSC Controlled Wood**

<p>7.1 For FSC Controlled Wood supplies the company ensures that:</p> <ul style="list-style-type: none"> <li>a) all wood supplied as FSC Controlled Wood is clearly identifiable as such;</li> <li>b) all wood supplied as FSC Controlled Wood is accompanied by documentation which clearly links the invoice to the products supplied.</li> <li>c) the transport documentation and invoices issued for the material quote the supplying company's FSC Controlled Wood certificate code.</li> </ul>	<p>See At. 2 DoF Group Procedures Material Sourcing, 3.2 Supplier Validation material identification; and Part V, Controlled Wood, V5, V6, and V7. The Indiana DoF Group procedures require that all wood from FSC Controlled Wood suppliers is properly specified and controlled. Group members included in this CW program must comply with this clause as an individual group member.</p> <p>E M Cummings Veneer has purchased FSC Controlled Wood (vener) from suppliers certified to trade in FSC Controlled Wood.</p> <p>As confirmed in the audit process with Cummings staff personnel and in an inspection tour of the warehouse:</p> <ul style="list-style-type: none"> <li>a) FSC CW is clearly marked with green FSC tags;</li> <li>b) All FSC CW has been accompanied by sales and/or transportation documents, linking the CW veneers to the invoice, and</li> <li>c) the supplier's FSC CW code is included on invoices and transport documentation reviewed by this auditor; see the attached site audit</li> </ul>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
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	report clause 3.1.2.	
7.2 The company has verified that each of its suppliers of FSC Controlled Wood holds a valid FSC Controlled Wood certificate ( <a href="http://info.fsc.org">http://info.fsc.org</a> ).	IN DoF Group Member Procedures, 3.2 Materials Sourcing and Supplier chart, and Part V Controlled Wood V5, require that all suppliers of FSC Controlled Wood are verified and hold a valid FSC Controlled Wood certificate. E M Cummings Veneer had verified its FSC Controlled Wood future suppliers; and it has established a listing of validated FSC CW suppliers; ref. the supplier list At. 4.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<b>8. Non-FSC certified material to be verified by the Company as FSC Controlled Wood</b>		
<i>FSC-STD-20-011 V1-1, 6.1</i> Describe the system by which the company monitors its purchases of non-FSC certified wood from suppliers whom it wants to include in its company verification program of 'FSC Controlled Wood'.	The DOF is the Group Entity for the Indiana small Group certification. The DOF has established written procedures for each member, opting to include Controlled Wood within the scope of the individual members certification. The DOF has conducted, submitted, and received approval form SCS for it CW Risk Assessment (RA). The DOF is responsible to keep the RA up-to-date. The DOF annually audits all group members for compliance to all applicable standards, including CW.  This clause is not applicable to E M Cummings. This company will only purchase FSC CW from FSC CW suppliers.	
8.1 For non-certified wood to be verified by the company as FSC Controlled Wood, the company has:  a) determined and kept records of country and district of origin, to the forest level*, of wood supplied;  b) ensured that the documentation required to demonstrate the district of origin (to the forest level) of the wood supplied is maintained. (This should include legally required transport documents and proof of purchase from the forest management unit of origin.); and  c) specified and implemented a regular audit process to verify the authenticity of the specified documentation to confirm the country and district of origin of the wood.  * FSC-DIR-40-005, ADVICE-40-005-04	Submit sample of documentation proving forest of origin with report.	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A
<i>FSC-DIR-40-005, ADVICE-40-005-04</i>		<input type="checkbox"/> C



<p>For suppliers of non-FSC certified material to be verified as FSC Controlled Wood that are located in countries with a CPI less than 5, the company has conducted a plausibility test of the information collected to demonstrate district of origin as per clause 8.1 above. This test should include plausibility criteria defined by the company, such as distance and means of transport, timber species, supplier relationship, etc. If the result from the plausibility test is negative, the material should not be used as controlled material input.</p>		<input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A
<p><b>10. Species listed on CITES</b></p>		
<p>10.1 The company has procedures to verify that all supplies of wood from any species listed in Annex 1, 2 or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are accompanied by the applicable licenses and/or export permits, irrespective of whether the supplier is FSC certified or not.</p>	<p><u>The IN DoF, Group Entity, has included applicable procedures in At. 2 to require each Group member to verify the status of imported woods for inclusion in CITES Annex 1, 2, or 3. E M Cummings has not provided evidence that it has accomplished this; and it has not provided evidence of licenses or export permits, if CITES listed species are so identified.</u></p>	<input type="checkbox"/> C <input checked="" type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>Part 3: Risk assessment and verification program</b>          This part of <i>FSC-STD-40-005</i> is applicable to companies that buy non FSC-certified wood or fiber from suppliers and wish to develop and implement their own FSC Controlled Wood verification program.</p>	<input checked="" type="checkbox"/> N/A, not purchasing non FSC-certified wood for FSC products	
<p><b>11. Risk Assessment for non-certified wood</b></p>		
<p>Describe the system by which the company assessed the level of risk of their suppliers.</p> <p>Submit completed risk assessments with report including:</p> <ul style="list-style-type: none"> <li>a) District of the assessment;</li> <li>b) risk level with justification per Controlled Wood category;</li> <li>c) sources of information</li> </ul>	<p>A Risk Assessment is not required for this group member.</p>	
<p>11.1 For suppliers included in the company's own FSC Controlled</p>		<input type="checkbox"/> C

<p>Wood verification program the company has determined if the district of origin is a confirmed low risk area for unacceptable sources outlined in section 1.1 in accordance with the approach and criteria specified in Annex 2 of FSC-STD-40-005 V2-1.</p>		<input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><i>FSC-DIR-40-005, ADVICE-40-005-07</i>          The company reviews their risk assessments at least once per year to verify the continued correctness of their risk designations for each indicator of the five FSC Controlled Wood categories. When significant changes to the risk profile become evident (i.e. changes in the law, breakdown in rule of law through civil unrest, etc) the company shall review its risk assessment.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, evaluation
<p><i>FSC-DIR-40-005, ADVICE-40-005-09</i>          For countries/regions where an FSC accredited National Initiative has published guidance or an approved risk designation the company has aligned their controlled wood verification programs to the guidance or approved risk designation within 12 months of the approval date.</p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, no guidance or risk designations for company's district of origin	
<p><i>FSC-DIR-40-005, ADVICE-40-005-06</i>          In order to include a new district in its controlled wood verification program the company shall first submit the respective risk assessment to SCS and wait for approval prior to using materials from these districts in FSC product groups.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>11.2 The company has provided SCS with a copy of their risk assessment(s) to be made publicly available on <a href="http://www.info.fsc.org">www.info.fsc.org</a>, which include(s) all of the following:</p> <p>a) Name and address of SCS (can be completed by SCS)*</p> <p>b) Date of the risk assessment</p> <p>c) Date of review by SCS (completed by SCS)*</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>d) Names of district(s) for which the risk assessment has been conducted</p> <p>e) Risk conclusion for each of the five FSC Controlled Wood categories (refers to FSCSTD-40-005 V2-1 Annex 2) for each of the districts</p> <p>f) Brief justification for each of the controlled wood categories considered low risk</p> <p>g) Listing of sources of information used to assess the indicators</p> <p><i>* FSC-DIR-40-005, ADVICE-40-005-07</i></p>		
<p>12.1 Wood coming from districts that the company has confirmed are low risk for <u>all</u> of the 5 FSC Controlled Wood categories may be treated by the company as FSC Controlled Wood.</p>		
<p><b>13. Verification program for wood from Districts of unspecified risk</b></p> <p>11.3 If the company is not able to confirm that a district is low risk for one or more of the 5 categories, the district must be classified as 'unspecified risk' for the applicable category(ies). (Complete this section below)</p> <p><input checked="" type="checkbox"/> <b>N/A, no unspecified risk categories / Districts of Origin</b></p>		
<p>13.1 For all wood from districts that cannot be confirmed as being low risk for one or more of the 5 categories of FSC Controlled Wood, the company has implemented a Company Verification Program to confirm that the forest management unit(s) complies with the requirements specified in Annex 3 of FSC-STD-40-005. (Complete a Company Verification Program Checklist)</p> <p>*The company can choose to implement the verification program on its own, or authorize another organization to do it.</p>		<p><input type="checkbox"/> C</p> <p><input type="checkbox"/> NC</p> <p><input type="checkbox"/> C w/Obs</p>
<p>13.2 The results of the field evaluations of the company verification program are available to SCS on request, including specification of any non-compliances and/or corrective actions identified as a result of the company's evaluation.</p>		<p><input type="checkbox"/> C</p> <p><input type="checkbox"/> NC</p> <p><input type="checkbox"/> C w/Obs</p>
<p>13.3 Where guidance and/or interpretation is provided by the FSC International Center, FSC</p>		<p><input type="checkbox"/> C</p> <p><input type="checkbox"/> NC</p> <p><input type="checkbox"/> C w/Obs</p>

<p>Regional Offices and/or by FSC accredited National Initiatives, in relation to wood supply from sources that cannot be confirmed as being low risk, this guidance and/or interpretation has been used by the company.</p>		<input type="checkbox"/> N/A
<p><b>14. Complaints Mechanism</b></p>		
<p>14.1 The Company has a mechanism to deal with complaints supported by evidence related to supplies of controlled wood, including, as a minimum:</p> <ul style="list-style-type: none"> <li>a) assessment of the evidence provided in the complaint within 2 weeks of its receipt;</li> <li>b) field verification for cases in which evidence is considered relevant, within 2 months after its receipt;</li> <li>c) procedures to exclude supply and supplier from the company's FSC Controlled Wood category if any non compliance with the FSC Controlled Wood requirements is found;</li> <li>d) procedures to ensure that a supplier is only able to supply FSC Controlled Wood once it has proven that it complies with FSC Controlled Wood requirements;</li> <li>e) records of all complaints received and actions taken.</li> </ul>	<p>IN DoF has a thorough and comprehensive complaints mechanism as included in the Group member procedures Part V Controlled Wood, V14. All complaints are addressed within 2 weeks, field verification is specified, exclusion procedures are addressed, limitation for suppliers with prior non-compliances are included, and record keeping of all complaints and actions is required for a length of five years.</p> <p>As a Group Member, these procedures are included in the E M Cummings Veneer CW procedures, At. 2, part V. Section b of this clause is not applicable to wood purchased as FSC CW by E M Cummings.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>14.2 The Company has procedures to inform the relevant FSC National Initiative or FSC Regional Office and the relevant FSC accredited Certification Body when there is a non-compliance with FSC Controlled Wood requirements in areas considered as low risk, and has implemented these procedures if appropriate.</p>	<p>Ref. Group member procedures Part V Controlled Wood, V14. IN DoF, Group Entity, will notify both the US National Initiative and SCS when any non-compliances are detected.</p> <p>As a Group Member, these procedures are included in the E M Cummings Veneer CW procedures, At. 2, part V.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>14.3 In the case that there are frequent non-compliances with FSC Controlled Wood requirements in areas deemed to be low risk, the company has procedures to review their risk assessment.</p>	<p>Ref. Group member procedures, Part V, V 5 Controlled Wood, V-14 3 Complaints Mechanism and Complaints Procedures. If two or more non-compliances, relevant to the FSC Controlled Wood requirement, are discovered within one year, the IN DoF will review the Risk Assessment within 1 month of discovery.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

	<p>As a Group Member, these procedures are included in the E M Cummings Veneer CW procedures, At. 2, part V. This clause, however, is not applicable to E M Cummings.</p>							
<p><b>Part 4: Sale of FSC Controlled Wood</b>                  This part of <i>FSC-STD-40-005</i> is applicable to companies that wish to make sales of FSC Controlled Wood.  <input type="checkbox"/> <b>N/A, sale of FSC Controlled Wood not included in scope of certificate</b></p>								
<p><b>15. Supplying FSC Controlled Wood</b></p>								
<p>15.1 The company holds a valid FSC Chain of custody certificate duly issued by SCS.</p>	<p>E M Cummings does hold a valid FSC COC certificate under the IN DOF secondary Group FSC COC certification.</p>	<table border="1" style="width: 100%;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td style="text-align: center;"><b>C</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>NC</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
<input checked="" type="checkbox"/>	<b>C</b>							
<input type="checkbox"/>	<b>NC</b>							
<input type="checkbox"/>	<b>C w/Obs</b>							
<p>15.2 The company includes the following information on all invoices issued for sales of its FSC Controlled Wood products:</p> <ul style="list-style-type: none"> <li>a) the name and address of the buyer;</li> <li>b) the date on which the invoice was issued;</li> <li>c) description of the product;</li> <li>d) the quantity of the product sold;</li> <li>e) reference to the product's batch and/or to related shipping documentation, sufficient to link the invoice to the goods received by the customer;</li> <li>f) The FSC Controlled Wood code issued by SCS.</li> </ul>	<p>The Group Entity, Indiana DNR, Division of Forestry (DOF) requires the specified information in clause 15.1, a)-f) be included in all sales of controlled wood. Ref. attached procedures.</p> <p>E M Cummings Veneer had no FSC CW sales during the audited year. Its invoices for FSC CW will include: a, the buyer (customer) name and address; b, the invoice date; c, a description of the veneer face sold including the specie(s); d, the quantity of veneer sold by size and dimension; e, the customer order number and the E M Cummings order/batch number; and f, the IN DoF Group Controlled Wood code issued by SCS with the assigned sub-code. This process was confirmed by Ed Jenkins during the site surveillance.</p>	<table border="1" style="width: 100%;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td style="text-align: center;"><b>C</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>NC</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
<input checked="" type="checkbox"/>	<b>C</b>							
<input type="checkbox"/>	<b>NC</b>							
<input type="checkbox"/>	<b>C w/Obs</b>							
<p>15.3 All invoices and transport documents issued for the sale of FSC Controlled Wood include a clear product description "FSC Controlled Wood" for all applicable products.</p>	<p>See Group member procedures, Part V Controlled Wood, V 15. Group members must include "FSC Controlled Wood" on all invoices and transportation documents issued. E M Cummings Veneer FSC CW invoices and transport sales documents will identify CW as "FSC Controlled Wood" as confirmed with Adam Bostock during this site audit.</p>	<table border="1" style="width: 100%;"> <tr><td style="text-align: center;"><input checked="" type="checkbox"/></td><td style="text-align: center;"><b>C</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>NC</b></td></tr> <tr><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>
<input checked="" type="checkbox"/>	<b>C</b>							
<input type="checkbox"/>	<b>NC</b>							
<input type="checkbox"/>	<b>C w/Obs</b>							

### Annex 4: Provisions for claims related to FSC Controlled Wood

This part of FSC-STD-40-005 is applicable to companies that wish to make sales of FSC Controlled Wood.

**N/A, sale of FSC Controlled Wood not included in scope of certificate**

<p><i>FSC-STD-20-011 V1-1, 8.1</i> Brief description of the company's use of the statement 'FSC Controlled Wood' in segregation marks, sales and transport documentation.</p>	<p>The group entity requires that the statement "FSC Controlled Wood" is used on sales and transportation documentation; ref. At. 2, Part V, V 15 for all applicable transactions of FSC Controlled Wood. "FSC Controlled Wood" is used by E M Cummings Veneer in segregation marks. Tags are used on veneer denoting the wood as CW. FSC controlled wood will have all CW tags removed either before resale of the veneer or during the veneer face manufacturing process..</p>	
<p>1.1 The company does not use the statement 'FSC Controlled Wood' or the FSC trademarks associated with controlled wood for on-product labeling or off-product labeling, advertising promotion or reporting.</p>	<p>No use of the statement "FSC Controlled Wood" will appear on any on-product or off-product labeling, advertising, or reporting of any participating group member, including E M Cummings Veneer, as determined during this site surveillance and the audit of the Group Entity, the IN DoF.</p>	<p><input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b></p>
<p>1.2 Companies supplying FSC Controlled Wood may use the statement 'Controlled Wood' in segregation marks during manufacturing or transportation processes or storage, without any references to the FSC trademarks. If the company uses the statement "Controlled Wood" in segregation marks during manufacturing or transportation processes or storage, these segregation marks are always accompanied by the FSC Controlled Wood code issued by SCS and these segregation marks are removed or deleted if products are reaching final points of sale and/or when the segregation marks could be interpreted as commercial labels.</p>	<p>The statement "FSC Controlled Wood" will be used in segregation marks at E M Cummings Veneer. All marks and tags are removed in the manufacturing process. Final products, veneer faces, will have all segregation marks, if any, removed before final shipment. Cummings will not be attaching or applying any FSC labels, including labels including references to FSC Controlled Wood. These determinations were concluded after interviewing the two primary staff members concerned: Adam Bostock and Ed Jenkins.</p>	<p><input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b> <input type="checkbox"/> <b>N/A</b></p>
<p>1.4 The company makes FSC Controlled Wood sales only to companies with a valid FSC chain of custody code.</p>	<p>The Group Entity specifies in At. 2, V15 that sales of Controlled Wood are made and documented only to companies with a valid FSC CoC code. E M Cummings Veneer staff did confirm, during this audit process, that they are aware of this requirement and will comply with this clause.</p>	<p><input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b></p>
<p>1.5. The statement "FSC Controlled Wood" shall be written in the English language in sales</p>	<p>The IN DoF, Group Entity, and all group members, do document all transactions in English only. All references in At. 1 and</p>	<p><input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b></p>

<p>and shipping documentation. Any translation to other languages can be included in the respective documentation.</p>	<p>At. 2 are in English. All documentation reviewed during the conduct of this annual surveillance at E M Cummings Veneer was in English.</p>	
<p>1.6 The company does not make corporate promotion or product promotion regarding FSC Controlled Wood or use the statement 'FSC Controlled Wood' or the FSC Trademarks associated with Controlled Wood on promotional or advertising material.</p>	<p>See At. 2, V 16, group members are not permitted to promote "FSC Controlled Wood". The Group Entity does not use or promote "FSC Controlled Wood" on its website or other communications outside of the group membership.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.7 When supplying FSC Controlled Wood the company clearly links the statement 'FSC Controlled Wood' to the products being sold as FSC Controlled Wood in the respective sales and shipping documentation.</p>	<p>Ref. At. 2, V 15. The Group Entity requires that when selling FSC Controlled Wood, the "FSC Controlled Wood" statement is clearly linked to the specific item sold. This was confirmed in internal DoF audits of the group members during its surveillance of included sites. E M Cummings Veneer will include its reference to FSC Controlled Wood immediately following the description of each FSC CW item on its invoice. This was demonstrated to this auditor by Ed Jenkins during this site surveillance.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.8 The statement 'FSC Controlled Wood' in sales and shipping documentation is always accompanied by FSC Controlled Wood code issued by SCS.</p>	<p>Ref. At. 2, V 15. The Group Entity requires that sales and transportation documents always include the FSC Controlled Wood code issued to the IN DoF. E M Cummings has not sold any FSC CW during the past audit year.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.10 FSC chain of custody or forest management certificate registration codes are not used in association with claims about products sold or sourced exclusively as 'FSC Controlled Wood'.</p>	<p>The SCS Forest Management certificates issued to the State of Indiana are not used in conjunction with or in association with product sold by group members when selling "FSC Controlled Wood". This was confirmed for the Group Entity and for E M Cummings during this site surveillance while reviewing all applicable documentation.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.9 The company does not use any FSC trademarks in association with products sold or sourced exclusively as 'FSC Controlled Wood' or in reference to Controlled Wood certificates.</p>	<p>The IN DoF group members must have all uses of FSC trademarks approved by SCS through the IN DOF, Group Entity. No use of FSC trademarks in conjunction with FSC Controlled Wood was detected during the site audits of existing group members in the 2012 IN DOF primary manufacturers annual surveillance. No uses of FSC trademarks in conjunction with FSC Controlled Wood were likewise</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

	detected in this surveillance of the IN DOF Group of secondary manufacturers.	
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### SCS Checklist for FSC Chain of Custody Certification FSC-STD-40-004 V2-1

Plus requirements from other applicable standards and advice notes where referenced

<b>Certificate Holder:</b>	<b>Tedrow Wood Products, Inc.</b>
Site (if more than one):	Shoals, IN
Type of facility:	<b>Hardwood Dimension Plant</b>
Relationship with other sites (if applicable):	<b>One of eleven Indiana DoF of Secondary Group Members</b>
Audit for the Year:	2012
Auditor:	Frank S. Judd
Date of audit:	September 27, 2012
Approximate number of FSC jobs this year:	No FSC sales as Group Member

C – conformance    NC – non-conformance    C w/Obs – conformance with observation  
N/A – requirement not applicable

<b>PART I: Universal Requirements</b>		
<b>1. Quality management</b>		
Requirement	Evidence and Findings	Conformance
<b>1.1 Responsibilities</b>		
1.1.1 A management representative has been appointed as having overall responsibility and authority for the organization's compliance with all applicable requirements of this standard.	Jeff Settle has overall group responsibility as the Indiana State DoF Forest Certification Coordinator. Brian Tedrow is the FSC CoC Administrator and the Materials Manager for Tedrow Wood Products (TWP). He has full authority and responsibility for implementing the	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs



	company's compliance with this standard.	
1.1.2 All relevant members of staff demonstrate awareness of the organization's procedures and competence in implementing the organization's Chain of Custody management system.	Jeff Settle, the FSC Administrator for the Group Entity, is fully aware of the CoC requirements of the Indiana DoF. Tedrow Wood Products has 6 employees; Brian administers all processes relating to FSC. Personnel interviewed included Brian Tedrow, an owner of Tedrow Wood Products, Inc. and Mark Tedrow, an owner and Operations and Production Supervisor. Both Brian and Mark did demonstrate awareness and the competence needed to continue to implement the company's FSC COC program.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>1.2 Procedures</b>		
1.2.1 The organization has established and implemented up-to-date procedures covering all applicable requirements of FSC-STD-40-004 V2-1, as appropriate for its scale and complexity.	See At. 2, the FSC Group Member Procedures provided by the Group Entity, the IN DOF.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.2.2 Procedures include the personnel responsible for each procedure, together with the qualifications and/or training measures required for its implementation.	The procedures established for all Group members designate the responsibilities for each group member. These responsibilities are assigned to Brian Tedrow, in Appendix B-1, of the Group Member Procedures, At. 2.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
FSC-STD-20-001 V3-0, 22 The organization has procedures to a) keep a record of all complaints made known to them relating to a product's compliance with FSC requirements; b) make these records available to SCS upon request; c) take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements for certification; and d) document the actions taken	See At. 2, Group FSC COC Procedures. A compliant complaints procedures is included in section 14.1.  Brian Tedrow confirmed, during the conduct of this audit, that he had not received any complaints relevant to this clause during the past year.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>1.3 Training</b>		
1.3.1 The organization has established and implemented a training plan according to the qualifications and/or training measures defined in the organization procedures.	Training plans have been established in the Group Entity, At. 1, and Group Member, At. 2, procedures. Individuals conducting training for the IN DoF are qualified by assigned position and advanced training in forest products management and experience in forest products extension with the State of Indiana. Trainers at each site are qualified by the IN DoF training	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

	provided and by their respective company positions. Brain Tedrow did demonstrate to this auditor that he was qualified and sufficiently aware of FSC requirements to provide training for this standard.	
1.3.2 The organization maintains records of the training provided to staff in relation to implementation of FSC-STD-40-004 V2-1.	All DoF Group members are required to conduct periodic training for FSC CoC operations (and CW when applicable); ref. At. 2, Group member procedures. Tedrow Wood Products did have current training records documented, dated 8/30/12; and these were available for this audit.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>1.4 Records</b>		
1.4.1 The organization maintains complete and up-to-date records covering all applicable requirements of FSC-STD-40-004 V2-1.	Records covering all aspects of the applicable requirements for this standard are required to be maintained by each Group Member in At. 1. Tedrow Wood Products had up-to-date records as required to meet the applicable requirements of this standard. These were available for this audit. Records are maintained on the company Quick Books and MS Office software.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.4.2 Retention time for all records and reports (including purchase and sales documents, training records, production records, volume summaries and trademark approvals), is specified in the organization's procedures, and is at least five years.	The retention period specified, in At. 2, Group Member Procedures, requires that all relevant documentation must be retained by the Group Member for five years. Tedrow Wood Products had all requested records available for this annual surveillance.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<b>1.5 Commitment to FSC Values</b>										
<p>1.5.1 The organization demonstrates its commitment to comply with the Values of FSC as defined in the "Policy for the Association of Organizations with FSC" (FSC-POL-01-004, initially approved in July 2009).</p> <p>1.5.2 The organization has signed an FSC self-declaration* to not be directly or indirectly involved in the following activities:</p> <p>a) Illegal logging or the trade in illegal wood or forest products;</p> <p>b) Violation of traditional and human rights in forestry operations;</p> <p>c) Destruction of high conservation values in forestry operations;</p> <p>d) Significant conversion of forests to plantations or non-forest use;</p> <p>e) Introduction of genetically modified organisms in forestry operations;</p> <p>f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p><i>*FSC-PRO-20-001 V1-0</i></p>	<p>Brain Tedrow presented to this auditor a signed self-declaration stating specifically and exactly as required by this standard that Tedrow Wood Products was not directly or indirectly involved in the activities listed under 1.5.2 of this clause.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Obs req'd Oct 2012</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>
<input checked="" type="checkbox"/>	<b>C</b>									
<input type="checkbox"/>	<b>NC</b>									
<input type="checkbox"/>	<b>C w/Obs</b>									
<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>									
<b>1.6 Occupational Health and Safety</b>										
<p>1.6.1 The organization demonstrates its commitment to occupational health and safety.</p> <p><i>FSC-PRO-20-001 V1-0</i></p> <p>The organization has:</p> <ul style="list-style-type: none"> <li>• Appointed a representative for occupational health and safety</li> <li>• Company procedure(s) for occupational health and safety</li> <li>• Trained staff on health and safety procedures</li> </ul>	<p>This auditor confirmed the following during the Tedrow Woo Products site audit:</p> <p>1, Brian Tedrow is the appointed company representative for occupational health and safety.</p> <p>2. TWP does have written procedures for occupational health and safety as required by OSHA and the State of Indiana; and</p> <p>3, Brian conducts safety training for TWP employees at least annually.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Obs req'd Oct 2012</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>
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<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>									
<b>2. Scope of Chain of Custody System</b>										
<b>2.1 Product Groups</b>										
<p>2.1.1 The organization has established FSC product groups for all products to be sold with FSC claims, including the following information:</p> <p>a) specification of the product group as FSC 100% (Pure), FSC Mix (Mixed),</p>	<p>The Group Entity, IN DoF, has developed Group Member procedures, At. 2, Appendix B-2, that include a full and complete Product Group List. The Group Member checks off all product types with the respective specification for FSC claim</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
<input checked="" type="checkbox"/>	<b>C</b>									
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<p>FSC Recycled or FSC Controlled Wood;</p> <p>b) product type(s) according to the FSC product classification;</p> <p>c) species, including scientific and common names, used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics.</p>	<p>and species. Tedrow Wood Products has correctly filled out the FSC Product Chart as applicable to its operation, as confirmed by this auditor during the conduct of this audit.</p> <p>The Product Group List template includes: a, the FSC claims(s); b, the product types according to the current FSC product classifications; and c, the applicable species common and scientific names, also as confirmed by this auditor during the conduct of this audit.</p>							
<p>2.1.2 For each product group the organization has specified:</p> <p>a) the material categories used as input;</p> <p>b) the control system used for making FSC claims:</p> <p style="margin-left: 20px;">i. transfer system;</p> <p style="margin-left: 20px;">ii. percentage system; or,</p> <p style="margin-left: 20px;">iii. credit system;</p> <p>c) the sites involved in management, production, storage, sale, etc.</p>	<p>Each Group Member is required to designate, in the Product Group List, At. 1. Appendix B-2, the specific control system used for making FSC claims. Tedrow Wood Products has designated the transfer system for all wood dimension sales. One site is applicable to Tedrow Wood Products: Shoals, IN, the dimension plant. The site is listed in Appendix B-2, as confirmed during this site audit.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<h3>3. Material Sourcing</h3>								
<h4>3.1 Input specifications</h4>								
<p>3.1.1 The organization has adopted and uses the definitions and categorization of input materials as specified by FSC-STD-40-004 V2-1.</p>	<p>As required by the Group Entity, IN DoF, each Group Member must adopt the template procedures, At. 1. This includes the use of definitions and categorizations as specified in FSC-STD-40-004 V2-0. The audit of Brian Tedrow by this auditor confirmed that Tedrow Wood Products has adopted and does use the definitions and categorizations of FSC inputs as required.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>3.1.2 The organization categorizes all inputs to FSC product groups by their material category and ensures that only eligible inputs are used.</p>	<p>The IN DoF procedures require that each group member does categorize all their FSC material receipts and ensure that only eligible inputs are used. Tedrow Wood Products has demonstrated during the conduct of this site surveillance that it does classify all FSC receipts, and that only qualified and eligible inputs are used for FSC certified material receipts. It classifies lumber it purchases as FSC 100% or FSC Mix Credit.</p> <p>Tedrow Wood Products has made all its purchases of FSC lumber from Baillie Lumber Company on invoice #303301, 4/3/12. The Baillie invoice and</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<input type="checkbox"/>	C w/Obs							

	accompanying order acknowledgement were fully compliant with this standard.	
<b>3.2 Supplier validation</b>		
<p>3.2.1 The organization has an up-to-date record of all their FSC-certified suppliers who are supplying material used for FSC product groups, including:</p> <p>a) the supplied product type;  b) the supplied material category;  c) the supplier's FSC Chain of Custody or FSC Controlled Wood code, if applicable.</p>	<p>All Group members are required, in the Group Member procedures, At. 2, to maintain a list of FSC certified suppliers. Tedrow Wood Products has a record of its FSC suppliers, as confirmed by this auditor during the conduct of this audit: a) supplier product type, b) supplier material category; and c) the FSC CoC code (CW is not applicable.)</p> <p>The list of current FSC suppliers consists of one supplier, Baillie Lumber Company; it is included in the Group Entity procedures and suppliers list in Appendix B-3 of At. 2.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>3.2.2 The organization has verified the validity and scope of their suppliers' FSC certificate for any changes that might affect the availability and authenticity of the supplied products via <a href="http://info.fsc.org">http://info.fsc.org</a>.</p>	<p>All IN DoF Group Members are required to verify FSC CoC suppliers on <a href="http://info.fsc.org">http://info.fsc.org</a> or as listed in Group member procedures, At. 1, Annex B-3, Suppliers. Additionally, Tedrow Wood Products did confirm during this audit that they only source FSC 100% and FSC Mix Credit from verified FSC sources. During the audit process, Brain demonstrated the process for FSC supplier verification using the FSC website. This auditor also verified the validity of the one Tedrow Wood Products FSC supplier.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
<b>3.3 Purchase of Non-FSC certified virgin or reclaimed material</b>		
<p>3.3.1 For the purchase of non-certified controlled material, the organization has been evaluated against FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood for implementation of an FSC Controlled Wood program of verification.</p>	<input type="checkbox"/> C, see 40-005 supplemental report <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A, not purchasing non-certified material for use in FSC products	
<p>3.3.2 For the purchase of non-certified reclaimed material, the organization has been evaluated against the applicable requirements of FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects.</p>	<input type="checkbox"/> C, see 40-007 supplemental report <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A, does not buy non-FSC certified reclaimed material	

<p><i>FSC-STD-40-005 V2-1, 10.1</i>                  The organization has procedures to verify that all supplies of wood for FSC products from any species listed in Annex 1, 2 or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are accompanied by the applicable licenses and/or export permits, irrespective of whether the supplier is FSC certified or not.</p>	<p> <input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A, does not buy CITES species                 </p> <p><b>Note: Compliance with this requirement is a prerequisite for authorization to buy FSC Controlled Wood for use in FSC Mix (Mixed) Products. To buy AND sell FSC Controlled Wood, certification to FSC-STD-40-005 is required.</b></p>
<p><i>ADVICE 40-004-04</i>                  The organization considers co-products as controlled material AND either</p> <ul style="list-style-type: none"> <li>• has a transitory registration approval from SCS for applicable co-products, <b>OR</b></li> <li>• controls them according to ADVICE-40-005-17 (complete FSC-STD-40-005 checklist)</li> </ul>	<p>Not Applicable to this site audit.</p>
<p><b>3.4 Generating raw material on site</b></p> <p><input checked="" type="checkbox"/> N/A, does not generate input material at this site for an FSC product group</p>	
<p>3.4.1.a The organization identifies material produced during the process of primary manufacture of another (principal) product from the same input as belonging to the same material category as the input from which it was (co-) produced</p>	<p> <input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A                 </p>
<p>3.4.1.b material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it, is considered as belonging to the same material category as the input from which it was derived or as pre-consumer reclaimed material.</p>	<p> <input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A                 </p>
<p>3.4.2 Where the proportions of the different inputs cannot be identified the organization classifies mixtures of virgin and/or reclaimed material by the material</p>	<p> <input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs                 </p>

<p>category, and percentage or credit claim where applicable, with the lowest FSC or post-consumer input per input volume.</p> <p>NOTE: Material mixtures of FSC-certified, controlled and/or reclaimed material, where the proportions of the different inputs cannot be identified, shall be classified as 'controlled material'.</p>		<input type="checkbox"/> N/A
<h4>4. Material receipt and storage</h4>		
<h5>4.1 Identification of input</h5>		
<p>4.1.1 On receipt of material or prior to further use or processing the organization checks the supplier sales document and supporting documentation to ensure that:</p> <p>a) the supplied material quantities and quality are in compliance with the supplied documentation;</p> <p>b) the material category and, if applicable, the associated percentage or credit claim is stated for each product item or for the total products;</p> <p>c) the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims.</p>	<p>The IN DoF Group Member procedures, At. 2, require that the group members check FSC supplier invoices and supporting documentation to ensure that: a) that the quantity and quality received are in compliance with the purchase specification; b) the material FSC claim is stated; and c), the supplier's correct FSC CoC code and/or FSC CW code are included.</p> <p>The quantity, quality (lumber grade), and species of all purchased of FSC lumber is checked on arrival by Brain Tedrow. This was confirmed by this auditor by inspecting the receiving records and Quick Books records maintained by Brain.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<h5>4.2 Segregation</h5>		
<p>4.2.1 Inputs used for FSC product groups remain clearly identifiable and separable from purchase to sale by their product group, or by their associated FSC claim if identical inputs are used for more than one FSC product group.</p>	<p>FSC lumber has green FSC tags attached on receipt. FSC lumber is not mixed with non-certified lumber while in stock. Tagged FSC lumber was observed by this auditor on an inspection visit to the Tedrow lumber storage shed.</p> <p>A production tag is issued to the plant stating "FSC" for production runs of FSC wood. This production control process was reviewed and confirmed during the inspection tour of the plant and in discussion with Brian and Mark.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
<h5>4.3 Precautions for labeled material</h5>		
<p>4.3.1 For materials received with an FSC label the organization ensures:</p> <p>a) material that will be further processed is cleared of any labels or segregation marks before sale, (not applicable in cases where the label is inseparable due to product characteristics [e.g. print materials]);</p>	<p>This auditor observed that all lumber received by Tedrow Wood Products is reprocessed into wood dimension components. All labels, if any, are removed at the initial manufacturing processes in the rough mill. No lumber is resold without remanufacturing into components.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)

<p>b) material that will be sold unchanged is checked by the organization for being correctly labeled according to its FSC material category, unless the organization does not gain physical possession of the material.</p>		
<p>4.3.2 Where materials are received with a label from another forestry conformity assessment scheme (e.g. PEFC, SFI), the organization ensures that the materials are cleared of any such labels before sale with an FSC claim.</p>	<p>Labels are not attached to the lumber, FSC or not, as confirmed by this auditor during the conduct of this audit.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A (explain)</p>
<p><b>5. Volume control</b></p>		
<p><b>5.1 Conversion factors</b></p>		
<p>5.1.1 For each product group the organization has identified the main processing steps involving a change of material volume or weight and has specified the conversion factor(s) for each processing step or, if not feasible, for the total of all processing steps.</p>	<p>Tedrow Wood Products has established lumber remanufacturing procedures in the milling of rough lumber into finished wood dimension components. As viewed by this auditor, TWP uses just three (or four) basic steps in its' processes: 1, rough mill-cut to rough size (cross cut to length and straight-line rip to width); 2, DET (Double End Trim) to final length; 3, mould, S4S, to finished dimension: and 4, (optional) provide additional machining as required (drilling, angle cutting, etc.) A conversion factor is N/A. All yields are actual measures of rough lumber consumed to final product shipped.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p>5.1.2 The organization has specified their methodology for calculating conversion factor(s) and ensures that conversion factors are kept up to date.</p>	<p>Tedrow Wood Products does not use a calculated conversion factor. It records actual lumber inputs, in board feet, and the actual yields in pieces. The entire manufacturing process was examined by this auditor during the conduct of this site surveillance.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A (explain)</p>
<p><b>5.2 Material balances</b></p>		
<p>5.2.1 For each product group the organization has established a material accounting record to ensure that at all times the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs from different material categories, their associated percentage or credit claims, and the product group conversion factor(s).</p> <p>The accounting record includes at least</p>	<p>At. 2, IN DoF Group Member Procedures, 5.2 Material Balances, require all Group Members to maintain accounting records to ensure that quantities of all FSC goods purchased and sold are maintained. And in 5.3, of At. 2, FSC goods sold are required to be compatible with the FSC claim.</p> <p>Tedrow Wood Products has provided a record for this audit of its one FSC transaction and examples of how it will</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>



<p>the following information:</p> <p><u>For inputs:</u></p> <p>a) supplier sales document references;  b) quantities (by volume, weight or pieces, as appropriate);  c) material category and FSC percentage or credit claim (i.e. FSC claim)</p> <p><u>For outputs:</u></p> <p>a) sales document references;  b) quantities (by volume, weight or pieces, as appropriate);  c) FSC claim;  d) information to identify the product item in sales documents;  e) applicable claim period or job order</p>	<p>maintain those records when it does have FSC sales.</p> <p>For inputs, its' accounting records are retained in the Quick Books software and in its files:</p> <p>a. the supplier invoice and shipping list  b. the quantity received in board feet  c. the FSC claim on the supplier's invoice.</p> <p>For outputs, its' accounting records include:</p> <p>a, invoice numbers and dates;  b. the quantity sold by pieces;  c. an FSC claim;  d. a full product description including species and size; and  e. the Tedrow Wood Products job number and customer order number.</p>							
<p>5.2.2 For each product group the organization has annual volume summaries providing quantitative information for each material category received/used and product type produced/sold, as follows:</p> <p>a) inputs received;  b) inputs used for production (if applicable);  c) inputs still in stock;  d) outputs still in stock;  e) outputs sold.</p>	<p>The In DoF Group Member procedures, At. 2, 5.2 Material Balances, require that the Group Member record and have summaries available of all FSC purchases, inputs used in manufacturing, finished outputs in stock, and outputs sold.</p> <p>As examined during the conduct of this audit, Tedrow Wood Products records all FSC: a, lumber inputs; b, lumber consumed on a per job basis; c, lumber in stock; d, N/A-finished product is shipped on completion of the manufacturing order; and e, outputs sold in pieces. Current inventory levels are maintained in its Quick Books software. Summaries were available to this auditor.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p><b>5.3 Determination of FSC claims (see sections 7, 8 and 9 as applicable)</b></p>								
<p style="text-align: center;"><b>6. Sales and delivery</b></p>								
<p><b>6.1 Identification of outputs sold with FSC claims</b></p>								
<p>6.1.1 Sales documents issued for outputs sold with FSC claims include the following information:</p> <p>a) name and contact details of the organization;  b) name and address of the customer;  c) date when the document was issued;  d) description of the product;  e) quantity of the products sold;</p>	<p>Tedrow Wood Products has not sold and subsequently not issued any sales or delivery documents for FSC parts. However, it has provided examples and templates to this auditor that demonstrated the following will be included on invoices and delivery documents for FSC sales:</p> <p>a. The Tedrow Wood Products name and address  b. The customer name and address;</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>f) the organization's FSC Chain of Custody or FSC Controlled Wood code;</p> <p>g) clear indication of the FSC claim for each product item or the total products (refer to standard for details on claims)</p> <p>h) if separate delivery documents are issued, information sufficient to link the sales document and related delivery documentation to each other.</p> <p>NOTE: for supplies of finished products that meet the labeling thresholds specified in Section 11, the organization may omit the percentage or credit information in sales and delivery documentation however the material will then have lost its information on FSC or post-consumer content for subsequent customers and therefore may not be resold with FSC claims.</p> <p>NOTE: In cases where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1.1.</p>	<p>c. The date the lumber was sold;</p> <p>d. A description of the wood sold by species, dimension, and grade;</p> <p>e. The quantity in number pieces;</p> <p>f. The IN DoF FSC COC code with sub-code;</p> <p>g. The FSC claim;</p> <p>h. The invoice contains the customer purchase order number and full product description that link it to the Packing List.</p>									
<p>6.1.2 If a copy of the sales document is not included with the shipment of the product the information required in clause 6.1.1 is included in the related delivery documentation.</p>	<p>Tedrow Wood Products issues packing lists for lumber sales. Their packing list contains the same information as required under clause 6.1.1 as confirmed by this auditor in reviewing examples of future FSC packing lists.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
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<input type="checkbox"/>	N/A									
<p>The claim(s) stated on sales and delivery documents are specified <b>exactly</b> per FSC-STD-40-004v2-1 §6.1.1.g unless, due to space constraints, this information is supplied through supplementary evidence AND</p> <ul style="list-style-type: none"> <li>• There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;</li> <li>• The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;</li> <li>• In cases where the sales and delivery documents contain multiple products with different FSC claims, a clear identification for each product is included as a cross-reference to the associated FSC claim provided in the supplementary evidence.</li> </ul>	<p>Tedrow Wood Products has not issued any invoices for FSC sales. The procedures included in At. 2, the IN DoF Group procedures, require the use of the exact FSC claim. Examples provided to this auditor include the correct and exact FSC claim as required by this clause.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
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<input type="checkbox"/>	N/A									

<p>ADVICE-40-004-05</p>		
<p>6.1.3 When selling semi-finished products with FSC claims containing minor components exceeding 1% of the product volume or weight the organization provides the volume or weight of the minor components on sales documents, delivery documentation and/or supplementary letters.</p>	<p>Tedrow Wood Products sells only solid wood dimension parts; minor components are not applicable, as confirmed by this auditor during the conduct of this site audit.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A</p>
<p>6.2.1 FSC-labeled products are always sold with the corresponding FSC claim on their sales and delivery documentation.</p>	<p>Wood parts sold by Tedrow Wood Products do not have FSC labels attached, as confirmed by this auditor during the conduct of this site surveillance.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A</p>
<p>6.2.2 Products sold with FSC claims do not carry any labels from other forestry conformity assessment schemes.</p>	<p>No labels are attached to the FSC wood parts to be sold by Tedrow Wood Products, as confirmed by this auditor during the inspection tour of the dimension plant.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>6.3 Supplying FSC Controlled Wood</b></p>		
<p>6.3.1 The organization ensures all sales of FSC Controlled wood comply with Part 4 of FSC-STD-40-005.</p>	<p>N/A As confirmed with Brian Tedrow, Tedrow Wood Products does not currently purchase or sell FSC CW.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A</p>

## PART II: Systems for controlling FSC claims

### 7. Transfer system

Is the transfer system used to determine FSC claims?

Yes

No (Skip this section)

**Eligibility:** The transfer system shall be used for trading activities related to finished products and for the production of FSC 100% (Pure) product groups. In addition, it can also be used for other FSC product groups in the following situations:

- FSC Mix (Mixed) product groups:
  - mixtures of FSC 100% (Pure), FSC Mix (Mixed) and/or FSC Recycled inputs;
  - exclusive use of FSC Mix (Mixed) inputs;
- FSC Recycled product groups:
  - exclusive use of FSC Recycled and/or post-consumer reclaimed material;
- FSC Controlled Wood product groups.

NOTE: Non-Timber Forest Products used for food and medicinal purposes are restricted to the transfer system only.

#### 7.1 Specification of claim periods or job orders

7.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC claim.

NOTE: The minimum length of the claim period shall be the length of time to complete a batch run including receipt, storage, processing, labeling and/or sale of the output product.

FSC claims are determined by Tedrow Wood Products on a job-to-job basis. It receives lumber and determines (will determine) the FSC claim for each manufacturing order based on the supplier's FSC claim. This process was confirmed by this auditor during the conduct of interviews with Tedrow Wood Products staff.

C

NC

C w/Obs

#### 7.2 – 7.3 FSC claims using a transfer system

The organization determines the correct FSC claim for outputs based on the material category and FSC claim of the input(s), over a specified claim period or per job order.

NOTE: If the input consists of 100% post-consumer reclaimed materials the output FSC claim shall be "FSC Recycled 100%".

NOTE: Inputs with an 'FSC Mix Credit' claim or an 'FSC Recycled Credit' claim shall be considered as having a lower standing than inputs with an 'FSC 100%' or an 'FSC Recycled 100%' claim, respectively.

IN DoF Group Member procedures, At. 2, require the correct transfer of FSC claims from the supplier's invoice to the Group Members invoice. Tedrow Wood Products has not yet, as determined by this auditor, sold any FSC wood parts. However, the staff interviews conducted by this auditor at Tedrow Wood Products did confirm that the company will correctly transfer FSC claims on future invoices and delivery documents.

C

NC

C w/Obs

Application of FSC labels	<input checked="" type="checkbox"/> N/A, does not label FSC products	
11.1.1 The organization has applied the FSC 100% label exclusively to products eligible for an FSC 100% (Pure) claim.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no pure label)
11.2.1 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or chip & fiber products only)
11.2.1 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul> <p><b>OR</b></p> has retained appropriate evidence that the FSC Mix label was applied exclusively to registered chip and fiber products (eligible for a claim of FSC Mix (Mixed) 50% or higher) <p><i>Appropriate evidence includes:</i></p> <ul style="list-style-type: none"> <li>• sales and delivery documents issued by the supplier including the additional claim "registered" (e.g. "FSC Mix [Mixed] 50% registered") <b>OR</b></li> <li>• evidence that the product was received with an on-product FSC label (e.g. packaging or product sample)</li> </ul> (ADVICE-40-004-03)		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or solid wood products only)
11.3.1 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Recycled 85% or higher</li> <li>• FSC Recycled Credit</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)

<b>8. Percentage system</b>		<b>Is the percentage system used to determine FSC claims?</b>	
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No (Skip this section)</b>	
<b>Eligibility:</b> The percentage system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is not applicable for trading activities related to finished products and can only be applied on the level of a single, physical (storage, distribution, manufacturing, etc.) site.			
5.3.2 The organization has carried out calculations of input percentages per product group at the level of a single site.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs	
<b>8.1 Specification of claim periods or job orders</b>			
2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to: a) quality of inputs (e.g. species, grade, value, composition), b) conversion factors		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, claim periods not used	
8.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC percentage claim.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs	
<b>8.2-3 Determination of FSC and post-consumer input</b>			
8.2.1 - 8.3.1 The organization has used the percentage or credit claims stated on the supplier sales documentation to calculate the correct input percentage for each claim period or job order using the formula specified in 8.3.1 of FSC-STD-40-004 V2-1.  NOTE: Material supplied with a credit claim can be used by its full quantity as FSC input or postconsumer input, respectively.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs	
8.3.2 Input percentages calculated based on rolling average calculations are only made once the specified number of previous claim periods has been completed since the setup of the product group.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (single %)	

<p>8.3.3 The time period over which the input percentage is calculated does not exceed 12 months, unless approved by SCS.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>8.4 FSC claims for outputs</b></p>		
<p>8.4.1-2 The organization has sold the up to the total output of a claim period or job order with FSC Mix (Mixed) or Recycled product groups with a percentage claim equal to or lower than the calculated input percentage.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>8.4.3 The organization has sold as FSC Controlled Wood up to the portion of the output of a claim period that had not been sold with an FSC percentage claim.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
<p><b>Application of FSC labels</b></p>	<input type="checkbox"/> N/A, does not label FSC products	
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or chip & fiber products only)
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p> <p><b>OR</b></p> <p>has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 50% or higher <b>AND</b> has an SCS approved transitory labeling registration (ADVICE-40-004-03)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or solid wood products only)
<p>11.3.2 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of FSC Recycled 85% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)

<b>9. Credit system</b>		<b>Is this system used to determine FSC claims?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Skip this section)
<p><b>Eligibility:</b> The credit system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is neither applicable for print processes nor for trading activities related to finished products. The credit system shall only be applied on the level of a single, physical site.</p>		
<b>Description of credit account:</b>		
5.3.2 The organization carries out calculations of FSC credit per product group at the level of a single site.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.1 Specification of claim periods</b>		
2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to: a) quality of inputs (e.g. species, grade, value, composition), b) conversion factors		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
9.1.1 For each product group, the organization maintains an FSC credit account with specified claim periods of up to 3 months according to which additions and deductions of FSC credits are recorded.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.2 Determination of FSC and post-consumer input</b>		
9.2.1 For FSC Mix (Mixed) and/or FSC Recycled inputs, the organization has used the percentage claim or credit claim stated on the supplier sales document to determine the quantities of FSC and post-consumer inputs  NOTE: Material supplied with a credit claim counts as FSC Mix (Mixed) 100% or 100% post-consumer reclaimed input.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.3 Adding FSC credit to the credit account</b>		
9.3.1 The organization has used the conversion factor(s) specified for each component of the product group when adding converted quantities (volume or weight) of FSC and/or post-consumer inputs as FSC credit to their FSC credit account.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs



<p>9.3.2 The organization has added FSC credit to the credit account <u>only</u> after the organization has gained legal ownership and the material category has been verified, and before the material enters the production process.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>9.4 Withdrawing FSC credit from the credit account</b></p>		
<p>9.4.1 The organization has deducted the appropriate quantity of credits from the corresponding product group credit account when material is sold and/or labeled as FSC Mix or FSC Recycled.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>9.5 Credit account management</b></p>		
<p>9.5.1 The organization has ensured that the FSC credit account is never overdrawn and that records of the remaining FSC credit are clearly visible to relevant staff and kept updated at all times.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>9.5.2 The organization has ensured that any FSC credit that exceeds the sum of new FSC credit added during the previous 12 months is deducted at the beginning of each new claim period from the credit account.</p> <p>NOTE: This means that the organization does not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous 12 months.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>9.6 FSC claims for outputs</b></p>		
<p>9.6.1-2 The organization has sold the up to the total of FSC credit available in the account for FSC Mix (Mixed) or Recycled product groups with a credit claim.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>9.6.3 The organization has sold as FSC Controlled Wood up to the portion of the output volume that has not been sold with FSC Mix (Mixed) or Recycled credit claims on the basis of a corresponding FSC Controlled Wood credit account.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)

<b>Application of FSC labels</b>		<input type="checkbox"/> N/A, does not label FSC products
11.2.3 The organization has applied the FSC Mix label to outputs from mix (mixed) product groups exclusively where there was sufficient credit in the credit account for the product group		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label)
11.3.3 The organization has applied the FSC Recycled label exclusively to outputs from recycled product groups where there was sufficient credit in the credit account for the product group		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)

**PART III: Labeling and FSC Trademarks, FSC-STD-50-001 V1-2**

**11 Eligibility for Labeling**

**FSC Trademarks:** FSC labels, FSC tick-mark-and-tree logo, initials 'FSC' and full name 'Forest Stewardship Council'

Refer to FSC-STD-40-004 for labeling thresholds (and Transitory Requirements where applicable)

**10. General labeling requirements**

**10.1 Application of FSC labels**

N/A, does not label FSC products

<i>FSC-STD-50-001 V1-2, 1.10</i> Authorization to use the FSC on-product labels has been granted by SCS.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<i>FSC-STD-50-001 V1-2, 1.9</i> Products carrying an FSC label are included in the organization's certified product group list.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<i>FSC-STD-50-001 V1-2, 2.6;</i> Marks of other forest certification schemes are not used on products carrying the FSC on-product label.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

**Promotional Use of the FSC Trademarks (off-product)**

N/A, this site does not use FSC Trademarks in promotions

Describe where/how the organization uses the FSC trademarks for promotion:		
<i>FSC-STD-50-001 V1-2, 1.16</i> Authorization for use of all promotional uses of the FSC trademarks has been granted by SCS.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p><i>FSC-STD-50-001 V1-2, 7.5</i> Sales document, delivery document or similar document templates containing FSC trademarks that may be used for FSC and non-FSC products include a visible disclaimer stating “only the products that are identified as such on this document are FSC certified”.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<p><i>FSC-STD-50-001 V1-2, 1.9, 6.1; FSC-STD-40-004 V2-0, 8.5.1</i> All products being promoted with the FSC trademarks are in compliance with FSC standards, are eligible for the FSC label in accordance with the minimum FSC requirements for labeling, and are included in the organization’s product group list. Promotional items featuring FSC products clearly indicate which products are FSC certified or include a general statement about FSC availability.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><i>FSC-STD-50-001 V1-2, 1.7, 4.4;</i> Claims regarding qualities outside the control of FSC (such as other environmental attributes of the product or future scope expansions) are clearly separated from text about FSC.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<p><i>FSC-STD-50-001 V1-2, 7.5;</i> The FSC trademarks are not used on business cards to promote the organization’s certification.</p> <p>NOTE: If the paper is FSC certified an on-product label may be printed on the card by a certified printer as per product labeling requirements.</p> <p>NOTE: If authorization was duly received under the previous trademark standard, the organization may use up the existing supply until it is depleted.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<p><i>FSC-STD-50-001 V1-2, 7.3</i> FSC trademarks are not used at the top of document templates such as letterheads, sales documents and emails.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

## PART IV: Supplementary Requirements

### Part 1: Certified Organizations Outsourcing Processing of FSC Material to Non-Certified Contractors

N/A, not outsourcing processing of FSC material to non-certified contractors

Describe the outsourced processing activity(ies) including which FSC material/product is affected:

#### 12.1.1 Preconditions for Outsourcing:

a) The organization has legal ownership of all input material to be included in outsourced processes; and

b) The organization does not relinquish legal ownership of the materials during outsourced processing;

C  
 NC  
 C w/Obs

c1) the organization has an agreement or contract covering the outsourced process with each contractor

C  
 NC  
 C w/Obs

c2) the agreement or contract includes a clause reserving the right of SCS to audit the outsourcing contractor or operation;

C  
 NC  
 C w/Obs

d) the organization has a documented control system with explicit procedures for the outsourced process that have been shared with the relevant contractor.

C  
 NC  
 C w/Obs

#### 12.2 Maintaining traceability and paper trails

12.2.1 The organization's control system for the outsourced process ensures:

a) the material used for the production of FSC-certified material can be tracked and controlled and cannot be mixed or contaminated with any other material

C  
 NC  
 C w/Obs

b) the contractor keeps records of inputs, outputs and delivery documentation associated with all FSC-certified material which is processed or produced under the outsourcing contract or agreement

C  
 NC  
 C w/Obs

<b>12.3 Records</b>		
12.3.1 The organization has an up-to-date record of the names and contact details of all contractors used for the processing or production of FSC-certified materials.	<i>Complete section 2C of Summary Report</i>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
12.3.2 The organization has implemented procedures to provide SCS with the name and contact details of any new contractor used for the processing or production of FSC-certified materials prior to outsourcing.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.4 Invoicing</b>		
12.4.1 The final sales document is issued by the organization, not the contractor, for the processed or produced FSC-certified material following outsourcing.  NOTE: If the organization has not issued the final sales document for the processed or produced FSC-certified material following completion of outsourced processing, then the material cannot be sold with FSC claims.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.5 Labeling</b>		
12.5.1 The organization has ensured that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.6 Promotion</b>		
12.6.1 The organization has ensured that the contractor does not use the FSC Trademarks for promotional use.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.7 Preclusion of subcontracting</b>		
12.7.1 The organization has ensured that contractors processing FSC certified material/product do not themselves outsource processing of their FSC certified material/product.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<b>Part 2: Certified Organizations Outsourcing Processing of FSC Material to <u>FSC-Certified</u> Contractors</b>		
<input checked="" type="checkbox"/> <b>N/A, not outsourcing processing of FSC material to FSC-certified contractors</b>		
The organization has an agreement or contract confirming that each contractor provides the service under its own FSC Chain of Custody system. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization ensures the certified contractor makes available relevant records and documentation from its FSC Chain of Custody system to SCS upon request. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization ensures the contractor uses their own trademark license code if products are labeled during outsourced processing. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no labeling)
<b>Part 3: Certified Organizations Providing Eligible Outsourcing Services to Uncertified Organizations</b>		
<input checked="" type="checkbox"/> <b>N/A, does not provide outsourcing services or only provides outsourcing services to valid certificate holders</b>		
The organization maintains control of applying the correct FSC label. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization uses their own trademark license code and has received approval from SCS for all such trademark uses. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>13. Minor components</b> In justified cases the organization may use inputs that cannot be positively identified as eligible input in order to manufacture minor components of FSC 100% (Pure) or FSC Mix (Mixed) assembled products.		
<input checked="" type="checkbox"/> <b>N/A, does not use minor components in FSC products (Skip this section)</b>		
<b>13.1 Specification and volume control</b>		
13.1.1 The organization has specified minor components that can be exempt from the requirements for Chain of Custody control and labeling for their FSC 100% (Pure) or FSC Mix (Mixed) product groups, and <b>NOT</b> any FSC Recycled product groups.	<i>Complete section 2E of Summary Report</i>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>13.1.2 The organization does not include the following components as minor components in their FSC product groups:  a) Solid wood veneer used as visible face veneer on top of other materials;  b) Components made from species listed in CITES Appendices I, II or III.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>13.1.3 The organization has demonstrated that the quantity of material considered as minor components (identified as exempt from requirements for Chain of Custody control and labeling) is less than 5% of the weight or volume of the virgin and reclaimed materials (i.e. wood/fiber) in the individual product.</p>	<p><i>Submit calculations with report</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>13.1.4 In cases where a product contains more than one minor component, they do not in total exceed 5% of the volume or weight of the wood/fiber in the product.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>13.2 Rationale</b></p>		
<p>13.2.1 For minor components up to 1% of the volume or weight of the virgin and reclaimed materials in the product, the organization has an accurate and up-to-date written justification why the material for the specified components could not be sourced from FSC-certified, controlled or reclaimed material.</p>	<p>See section 2E of Summary Report</p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, >1%
<p>13.2.2 For minor components between 1% and 5% of the volume or weight of the virgin and reclaimed materials in the product, the organization has a valid, <b>unexpired</b> derogation approved by FSC or SCS and have met the conditions of that derogation.  *FSC-PRO-40-004v2-2</p> <p>NOTE: Without a valid derogation, use of uncontrolled material by an organization in minor components which constitute more than 1% of the volume or weight of the virgin and reclaimed materials in an FSC 100% (Pure) or FSC Mix (Mixed) assembled product shall prevent the issue of an FSC Chain of Custody certificate or, if the organization is an FSC Chain of Custody certificate holder, shall lead to the immediate suspension of the certificate.</p>	<p><i>Submit any new applications with report</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, <1%



**SCS Checklist for FSC Chain of Custody Certification  
FSC-STD-40-004 V2-1**

Plus requirements from other applicable standards and advice notes where referenced

<b>Certificate Holder:</b>	<b>Indiana Department of Natural Resources, Division of Forestry, Group Certification/Secondary Manufacturers</b>
Site (if more than one):	<b>E M Cummings Veneer</b>
Type of facility:	<b>Veneer Face Manufacturer</b>
Relationship with other sites (if applicable):	<b>One of eleven IN DoF Group Members</b>
Audit for the Year:	2012
Auditor:	Frank S. Judd
Date of audit:	September 28, 2012
Approximate number of FSC jobs this year:	<b>1</b>

C – conformance    NC – non-conformance    C w/Obs – conformance with observation  
N/A – requirement not applicable

<b>PART I: Universal Requirements</b>		
<b>1. Quality management</b>		
<b>Requirement</b>	<b>Evidence and Findings</b>	<b>Conformance</b>
<b>1.1 Responsibilities</b>		
1.1.1 A management representative has been appointed as having overall responsibility and authority for the organization's compliance with all applicable requirements of this standard.	Jeff Settle has overall group responsibility as the Indiana State DoF Forest Certification Coordinator. Adam Bostock, Plant Manager, is the appointed representative for E M Cummings Veneer.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.1.2 All relevant members of staff demonstrate awareness of the organization's procedures and competence in implementing the organization's Chain of Custody	Staff members interviewed did demonstrate appropriate awareness of the company's procedures and strong competence in implementing the firm's CoC management system. Staff personnel interviewed by this	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs



<p>management system.</p>	<p>auditor included: Adam Bostock, Plant Manager, Ed Jenkins, Administrative Manager, Tim Sorg, Production Worker; Jimmy Fessel, Superintendent of Glue Up section; and Mike Bell, Receiving and Shipping. E M Cummings has 29 employees.</p>	
<p><b>1.2 Procedures</b></p>		
<p>1.2.1 The organization has established and implemented up-to-date procedures covering all applicable requirements of FSC-STD-40-004 V2-1, as appropriate for its scale and complexity.</p>	<p>See At. 2, IN DoF Group Member Procedures. E M Cummings Veneer has filled out the required portions of the IN DoF Group Members procedures, as confirmed during this audit.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.2.2 Procedures include the personnel responsible for each procedure, together with the qualifications and/or training measures required for its implementation.</p>	<p>The procedures established for all Group members designate the responsibilities within each group member. These responsibilities are assigned by E M Cummings Veneer in Appendix B-1 of the Group Member Procedures.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>FSC-STD-20-001 V3-0, 22  The organization has procedures to  e) keep a record of all complaints made known to them relating to a product's compliance with FSC requirements;  f) make these records available to SCS upon request;  g) take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements for certification; and  h) document the actions taken</p>	<p>The Group Entity and group members do have procedures, At. 2, to keep a record of all complaints made known to it, and to take appropriate actions(s) in compliance with this clause.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>1.3 Training</b></p>		
<p>1.3.1 The organization has established and implemented a training plan according to the qualifications and/or training measures defined in the organization procedures.</p>	<p>Training plans have been established in the procedures for the Group Entity, At. 1, and Group Member, At. 2. Individuals conducting training for the IN DoF are qualified by experience in industry and in training. Trainers at each site are qualified by the training provided IN DoF staff, and by their respective company positions. Adam Bostock is responsible for training at E M Cummings Veneer; and he has conducted the FSC training for this Group member.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.3.2 The organization maintains records of the training provided to staff in relation to implementation of FSC-STD-40-004</p>	<p>All DoF Group members are required to conduct periodic training for FSC CoC operations; ref. At. 2, Group member</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC</p>

V2-1.	procedures. E M Cummings Veneer did have current training records dated 2/8/12. Eight staff personnel were listed in the training records.	<input type="checkbox"/> C w/Obs
<b>1.4 Records</b>		
1.4.1 The organization maintains complete and up-to-date records covering all applicable requirements of FSC-STD-40-004 V2-1.	Records covering all aspects of the applicable requirements for this standard are required to be maintained by each Group member. E M Cummings Veneer has up-to-date software systems sufficient to maintain all applicable record requirements of this standard: Quick Books and Windows File Maker programs. Reports from these systems, and records stored in MS Excel software, are available to the IN DoF Group Entity audit and to this auditor.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.4.2 Retention time for all records and reports (including purchase and sales documents, training records, production records, volume summaries and trademark approvals), is specified in the organization's procedures, and is at least five years.	The retention time specified, in At. 2, Group Procedures, does require that all relevant documentation to be retained by the Group Member for five years. All records requested by this auditor during the conduct of this site surveillance were provided by E M Cummings staff.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<b>1.5 Commitment to FSC Values</b>										
<p>1.5.1 The organization demonstrates its commitment to comply with the Values of FSC as defined in the “Policy for the Association of Organizations with FSC” (FSC-POL-01-004, initially approved in July 2009).</p> <p>1.5.2 The organization has signed an FSC self-declaration* to not be directly or indirectly involved in the following activities:</p> <p>a) Illegal logging or the trade in illegal wood or forest products;</p> <p>b) Violation of traditional and human rights in forestry operations;</p> <p>c) Destruction of high conservation values in forestry operations;</p> <p>d) Significant conversion of forests to plantations or non-forest use;</p> <p>e) Introduction of genetically modified organisms in forestry operations;</p> <p>f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p><i>*FSC-PRO-20-001 V1-0</i></p>	<p>E M Cummings Veneer did provide a signed statement of “self-declaration” that stated exactly the requirements as specified under clause 1.5.2, a, b, c, d, e, and f.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Obs req'd Oct 2012</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>
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<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>									
<b>1.6 Occupational Health and Safety</b>										
<p>1.6.1 The organization demonstrates its commitment to occupational health and safety.</p> <p><i>FSC-PRO-20-001 V1-0</i></p> <p>The organization has:</p> <ul style="list-style-type: none"> <li>• Appointed a representative for occupational health and safety</li> <li>• Company procedure(s) for occupational health and safety</li> <li>• Trained staff on health and safety procedures</li> </ul>	<p>E M Cummings Veneer has complied with this clause as follows:</p> <ol style="list-style-type: none"> <li>1, Ed Jenkins Is head of the company’s safety committee.</li> <li>2. The company has written safety procedures as required by the IN State Division of Labor and for OSHA.</li> <li>3. Safety training is reviewed at the monthly safety committee meetings and training is also conducted to meet OSHA requirements.</li> </ol>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>Obs req'd Oct 2012</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>Obs req'd Oct 2012</b>
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<b>2. Scope of Chain of Custody System</b>										
<b>2.1 Product Groups</b>										
<p>2.1.1 The organization has established FSC product groups for all products to be sold with FSC claims, including the following information:</p>	<p>The Group Entity, IN DoF, has developed Group Member procedures, At. 2, that include a full and complete Product Group List. The Group Member checks off all</p>	<table border="1"> <tr><td><input type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input checked="" type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> </table>	<input type="checkbox"/>	<b>C</b>	<input checked="" type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
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<p>a) specification of the product group as FSC 100% (Pure), FSC Mix (Mixed), FSC Recycled or FSC Controlled Wood;</p> <p>b) product type(s) according to the FSC product classification;</p> <p>c) species, including scientific and common names, used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics.</p>	<p>product types with the respective specification for FSC claim and species.</p> <p>E M Cummings Veneer has correctly completed the Product Group list template in At. 2. <u>However, the imported species of teak, mahogany, and kahya had not been included in the product group list.</u></p> <p><i>Record in Summary Report or submit separately</i></p>							
<p>2.1.2 For each product group the organization has specified:</p> <p>a) the material categories used as input;</p> <p>b) the control system used for making FSC claims:</p> <ul style="list-style-type: none"> <li>i. transfer system;</li> <li>ii. percentage system; or,</li> <li>iii. credit system;</li> </ul> <p>c) the sites involved in management, production, storage, sale, etc.</p>	<p>Each Group Member is required to designate in the Product Group List, At. 2, the specific control system used for making FSC claims. E M Cummings Veneer has designated the Transfer and the Credit Systems for its products sales. .</p> <p>Only one site is applicable to E M Cummings Veneer, New Albany, IN.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<h3>3. Material Sourcing</h3>								
<h4>3.1 Input specifications</h4>								
<p>3.1.1 The organization has adopted and uses the definitions and categorization of input materials as specified by FSC-STD-40-004 V2-1.</p>	<p>As required by the Group Entity, IN DoF, each Group Member must adopt the template procedures. This includes the use of definitions and categorizations as specified in FSC-STD-40-004 V2-0. E M Cummings Veneer has complied with the requirement and uses the categorizations and definitions as stated in the procedures.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>3.1.2 The organization categorizes all inputs to FSC product groups by their material category and ensures that only eligible inputs are used.</p>	<p>The IN DoF procedures, At. 2, require that each group member does categorize all their FSC material receipts and ensures that only eligible inputs are used. E M Cummings Veneer has demonstrated that it so classifies all FSC receipts, and that only qualified and eligible inputs are used, as per auditor observation of supplier documents</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<h4>3.2 Supplier validation</h4>								
<p>3.2.1 The organization has an up-to-date record of all their FSC-certified suppliers who are supplying material used for FSC product groups, including:</p> <p>a) the supplied product type;</p> <p>b) the supplied material category;</p>	<p>All Group members are required, in the Group Member procedures, At. 2, to maintain a list of FSC certified suppliers. E M Cummings Veneer has a record of their FSC suppliers: a) supplier product type, b) supplier material category; and c) the FSC</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs
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<p>c) the supplier's FSC Chain of Custody or FSC Controlled Wood code, if applicable.</p>	<p>CoC code. See At. 4, E M Cummings Veneer supplier list.</p>	
<p>3.2.2 The organization has verified the validity and scope of their suppliers' FSC certificate for any changes that might affect the availability and authenticity of the supplied products via <a href="http://info.fsc.org">http://info.fsc.org</a>.</p>	<p>All IN DoF Group Members are required to verify FSC CoC suppliers on <a href="http://info.fsc.org">http://info.fsc.org</a>. E M Cummings Veneer has on file the list of suppliers it has verified on <a href="http://info.fsc.org">http://info.fsc.org</a>. This verification process (on-line) was demonstrated by Ed Jenkins during this audit; the suppliers' FSC COC status and scope were confirmed. The FSC status of these suppliers was confirmed by this auditor.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p><b>3.3 Purchase of Non-FSC certified virgin or reclaimed material</b></p>		
<p>3.3.1 For the purchase of non-certified controlled material, the organization has been evaluated against FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood for implementation of an FSC Controlled Wood program of verification.</p>	<p><input checked="" type="checkbox"/> C, see 40-005 supplemental report  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A, not purchasing non-certified material for use in FSC products</p> <p>See attached Controlled Wood audit.</p>	
<p>3.3.2 For the purchase of non-certified reclaimed material, the organization has been evaluated against the applicable requirements of FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects.</p>	<p><input type="checkbox"/> C, see 40-007 supplemental report  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A, does not buy non-FSC certified reclaimed material</p>	
<p><i>FSC-STD-40-005 V2-1, 10.1</i>  The organization has procedures to verify that all supplies of wood for FSC products from any species listed in Annex 1, 2 or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are accompanied by the applicable licenses and/or export permits, irrespective of whether the supplier is FSC certified or not.</p>	<p><input type="checkbox"/> C  <input checked="" type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A, does not buy CITES species</p> <p><b>Note: Compliance with this requirement is a prerequisite for authorization to buy FSC Controlled Wood for use in FSC Mix (Mixed) Products. To buy AND sell FSC Controlled Wood, certification to FSC-STD-40-005 is required.</b></p> <p><u>The IN DoF, Group Entity, has included applicable procedures in At. 2 to require each Group member to verify the status of imported woods for inclusion in CITES Annex 1, 2, or 3. E M Cummings has not provided evidence or verbal concurrence that it has accomplished this, and has not provided evidence of licenses or export permits, if CITES listed species are so identified.</u></p>	

<p><i>ADVICE 40-004-04</i>                  The organization considers co-products as controlled material AND either</p> <ul style="list-style-type: none"> <li>• has a transitory registration approval from SCS for applicable co-products, <b>OR</b></li> <li>• controls them according to ADVICE-40-005-17 (complete FSC-STD-40-005 checklist)</li> </ul>	<p>Not Applicable to this site audit.</p>
<p><b>3.4 Generating raw material on site</b></p> <p><input checked="" type="checkbox"/> N/A, does not generate input material at this site for an FSC product group</p>	
<p>3.4.1.a The organization identifies material produced during the process of primary manufacture of another (principal) product from the same input as belonging to the same material category as the input from which it was (co-) produced</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A</p>
<p>3.4.1.b material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it, is considered as belonging to the same material category as the input from which it was derived or as pre-consumer reclaimed material.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A</p>
<p>3.4.2 Where the proportions of the different inputs cannot be identified the organization classifies mixtures of virgin and/or reclaimed material by the material category, and percentage or credit claim where applicable, with the lowest FSC or post-consumer input per input volume.</p> <p>NOTE: Material mixtures of FSC-certified, controlled and/or reclaimed material, where the proportions of the different inputs cannot be identified, shall be classified as 'controlled material'.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A</p>

<b>4. Material receipt and storage</b>										
<b>4.1 Identification of input</b>										
<p>4.1.1 On receipt of material or prior to further use or processing the organization checks the supplier sales document and supporting documentation to ensure that:</p> <p>a) the supplied material quantities and quality are in compliance with the supplied documentation;</p> <p>b) the material category and, if applicable, the associated percentage or credit claim is stated for each product item or for the total products;</p> <p>c) the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims.</p>	<p>The IN DoF Group Member procedures require that the group members check FSC supplier invoices and supporting documentation to ensure that: a) that the quantity and quality received are in compliance with the purchase specification; b) the material FSC claim is stated; and c), the supplier's correct FSC CoC code and/or FSC CW code are included.</p> <p>E M Cummings Veneer has checked documents for these requirements on receipt of FSC products. <u>Some supporting documentation, supplier packing lists in particular, have not been compliant with this clause.</u></p> <p><u>FSC 100% has been purchased as follows: Interwood Forest Products Invoice #12540, 1/6/12, Teak, ("FSC" not included on packing list); Pleasant Hill #2602, 1/23/12, Kahya (no packing list available for this audit). Bohlke invoice #90022899, 1/3/12 (the CoC code was not included on the packing list);</u></p> <p><u>FSC CW has been purchased from: Danzer #4804046959, 8/17/12 (no FSC claim on the packing list but the statement "Legally Verified Timber" was included); Inter Continental invoice #2614, 6/11/12.</u></p>	<table border="1"> <tr><td><input type="checkbox"/></td><td>C</td></tr> <tr><td><input checked="" type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input type="checkbox"/>	C	<input checked="" type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs		
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<b>4.2 Segregation</b>										
<p>4.2.1 Inputs used for FSC product groups remain clearly identifiable and separable from purchase to sale by their product group, or by their associated FSC claim if identical inputs are used for more than one FSC product group.</p>	<p>On FSC material arrival at the E M Cummings Veneer location, documentation is reviewed for compliance. At that time, a green FSC bundle tag is attached to each bundle of FSC veneer.</p> <p>FSC WIP is identified on the work order that specifies the materials as FSC. The work order is printed on green paper to further identify the materials as FSC and the job as a "Green" job. Cummings also has painted one of its veneer carts green to designate that veneers on the cart are for an FSC certified job.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A (explain)</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A (explain)
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<b>4.3 Precautions for labeled material</b>										
<p>4.3.1 For materials received with an FSC label the organization ensures:                      a) material that will be further processed is cleared of any labels or segregation marks before sale, (not applicable in cases where the label is inseparable due to product characteristics [e.g. print materials]);                      b) material that will be sold unchanged is checked by the organization for being correctly labeled according to its FSC material category, unless the organization does not gain physical possession of the material.</p>	<p>As this auditor determined, FSC veneers at E M Cummings will either be reprocessed or may be sold as flitch stock (just as received). All labeling will be removed in the manufacturing process. FSC veneers will either have all labels removed in veneer face manufacturing or will be removed from stock prior to shipment.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (explain)</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (explain)</b>
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<p>4.3.2 Where materials are received with a label from another forestry conformity assessment scheme (e.g. PEFC, SFI), the organization ensures that the materials are cleared of any such labels before sale with an FSC claim.</p>	<p>As determined by this auditor in discussion with Adam, no veneers are ever purchased with labels from other forestry conformity assessment schemes, including SFI.</p>	<table border="0"> <tr><td><input type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input checked="" type="checkbox"/></td><td><b>N/A (explain)</b></td></tr> </table>	<input type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input checked="" type="checkbox"/>	<b>N/A (explain)</b>
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<b>5. Volume control</b>										
<b>5.1 Conversion factors</b>										
<p>5.1.1 For each product group the organization has identified the main processing steps involving a change of material volume or weight and has specified the conversion factor(s) for each processing step or, if not feasible, for the total of all processing steps.</p>	<p>E M Cummings Veneer has basic face veneer processing steps in place for the production of veneer faces. For each FSC job, the company writes a Work Order that details all wood veneer inputs for the finished veneer face. For costing purposes and for use in its credit account, it uses its historical yield factor of 0.33%.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (explain)</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (explain)</b>
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<p>5.1.2 The organization has specified their methodology for calculating conversion factor(s) and ensures that conversion factors are kept up to date.</p>	<p>E M Cummings Veneer reviews each job for veneer inputs before issuing its internal work order. It prepares a work schedule that specifies which jobs are FSC. A conversion factor is not applicable for actual production accounting. For accounting in its credit account, the company does maintain and use a yield factor of 33%. Veneer yields are checked throughout the year, and for specific jobs, to ensure that yields remain consistent with this conversion rate. Adam and Ed both confirmed this process to this auditor.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (explain)</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (explain)</b>
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<b>5.2 Material balances</b>										
<p>5.2.1 For each product group the</p>	<p>At. 2, IN DoF Group Procedures, 5.2</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>						
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<p>organization has established a material accounting record to ensure that at all times the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs from different material categories, their associated percentage or credit claims, and the product group conversion factor(s).</p> <p>The accounting record includes at least the following information:</p> <p><u>For inputs:</u></p> <ul style="list-style-type: none"> <li>a) supplier sales document references;</li> <li>b) quantities (by volume, weight or pieces, as appropriate);</li> <li>c) material category and FSC percentage or credit claim (i.e. FSC claim)</li> </ul> <p><u>For outputs:</u></p> <ul style="list-style-type: none"> <li>a) sales document references;</li> <li>b) quantities (by volume, weight or pieces, as appropriate);</li> <li>c) FSC claim;</li> <li>d) information to identify the product item in sales documents;</li> <li>e) applicable claim period or job order</li> </ul>	<p>Material Balances, require all Group Members to maintain accounting records to ensure that quantities of all FSC goods purchased and sold are maintained. And in 5.3, of At. 2, FSC goods sold are required to be compatible with the FSC claim.</p> <p>As confirmed in a review of the companies records, The E M Cummings Veneer accounting system, Quick Books, File Maker, and supporting paper files, do retain data including:</p> <p>Inputs:</p> <ul style="list-style-type: none"> <li>a. supplier invoice copies</li> <li>b. the quantity purchased on all purchase orders</li> <li>c. the FSC materials category and FSC claim as stated on the supplier invoice.</li> </ul> <p>Outputs:</p> <ul style="list-style-type: none"> <li>a. E M Cummings Veneer invoices</li> <li>b. The quantity sold in number of veneer faces or square feet</li> <li>c. The FSC claim</li> <li>d. A complete product description; and</li> <li>e. The E M Cummings job number and customer order number.</li> </ul>	<input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>5.2.2 For each product group the organization has annual volume summaries providing quantitative information for each material category received/used and product type produced/sold, as follows:</p> <ul style="list-style-type: none"> <li>a) inputs received;</li> <li>b) inputs used for production (if applicable);</li> <li>c) inputs still in stock;</li> <li>d) outputs still in stock;</li> <li>e) outputs sold.</li> </ul>	<p>The In DoF Group Member procedures, At. 2, 5.2 Material Balances, require that the Group Member record and have summaries available of all FSC purchases, inputs used in manufacturing, finished outputs in stock, and outputs sold.</p> <p>For this audit, E N Cummings has provided records of: a, all FSC inputs; b, N/A; c, inputs in stock; d, N/A; and e, outputs sold.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>5.3 Determination of FSC claims (see sections 7, 8 and 9 as applicable)</b></p>		
<p style="text-align: center;"><b>6. Sales and delivery</b></p>		
<p><b>6.1 Identification of outputs sold with FSC claims</b></p>		
<p>6.1.1 Sales documents issued for outputs sold with FSC claims include the following information:</p> <ul style="list-style-type: none"> <li>a) name and contact details of the</li> </ul>	<p>The IN Group Member procedures require the issuing of compliant invoices. The one invoice for FSC outputs from E M Cummings Veneer included:</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>organization;</p> <p>b) name and address of the customer;</p> <p>c) date when the document was issued;</p> <p>d) description of the product;</p> <p>e) quantity of the products sold;</p> <p>f) the organization's FSC Chain of Custody or FSC Controlled Wood code;</p> <p>g) clear indication of the FSC claim for each product item or the total products <i>(refer to standard for details on claims)</i></p> <p>h) if separate delivery documents are issued, information sufficient to link the sales document and related delivery documentation to each other.</p> <p>NOTE: for supplies of finished products that meet the labeling thresholds specified in Section 11, the organization may omit the percentage or credit information in sales and delivery documentation however the material will then have lost its information on FSC or post-consumer content for subsequent customers and therefore may not be resold with FSC claims.</p> <p>NOTE: In cases where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to the information as required by 6.1.1.</p>	<p>a, the E M Cummings Veneer name, address, and contact details;</p> <p>b, the customer name and address;</p> <p>c, the invoice date and number;</p> <p>d, a description of the product sold;</p> <p>e, the quantity sold;</p> <p>f, the IN DoF Group CoC code and the group member designation;</p> <p>g; the correct FSC claim;</p> <p>h, and sufficient information to link the invoice to the BOL issued by E M Cummings Veneer: customer name, product references (species, square feet, veneer type, and flitch number), and date of shipment.</p> <p>The one E M Cummings invoices was to Fetzers of Salt Lake City, UT; #12=100-FSC, 1/2/12. It included all the requirements of this clause including its correct FSC COC code and the correct FSC claim.</p>									
<p>6.1.2 If a copy of the sales document is not included with the shipment of the product the information required in clause 6.1.1 is included in the related delivery documentation.</p>	<p>A Tally Sheet accompanies each E M Cummings' shipment. The sheet for the Fetzers shipment included all the requirements stated for clause 6.1.1, as confirmed by this auditor in reviewing the documents on file for this FSC sale.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
<input checked="" type="checkbox"/>	C									
<input type="checkbox"/>	NC									
<input type="checkbox"/>	C w/Obs									
<input type="checkbox"/>	N/A									
<p>The claim(s) stated on sales and delivery documents are specified <b>exactly</b> per FSC-STD-40-004v2-1 §6.1.1.g unless, due to space constraints, this information is supplied through supplementary evidence AND</p> <ul style="list-style-type: none"> <li>• There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;</li> <li>• The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;</li> </ul>	<p>The claim stated on the one applicable invoice was "FSC Pure"; this was compliant on the date of issue. All procedures for IN DoF Group members have been revised to include the correct FSC claims pursuant to this clause; see At. 2, Group member procedures. Both Adam and Ed confirmed that they understood the current requirements. Templates in the E M Cummings FSC folder did include the current and compliant FSC claims.</p>	<table border="1"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input type="checkbox"/></td><td>N/A</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A
<input checked="" type="checkbox"/>	C									
<input type="checkbox"/>	NC									
<input type="checkbox"/>	C w/Obs									
<input type="checkbox"/>	N/A									

<ul style="list-style-type: none"> <li>In cases where the sales and delivery documents contain multiple products with different FSC claims, a clear identification for each product is included as a cross-reference to the associated FSC claim provided in the supplementary evidence. <i>ADVICE-40-004-05</i></li> </ul>		
<p>6.1.3 When selling semi-finished products with FSC claims containing minor components exceeding 1% of the product volume or weight the organization provides the volume or weight of the minor components on sales documents, delivery documentation and/or supplementary letters.</p>	<p>N/A There are not minor components in the veneers or the veneer faces that E M Cummings will manufacture and sell with an FSC claim; as confirmed with Adam during the conduct of this audit.</p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A
<p>6.2.1 FSC-labeled products are always sold with the corresponding FSC claim on their sales and delivery documentation.</p>	<p>As confirmed by this auditor during the conduct of this site surveillance, E M Cummings does not attach any FSC labels to its final products.</p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A
<p>6.2.2 Products sold with FSC claims do not carry any labels from other forestry conformity assessment schemes.</p>	<p>As confirmed by this auditor during the conduct of this site surveillance, E M Cummings does not attach the labels of other forestry assessment schemes to any of its final products.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>6.3 Supplying FSC Controlled Wood</b></p>		
<p>6.3.1 The organization ensures all sales of FSC Controlled wood comply with Part 4 of FSC-STD-40-005.</p>	<p>See attached Controlled Wood checklist. It was determined that E M Cummings does ensure that any future sales of FSC CW are compliant with Part 4 of the CW standard.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A

<b>PART II: Systems for controlling FSC claims</b>		
<b>7. Transfer system</b>	<b>Is the transfer system used to determine FSC claims?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Skip this section)	
<p><b>Eligibility:</b> The transfer system shall be used for <u>trading activities</u> related to finished products and for the production of FSC 100% (Pure) product groups. In addition, it can also be used for other FSC product groups in the following situations:</p> <ul style="list-style-type: none"> <li>▪ FSC Mix (Mixed) product groups:               <ul style="list-style-type: none"> <li>– mixtures of FSC 100% (Pure), FSC Mix (Mixed) and/or FSC Recycled inputs;</li> <li>– exclusive use of FSC Mix (Mixed) inputs;</li> </ul> </li> <li>▪ FSC Recycled product groups:               <ul style="list-style-type: none"> <li>– exclusive use of FSC Recycled and/or post-consumer reclaimed material;</li> </ul> </li> <li>▪ FSC Controlled Wood product groups.</li> </ul> <p>NOTE: Non-Timber Forest Products used for food and medicinal purposes are restricted to the transfer system only.</p>		
<b>7.1 Specification of claim periods or job orders</b>		
<p>7.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC claim.</p> <p>NOTE: The minimum length of the claim period shall be the length of time to complete a batch run including receipt, storage, processing, labeling and/or sale of the output product.</p>	<p>E M Cummings staff did confirm to this auditor that in only uses the individual job order to determine each FSC claim when using the transfer system.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>7.2 – 7.3 FSC claims using a transfer system</b>		
<p>The organization determines the correct FSC claim for outputs based on the material category and FSC claim of the input(s), over a specified claim period or per job order.</p> <p>NOTE: If the input consists of 100% post-consumer reclaimed materials the output FSC claim shall be “FSC Recycled 100%”.</p> <p>NOTE: Inputs with an ‘FSC Mix Credit’ claim or an ‘FSC Recycled Credit’ claim shall be considered as having a lower standing than inputs with an ‘FSC 100%’ or an ‘FSC Recycled 100%’ claim, respectively.</p>	<p>In the one order processed for FSC teak, E M Cummings did transfer the correct FSC claim: FSC Pure. This was confirmed in reviewing the applicable invoices as listed under clauses 4.1.1 and 6.1.1.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

Application of FSC labels	<input checked="" type="checkbox"/> N/A, does not label FSC products	
11.1.1 The organization has applied the FSC 100% label exclusively to products eligible for an FSC 100% (Pure) claim.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no pure label)
11.2.1 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or chip & fiber products only)
11.2.1 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul> <p><b>OR</b></p> has retained appropriate evidence that the FSC Mix label was applied exclusively to registered chip and fiber products (eligible for a claim of FSC Mix (Mixed) 50% or higher) <p><i>Appropriate evidence includes:</i></p> <ul style="list-style-type: none"> <li>• sales and delivery documents issued by the supplier including the additional claim "registered" (e.g. "FSC Mix [Mixed] 50% registered") <b>OR</b></li> <li>• evidence that the product was received with an on-product FSC label (e.g. packaging or product sample) (ADVICE-40-004-03)</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or solid wood products only)
11.3.1 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of <ul style="list-style-type: none"> <li>• FSC Recycled 85% or higher</li> <li>• FSC Recycled Credit</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)

<b>8. Percentage system</b>		<b>Is the percentage system used to determine FSC claims?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No (Skip this section)</b>
<b>Eligibility:</b> The percentage system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is not applicable for trading activities related to finished products and can only be applied on the level of a single, physical (storage, distribution, manufacturing, etc.) site.		
5.3.2 The organization has carried out calculations of input percentages per product group at the level of a single site.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>8.1 Specification of claim periods or job orders</b>		
2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to: a) quality of inputs (e.g. species, grade, value, composition), b) conversion factors		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, claim periods not used
8.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC percentage claim.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>8.2-3 Determination of FSC and post-consumer input</b>		
8.2.1 - 8.3.1 The organization has used the percentage or credit claims stated on the supplier sales documentation to calculate the correct input percentage for each claim period or job order using the formula specified in 8.3.1 of FSC-STD-40-004 V2-1.  NOTE: Material supplied with a credit claim can be used by its full quantity as FSC input or postconsumer input, respectively.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
8.3.2 Input percentages calculated based on rolling average calculations are only made once the specified number of previous claim periods has been completed since the setup of the product group.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (single %)

<p>8.3.3 The time period over which the input percentage is calculated does not exceed 12 months, unless approved by SCS.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>8.4 FSC claims for outputs</b></p>		
<p>8.4.1-2 The organization has sold the up to the total output of a claim period or job order with FSC Mix (Mixed) or Recycled product groups with a percentage claim equal to or lower than the calculated input percentage.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>8.4.3 The organization has sold as FSC Controlled Wood up to the portion of the output of a claim period that had not been sold with an FSC percentage claim.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
<p><b>Application of FSC labels</b></p>	<input type="checkbox"/> N/A, does not label FSC products	
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or chip & fiber products only)
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p> <p><b>OR</b></p> <p>has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 50% or higher <b>AND</b> has an SCS approved transitory labeling registration (ADVICE-40-004-03)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or solid wood products only)
<p>11.3.2 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of FSC Recycled 85% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)

<b>9. Credit system</b>		<b>Is this system used to determine FSC claims?</b> <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No (Skip this section)</b>	
<b>Eligibility:</b> The credit system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is neither applicable for print processes nor for trading activities related to finished products. The credit system shall only be applied on the level of a single, physical site.			
<b>Description of credit account:</b>		<p>As determined during the credit account review, no FSC Mix Credit sales were made in the last audited year. For FSC veneer flitch stock and veneer faces sold at E M Cummings Veneer, the credit system is used to assign a Mixed Credit FSC claim. Cummings will purchase FSC 100% and Mix Credit veneers. It will add veneer, per square foot, to its credit account by species and grade. It will also purchase FSC CW from FSC vendors certified to sell FSC CW veneers. As veneers will be sold with an FSC Mix Credit claim, the quantity of veneer sold, in square feet, will be deducted from the Cummings FSC credit account after reduction by the yield factor.</p> <p>Credit account procedures are described in At. 2, 9 Credit System. See At. 5, credit account for maple.</p>	
5.3.2 The organization carries out calculations of FSC credit per product group at the level of a single site.	E M Cummings Veneer conducts all its operations at one location in New Albany, IN. All calculations are conducted in relation to this single site.	<input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b>	
<b>9.1 Specification of claim periods</b>			
2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to: a) quality of inputs (e.g. species, grade, value, composition), b) conversion factors	E M Cummings has developed a functional credit account spreadsheet by species, At. 5. The credit account deducts veneer inputs veneers after applying a conversion factor of 0.33%. Their credit accounts, by species, were provided for this site surveillance by Adam Bostock and Ed Jenkins.	<input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b>	
9.1.1 For each product group, the organization maintains an FSC credit account with specified claim periods of up to 3 months according to which additions and deductions of FSC credits are recorded.	E M Cummings Veneer is using a base claim period of one month; see At. 5. Additions and deductions of FSC credits are recorded monthly.	<input checked="" type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b>	



<b>9.2 Determination of FSC and post-consumer input</b>		
<p>9.2.1 For FSC Mix (Mixed) and/or FSC Recycled inputs, the organization has used the percentage claim or credit claim stated on the supplier sales document to determine the quantities of FSC and post-consumer inputs</p> <p>NOTE: Material supplied with a credit claim counts as FSC Mix (Mixed) 100% or 100% post-consumer reclaimed input.</p>	<p>E M Cummings Veneer uses (will use) the input claim as determined by the original veneer purchase: as stated on the FSC supplier's invoice. Post consumer inputs are not applicable.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<b>9.3 Adding FSC credit to the credit account</b>		
<p>9.3.1 The organization has used the conversion factor(s) specified for each component of the product group when adding converted quantities (volume or weight) of FSC and/or post-consumer inputs as FSC credit to their FSC credit account.</p>	<p>This auditor confirmed, in reviewing its credit account, that Cummings determines the quantities used for each FSC job/work order in square feet of veneer consumed for the job. The Unit of Measure, square feet of veneer, is the consistent quantity used for additions and deductions from the credit account.</p> <p>E M Cummings uses a yield conversion factor of 33% of input veneer to output veneer.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>9.3.2 The organization has added FSC credit to the credit account <u>only</u> after the organization has gained legal ownership and the material category has been verified, and before the material enters the production process.</p>	<p>E M Cummings Veneer takes actual ownership on receipt of the purchased veneer. It is at that time that FSC veneers are added to its credit account, as confirmed by this auditor in examining the individual credit accounts for each species.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<b>9.4 Withdrawing FSC credit from the credit account</b>		
<p>9.4.1 The organization has deducted the appropriate quantity of credits from the corresponding product group credit account when material is sold and/or labeled as FSC Mix or FSC Recycled.</p>	<p>Sales of FSC Mix Credit veneer are to be withdrawn from the Cummings credit account on the sale of FSC certified veneer faces. As determined during the credit account review, no FSC Mix Credit sales were made in the last audited year.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<b>9.5 Credit account management</b>		
<p>9.5.1 The organization has ensured that the FSC credit account is never overdrawn and that records of the remaining FSC credit are clearly visible to relevant staff and kept updated at all times.</p>	<p>The E M Cummings Veneer sales staff has immediate access to the current credit account records. All FSC sales are reviewed against the credit account before an FSC Mix Credit sale is issued. This was confirmed with Adam Bostock during the site audit.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

<p>9.5.2 The organization has ensured that any FSC credit that exceeds the sum of new FSC credit added during the previous 12 months is deducted at the beginning of each new claim period from the credit account.</p> <p>NOTE: This means that the organization does not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous 12 months.</p>	<p>The E M Cummings Veneer credit account formulae have included, for each veneer species, the limitation that sales of FSC Mixed Credit veneer do not exceed the sum of new FSC credit added during the previous 12 months; see At. 5.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>9.6 FSC claims for outputs</b></p>		
<p>9.6.1-2 The organization has sold the up to the total of FSC credit available in the account for FSC Mix (Mixed) or Recycled product groups with a credit claim.</p>	<p>A review of each of the species credit accounts by this auditor confirmed that no FSC Mix Credit sales have been made in the last audited year.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>9.6.3 The organization has sold as FSC Controlled Wood up to the portion of the output volume that has not been sold with FSC Mix (Mixed) or Recycled credit claims on the basis of a corresponding FSC Controlled Wood credit account.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>	<p>E M Cummings Veneer has established unique records for each species purchased as FSC CW. It has not sold any veneer as FSC CW during the past audited year, as confirmed during this site surveillance.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p><b>Application of FSC labels</b> <input checked="" type="checkbox"/> N/A, does not label FSC products</p>		
<p>11.2.3 The organization has applied the FSC Mix label to outputs from mix (mixed) product groups exclusively where there was sufficient credit in the credit account for the product group</p>		<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (no mix label)</p>
<p>11.3.3 The organization has applied the FSC Recycled label exclusively to outputs from recycled product groups where there was sufficient credit in the credit account for the product group</p>		<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (no recycled label)</p>

## PART III: Labeling and FSC Trademarks, FSC-STD-50-001 V1-2

### 11 Eligibility for Labeling

**FSC Trademarks:** FSC labels, FSC tick-mark-and-tree logo, initials 'FSC' and full name 'Forest Stewardship Council'

Refer to **FSC-STD-40-004** for labeling thresholds (and Transitory Requirements where applicable)

## 10. General labeling requirements

### 10.1 Application of FSC labels

N/A, does not label FSC products

<i>FSC-STD-50-001 V1-2, 1.10</i> Authorization to use the FSC on-product labels has been granted by SCS.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<i>FSC-STD-50-001 V1-2, 1.9</i> Products carrying an FSC label are included in the organization's certified product group list.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<i>FSC-STD-50-001 V1-2, 2.6;</i> Marks of other forest certification schemes are not used on products carrying the FSC on-product label.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

### Promotional Use of the FSC Trademarks (off-product)

N/A, this site does not use FSC Trademarks in promotions

Describe where/how the organization uses the FSC trademarks for promotion:		
<i>FSC-STD-50-001 V1-2, 1.16</i> Authorization for use of all promotional uses of the FSC trademarks has been granted by SCS.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<i>FSC-STD-50-001 V1-2, 7.5</i> Sales document, delivery document or similar document templates containing FSC trademarks that may be used for FSC and non-FSC products include a visible disclaimer stating "only the products that are identified as such on this document are FSC certified".		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A

<p><i>FSC-STD-50-001 V1-2, 1.9, 6.1; FSC-STD-40-004 V2-0, 8.5.1</i>                  All products being promoted with the FSC trademarks are in compliance with FSC standards, are eligible for the FSC label in accordance with the minimum FSC requirements for labeling, and are included in the organization's product group list. Promotional items featuring FSC products clearly indicate which products are FSC certified or include a general statement about FSC availability.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><i>FSC-STD-50-001 V1-2, 1.7, 4.4;</i> Claims regarding qualities outside the control of FSC (such as other environmental attributes of the product or future scope expansions) are clearly separated from text about FSC.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<p><i>FSC-STD-50-001 V1-2, 7.5;</i> The FSC trademarks are not used on business cards to promote the organization's certification.</p> <p>NOTE: If the paper is FSC certified an on-product label may be printed on the card by a certified printer as per product labeling requirements.</p> <p>NOTE: If authorization was duly received under the previous trademark standard, the organization may use up the existing supply until it is depleted.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
<p><i>FSC-STD-50-001 V1-2, 7.3</i>                  FSC trademarks are not used at the top of document templates such as letterheads, sales documents and emails.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

## PART IV: Supplementary Requirements

### Part 1: Certified Organizations Outsourcing Processing of FSC Material to Non-Certified Contractors

N/A, not outsourcing processing of FSC material to non-certified contractors

Describe the outsourced processing activity(ies) including which FSC material/product is affected:

<b>12.1.1 Preconditions for Outsourcing:</b>		
<p>a) <u>The organization has legal ownership of all input material to be included in outsourced processes; and</u></p> <p>b) <u>The organization does not relinquish legal ownership of the materials during outsourced processing;</u></p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>c1) the organization has an agreement or contract covering the outsourced process with each contractor</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>c2) the agreement or contract includes a clause reserving the right of SCS to audit the outsourcing contractor or operation;</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>d) the organization has a documented control system with explicit procedures for the outsourced process that have been shared with the relevant contractor.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.2 Maintaining traceability and paper trails</b>		
<p>12.2.1 The organization's control system for the outsourced process ensures:</p> <p>a) the material used for the production of FSC-certified material can be tracked and controlled and cannot be mixed or contaminated with any other material</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>b) the contractor keeps records of inputs, outputs and delivery documentation associated with all FSC-certified material which is processed or produced under the outsourcing contract or agreement</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>12.3 Records</b>		
<p><u>12.3.1 The organization has an up-to-date record of the names and contact details of all contractors used for the processing or production of FSC-certified materials.</u></p>	<p><i>Complete section 2C of Summary Report</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p><u>12.3.2 The organization has implemented procedures to provide SCS with the name and contact details of any new contractor used for the processing or production of FSC-certified materials prior to outsourcing.</u></p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.4 Invoicing</b></p>		
<p><u>12.4.1 The final sales document is issued by the organization, not the contractor, for the processed or produced FSC-certified material following outsourcing.</u></p> <p>NOTE: If the organization has not issued the final sales document for the processed or produced FSC-certified material following completion of outsourced processing, then the material cannot be sold with FSC claims.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.5 Labeling</b></p>		
<p>12.5.1 The organization has ensured that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.6 Promotion</b></p>		
<p>12.6.1 The organization has ensured that the contractor does not use the FSC Trademarks for promotional use.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.7 Preclusion of subcontracting</b></p>		
<p>12.7.1 The organization has ensured that contractors processing FSC certified material/product do not themselves outsource processing of their FSC certified material/product.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>Part 2: Certified Organizations Outsourcing Processing of FSC Material to <u>FSC-Certified</u> Contractors</b>  <input checked="" type="checkbox"/> N/A, not outsourcing processing of FSC material to FSC-certified contractors</p>		
<p>The organization has an agreement or contract confirming that each contractor provides the service under its own FSC Chain of Custody system.          (ADVICE-40-004-01)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>The organization ensures the certified contractor makes available relevant records and documentation from its FSC Chain of Custody system to SCS upon request. (ADVICE-40-004-01)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>The organization ensures the contractor uses their own trademark license code if products are labeled during outsourced processing. (ADVICE-40-004-01)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no labeling)
<p><b>Part 3: Certified Organizations Providing Eligible Outsourcing Services to Uncertified Organizations</b>  <input checked="" type="checkbox"/> <b>N/A, does not provide outsourcing services or only provides outsourcing services to valid certificate holders</b></p>		
<p>The organization maintains control of applying the correct FSC label. (ADVICE-40-004-01)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>The organization uses their own trademark license code and has received approval from SCS for all such trademark uses. (ADVICE-40-004-01)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>13. Minor components</b>          In justified cases the organization may use inputs that cannot be positively identified as eligible input in order to manufacture minor components of FSC 100% (Pure) or FSC Mix (Mixed) assembled products.  <input checked="" type="checkbox"/> <b>N/A, does not use minor components in FSC products (Skip this section)</b></p>		
<p><b>13.1 Specification and volume control</b></p>		
<p>13.1.1 The organization has specified minor components that can be exempt from the requirements for Chain of Custody control and labeling for their FSC 100% (Pure) or FSC Mix (Mixed) product groups, and <b>NOT</b> any FSC Recycled product groups.</p>	<p><i>Complete section 2E of Summary Report</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>13.1.2 The organization does not include the following components as minor components in their FSC product groups:          a) Solid wood veneer used as visible face veneer on top of other materials;          b) Components made from species listed in CITES Appendices I, II or III.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>13.1.3 The organization has demonstrated that the quantity of material considered as minor components (identified as exempt from requirements for Chain of Custody control and labeling) is less than 5% of the weight or volume of the virgin and reclaimed materials (i.e. wood/fiber) in the individual product.</p>	<p><i>Submit calculations with report</i></p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>13.1.4 In cases where a product contains more than one minor component, they do not in total exceed 5% of the volume or weight of the wood/fiber in the product.</p>		<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>13.2 Rationale</b></p>		
<p>13.2.1 For minor components up to 1% of the volume or weight of the virgin and reclaimed materials in the product, the organization has an accurate and up-to-date written justification why the material for the specified components could not be sourced from FSC-certified, controlled or reclaimed material.</p>	<p>See section 2E of Summary Report</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A, &gt;1%</p>
<p>13.2.2 For minor components between 1% and 5% of the volume or weight of the virgin and reclaimed materials in the product, the organization has a valid, <b>unexpired</b> derogation approved by FSC or SCS and have met the conditions of that derogation.                      *FSC-PRO-40-004v2-2</p> <p>NOTE: Without a valid derogation, use of uncontrolled material by an organization in minor components which constitute more than 1% of the volume or weight of the virgin and reclaimed materials in an FSC 100% (Pure) or FSC Mix (Mixed) assembled product shall prevent the issue of an FSC Chain of Custody certificate or, if the organization is an FSC Chain of Custody certificate holder, shall lead to the immediate suspension of the certificate.</p>	<p><i>Submit any new applications with report</i></p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A, &lt;1%</p>



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**SCS Checklist for FSC Chain of Custody Certification  
 FSC-STD-40-004 V2-1**

Plus requirements from other applicable standards and advice notes where referenced



<b>Certificate Holder:</b>	<b>Leiberling Dimension, Inc.</b>
Site (if more than one):	543 W. 8 <sup>th</sup> Street, Ferdinand, IN
Type of facility:	<b>Hardwood Dimension Plant</b>
Relationship with other sites (if applicable):	<b>One of eleven Indiana DoF of Secondary Group Members</b>
Audit for the Year:	2012
Auditor:	Frank S. Judd
Date of audit:	September 27, 2012
Approximate number of FSC jobs this year:	No FSC sales as Group Member

C – conformance    NC – non-conformance    C w/Obs – conformance with observation  
 N/A – requirement not applicable

<b>PART I: Universal Requirements</b>		
<b>1. Quality management</b>		
<b>Requirement</b>	<b>Evidence and Findings</b>	<b>Conformance</b>
<b>1.1 Responsibilities</b>		
1.1.1 A management representative has been appointed as having overall responsibility and authority for the organization's compliance with all applicable requirements of this standard.	Jeff Settle has overall group responsibility as the Indiana State DoF Forest Certification Coordinator. Shawn Leiberling is the appointed representative for his company.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.1.2 All relevant members of staff demonstrate awareness of the organization's procedures and competence in implementing the organization's Chain of Custody management system.	Jeff Settle, the FSC Administrator for the Group Entity, is fully aware of the CoC requirements of the Indiana DoF. Shawn Leiberling demonstrated reasonable awareness of the company's FSC procedures and his competence in implementing the firm's FSC CoC management system. Leiberling Dimension has 20 employees; Shawn administers all processes relating to FSC. Personnel interviewed included Shawn Leiberling, Owner of Leiberling Dimension, Inc.; Brandon Leiberling, Receiving and Inventory Manager; Charlotte Hilton, Team	<input type="checkbox"/> C <input checked="" type="checkbox"/> NC <input type="checkbox"/> C w/Obs

	<p>Leader, and Donna Leiberger, Accounting &amp; Administration. <u>Charlotte Hilton was not aware of her applicable FSC responsibilities. Charlotte Hinton had not received FSC training and had no awareness of FSC procedures. Other production personnel also were not aware of FSC procedures and/or had not received FSC training.</u></p>	
<p><b>1.2 Procedures</b></p>		
<p>1.2.1 The organization has established and implemented up-to-date procedures covering all applicable requirements of FSC-STD-40-004 V2-1, as appropriate for its scale and complexity.</p>	<p>See At. 2, the FSC Group Member Procedures provided by the Group Entity, the IN DOF.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.2.2 Procedures include the personnel responsible for each procedure, together with the qualifications and/or training measures required for its implementation.</p>	<p>The procedures established for all Group members designate the responsibilities for each group member. These responsibilities are assigned to Shawn Leiberger and Donna Leiberger, in Appendix B-1, of the Group Member Procedures, At. 2.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>FSC-STD-20-001 V3-0, 22                  The organization has procedures to                  i) keep a record of all complaints made known to them relating to a product's compliance with FSC requirements;                  j) make these records available to SCS upon request;                  k) take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements for certification; and                  l) document the actions taken</p>	<p>See At. 2, Group FSC COC Procedures. A compliant complaints procedures is included in section 14.1.</p> <p>Shawn Leiberger stated, during the conduct of this audit, that he had not received any complaints relevant to this clause during the past year.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>1.3 Training</b></p>		
<p>1.3.1 The organization has established and implemented a training plan according to the qualifications and/or training measures defined in the organization procedures.</p>	<p>Training plans have been established in the Group Entity procedures, At. 1, and Group Member, At. 2 procedures. The individual conducting training for the IN DoF is qualified by assigned position and extensive experience in forest products extension. Trainers at each site are qualified by the IN DoF training provided and by their respective company positions.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>1.3.2 The organization maintains records of the training provided to staff in relation to implementation of FSC-STD-40-004 V2-1.</p>	<p>All DoF Group members are required to conduct periodic training for FSC CoC operations (and CW when applicable); ref. At. 2, Group member procedures. Leiberger Dimension did have current training</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

	records documented, dated 2/12/12; and these were available for this audit.	
<b>1.4 Records</b>		
1.4.1 The organization maintains complete and up-to-date records covering all applicable requirements of FSC-STD-40-004 V2-1.	Records covering all aspects of the applicable requirements for this standard are required to be maintained by each Group member. Leiberling Dimension had up-to-date records as required to meet the applicable requirements of this standard. These were available for this audit and available for the IN DoF Group Entity audit. Records are maintained on the company Peachtree and MS Office software.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
1.4.2 Retention time for all records and reports (including purchase and sales documents, training records, production records, volume summaries and trademark approvals), is specified in the organization's procedures, and is at least five years.	The retention period specified, in At. 2, Group Member Procedures, requires that all relevant documentation must be retained by the Group Member for five years. Leiberling Dimension had all requested records available for this annual surveillance.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>1.5 Commitment to FSC Values</b>		
<p>1.5.1 The organization demonstrates its commitment to comply with the Values of FSC as defined in the "Policy for the Association of Organizations with FSC" (FSC-POL-01-004, initially approved in July 2009).</p> <p>1.5.2 The organization has signed an FSC self-declaration* to not be directly or indirectly involved in the following activities:</p> <p>a) Illegal logging or the trade in illegal wood or forest products;</p> <p>b) Violation of traditional and human rights in forestry operations;</p> <p>c) Destruction of high conservation values in forestry operations;</p> <p>d) Significant conversion of forests to plantations or non-forest use;</p> <p>e) Introduction of genetically modified organisms in forestry operations;</p> <p>f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.</p> <p>*FSC-PRO-20-001 V1-0</p>	<u>N/A This clause was not applicable on the date of this site audit.</u>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> Obs req'd Oct 2012

<b>1.6 Occupational Health and Safety</b>										
<p>1.6.1 The organization demonstrates its commitment to occupational health and safety.</p> <p><i>FSC-PRO-20-001 V1-0</i> The organization has:</p> <ul style="list-style-type: none"> <li>• Appointed a representative for occupational health and safety</li> <li>• Company procedure(s) for occupational health and safety</li> <li>• Trained staff on health and safety procedures</li> </ul>	<p><u>N/A This clause was not applicable on the date of this site audit.</u></p>	<table border="0"> <tr><td><input type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> <tr><td><input checked="" type="checkbox"/></td><td>Obs req'd Oct 2012</td></tr> </table>	<input type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input checked="" type="checkbox"/>	Obs req'd Oct 2012
<input type="checkbox"/>	C									
<input type="checkbox"/>	NC									
<input type="checkbox"/>	C w/Obs									
<input checked="" type="checkbox"/>	Obs req'd Oct 2012									
<b>2. Scope of Chain of Custody System</b>										
<b>2.1 Product Groups</b>										
<p>2.1.1 The organization has established FSC product groups for all products to be sold with FSC claims, including the following information:</p> <p>a) specification of the product group as FSC 100% (Pure), FSC Mix (Mixed), FSC Recycled or FSC Controlled Wood;</p> <p>b) product type(s) according to the FSC product classification;</p> <p>c) species, including scientific and common names, used as inputs to the product group, if information on species composition is commonly used to designate the product characteristics.</p>	<p>The Group Entity, IN DoF, has developed Group Member procedures, At. 2, Appendix B-2, that include a full and complete Product Group List. The Group Member checks off all product types with the respective specification for FSC claim and species. Leiberling Dimension has correctly filled out the FSC Product Chart as applicable to its operation; as confirmed by this auditor during the conduct of this audit.</p> <p>The Product Group List template includes: a, the FSC claims(s); b, the product types according to the current FSC product classifications; and c, the applicable species common and scientific names; also as confirmed by this auditor during the conduct of this audit.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs		
<input checked="" type="checkbox"/>	C									
<input type="checkbox"/>	NC									
<input type="checkbox"/>	C w/Obs									
<p>2.1.2 For each product group the organization has specified:</p> <p>a) the material categories used as input;</p> <p>b) the control system used for making FSC claims:</p> <ol style="list-style-type: none"> <li>transfer system;</li> <li>percentage system; or,</li> <li>credit system;</li> </ol> <p>c) the sites involved in management, production, storage, sale, etc.</p>	<p>Each Group Member is required to designate, in the Product Group List, At. 1. Appendix B-2, the specific control system used for making FSC claims. Leiberling Dimension has designated the transfer system for all wood dimension sales. One site is applicable to Leiberling Dimension: Ferdinand, IN, the dimension plant. The site is listed in Appendix B-2, as confirmed during this site audit.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> <tr><td><input type="checkbox"/></td><td>NC</td></tr> <tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr> </table>	<input checked="" type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs		
<input checked="" type="checkbox"/>	C									
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<input type="checkbox"/>	C w/Obs									
<b>3. Material Sourcing</b>										
<b>3.1 Input specifications</b>										
<p>3.1.1 The organization has adopted and</p>	<p>As required by the Group Entity, IN DoF,</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td>C</td></tr> </table>	<input checked="" type="checkbox"/>	C						
<input checked="" type="checkbox"/>	C									

<p>uses the definitions and categorization of input materials as specified by FSC-STD-40-004 V2-1.</p>	<p>each Group Member must adopt the template procedures, At. 1. This includes the use of definitions and categorizations as specified in FSC-STD-40-004 V2-0. The audit of Shawn Leiberling by this auditor confirmed that Leiberling Dimension has adopted and does use the definitions and categorizations of FSC inputs as required.</p>	<p><input type="checkbox"/> NC <input type="checkbox"/> C w/Obs</p>
<p>3.1.2 The organization categorizes all inputs to FSC product groups by their material category and ensures that only eligible inputs are used.</p>	<p>The IN DoF procedures require that each group member does categorize all their FSC material receipts and ensure that only eligible inputs are used. Leiberling Dimension has demonstrated during the conduct of this site surveillance that it does classify all FSC receipts, and that only qualified and eligible inputs are used for FSC certified material receipts. It classifies lumber it purchases as FSC 100% or FSC Mix Credit.</p> <p>Leiberling Dimension has made all its purchases of FSC logs from Landmark Wood Products SCS-COC-002041AC: invoice/delivery ticket #41210, 4/15/10.</p>	<p><input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs</p>
<p><b>3.2 Supplier validation</b></p>		
<p>3.2.1 The organization has an up-to-date record of all their FSC-certified suppliers who are supplying material used for FSC product groups, including: a) the supplied product type; b) the supplied material category; c) the supplier's FSC Chain of Custody or FSC Controlled Wood code, if applicable.</p>	<p>All Group members are required, in the Group Member procedures, At. 2, to maintain a list of FSC certified suppliers. Leiberling Dimension has a record of their FSC suppliers, as confirmed by this auditor during the conduct of this audit, including: a) supplier product type, b) supplier material category; and c) the FSC CoC code (CW is not applicable.)</p> <p>The list of current FSC suppliers consists of one supplier, Leiberling Lumber &amp; Logging (a sister company also located at the Ferdinand, IN site); it is included in the Group Entity procedures and suppliers list in Appendix B-3 of At. 2.</p>	<p><input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs</p>
<p>3.2.2 The organization has verified the validity and scope of their suppliers' FSC certificate for any changes that might affect the availability and authenticity of the supplied products via <a href="http://info.fsc.org">http://info.fsc.org</a>.</p>	<p>All IN DoF Group Members are required to verify FSC CoC suppliers on <a href="http://info.fsc.org">http://info.fsc.org</a> as listed in Group member procedures, At. 1, Annex B-3, Suppliers. Additionally, Leiberling Dimension did confirm during this audit that they only source FSC 100% and FSC Mix Credit from verified FSC sources. During the audit process, Donna demonstrated the process for FSC supplier verification using the FSC website. This auditor also verified the</p>	<p><input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)</p>

	validity of the one Leiberling supplier.	
<b>3.3 Purchase of Non-FSC certified virgin or reclaimed material</b>		
3.3.1 For the purchase of non-certified controlled material, the organization has been evaluated against FSC-STD-40-005: Standard for Company Evaluation of FSC Controlled Wood for implementation of an FSC Controlled Wood program of verification.	<input type="checkbox"/> C, see 40-005 supplemental report <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A, not purchasing non-certified material for use in FSC products	
3.3.2 For the purchase of non-certified reclaimed material, the organization has been evaluated against the applicable requirements of FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Product Groups or FSC-certified Projects.	<input type="checkbox"/> C, see 40-007 supplemental report <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A, does not buy non-FSC certified reclaimed material	
<i>FSC-STD-40-005 V2-1, 10.1</i> The organization has procedures to verify that all supplies of wood for FSC products from any species listed in Annex 1, 2 or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are accompanied by the applicable licenses and/or export permits, irrespective of whether the supplier is FSC certified or not.	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A, does not buy CITES species  <b>Note: Compliance with this requirement is a prerequisite for authorization to buy FSC Controlled Wood for use in FSC Mix (Mixed) Products. To buy AND sell FSC Controlled Wood, certification to FSC-STD-40-005 is required.</b>	
<i>ADVICE 40-004-04</i> The organization considers co-products as controlled material AND either <ul style="list-style-type: none"> <li>• has a transitory registration approval from SCS for applicable co-products, <b>OR</b></li> <li>• controls them according to ADVICE-40-005-17 (complete FSC-STD-40-005 checklist)</li> </ul>	Not Applicable to this site audit.	

3.4 Generating raw material on site		
<input checked="" type="checkbox"/> N/A, does not generate input material at this site for an FSC product group		
3.4.1.a The organization identifies material produced during the process of primary manufacture of another (principal) product from the same input as belonging to the same material category as the input from which it was (co-) produced		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
3.4.1.b material that is reclaimed from a process of secondary manufacture or a downstream industry source where the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that generated it, is considered as belonging to the same material category as the input from which it was derived or as pre-consumer reclaimed material.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
3.4.2 Where the proportions of the different inputs cannot be identified the organization classifies mixtures of virgin and/or reclaimed material by the material category, and percentage or credit claim where applicable, with the lowest FSC or post-consumer input per input volume.  NOTE: Material mixtures of FSC-certified, controlled and/or reclaimed material, where the proportions of the different inputs cannot be identified, shall be classified as 'controlled material'.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A
4. Material receipt and storage		
4.1 Identification of input		
4.1.1 On receipt of material or prior to further use or processing the organization checks the supplier sales document and supporting documentation to ensure that: a) the supplied material quantities and quality are in compliance with the supplied documentation; b) the material category and, if applicable,	The IN DoF Group Member procedures, At. 2, require that the group members check FSC supplier invoices and supporting documentation to ensure that: a) that the quantity and quality received are in compliance with the purchase specification; b) the material FSC claim is stated; and c), the supplier's correct FSC CoC code	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>the associated percentage or credit claim is stated for each product item or for the total products; c) the supplier's FSC Chain of Custody or FSC Controlled Wood code is quoted for material supplied with FSC claims.</p>	<p>and/or FSC CW code are included.</p> <p>The quantity, quality (lumber grade), and species of all purchased of FSC lumber are checked on arrival by Brandon Leiberling. Brandon maintains a log of all FSC receipts into the plant. This was confirmed by this auditor by inspecting the receiving records and FSC log books maintained by Brandon in his office at the receiving shed.</p>	
<p><b>4.2 Segregation</b></p>		
<p>4.2.1 Inputs used for FSC product groups remain clearly identifiable and separable from purchase to sale by their product group, or by their associated FSC claim if identical inputs are used for more than one FSC product group.</p>	<p>FSC lumber has green FSC tags attached on receipt. FSC lumber is not mixed with non-certified lumber while in stock; in the dry kilns, in the yard, or while in production. A Mill Work Sheet is issued to the dimension plant stating FSC for production runs of FSC wood. FSC is also clearly written on the job card. This production control process was reviewed and confirmed during the inspection tour of the plant and in discussion with Shawn and Donna.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p><b>4.3 Precautions for labeled material</b></p>		
<p>4.3.1 For materials received with an FSC label the organization ensures: a) material that will be further processed is cleared of any labels or segregation marks before sale, (not applicable in cases where the label is inseparable due to product characteristics [e.g. print materials]); b) material that will be sold unchanged is checked by the organization for being correctly labeled according to its FSC material category, unless the organization does not gain physical possession of the material.</p>	<p>This auditor observed that all lumber received by Leiberling Dimension is reprocessed into wood dimension components. All labels, if any, are removed at the initial manufacturing processes in the rough mill. No lumber is resold without remanufacturing into components.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p>4.3.2 Where materials are received with a label from another forestry conformity assessment scheme (e.g. PEFC, SFI), the organization ensures that the materials are cleared of any such labels before sale with an FSC claim.</p>	<p>Labels are not attached to the lumber, FSC or not, as confirmed by this auditor during the conduct of this audit.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A (explain)</p>
<p><b>5. Volume control</b></p>		
<p><b>5.1 Conversion factors</b></p>		
<p>5.1.1 For each product group the organization has identified the main</p>	<p>Leiberling Dimension has established lumber remanufacturing procedures in the</p>	<p><input checked="" type="checkbox"/> C</p>



<p>processing steps involving a change of material volume or weight and has specified the conversion factor(s) for each processing step or, if not feasible, for the total of all processing steps.</p>	<p>milling of rough lumber into finished wood dimension components. As confirmed by this auditor, the optimizer, at the break-down saw, records part yield against planned cut schedules. Leiberling Dimension records the total of rough lumber inputs and the resulting quantity of piece parts for each manufacturing work order. It has not established a fixed conversion factor.</p>	<p><input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A (explain)</p>
<p>5.1.2 The organization has specified their methodology for calculating conversion factor(s) and ensures that conversion factors are kept up to date.</p>	<p>Leiberling Dimension does not use a calculated conversion factor. It records actual lumber inputs, in board feet, and the actual yields in pieces. The entire manufacturing process was observed by this auditor during the conduct of this site surveillance.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A (explain)</p>
<p><b>5.2 Material balances</b></p>		
<p>5.2.1 For each product group the organization has established a material accounting record to ensure that at all times the quantities produced and/or sold with FSC claims are compatible with the quantities of inputs from different material categories, their associated percentage or credit claims, and the product group conversion factor(s).</p> <p>The accounting record includes at least the following information:</p> <p><u>For inputs:</u></p> <p>a) supplier sales document references;  b) quantities (by volume, weight or pieces, as appropriate);  c) material category and FSC percentage or credit claim (i.e. FSC claim)</p> <p><u>For outputs:</u></p> <p>a) sales document references;  b) quantities (by volume, weight or pieces, as appropriate);  c) FSC claim;  d) information to identify the product item in sales documents;  e) applicable claim period or job order</p>	<p>At. 2, IN DoF Group Member Procedures, 5.2 Material Balances, require all Group Members to maintain accounting records to ensure that quantities of all FSC goods purchased and sold are maintained. And in 5.3, of At. 2, FSC goods sold are required to be compatible with the FSC claim.</p> <p>Leiberling Dimension has provided a record for this audit of all its FSC transactions and examples of how it will maintain those records when it does have FSC sales.</p> <p>For inputs, its' accounting records are the summaries as retained in the Peachtree software and on a paper summary. Brandon also maintains a written log of FSC receipts by species, grade, and board feet. The record of FS inputs is established on the supplier invoices maintained on file in the Leiberling Dimension office.</p> <p>For outputs, its' accounting records include:</p> <p>a, invoice numbers and dates;  b. the quantity sold by pieces;  c. and FSC claim;  d. a full product description including species and size; and  e. the Leiberling Dimension job number and customer order number.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>5.2.2 For each product group the organization has annual volume summaries providing quantitative information for each material category</p>	<p>The In DoF Group Member procedures, At. 2, 5.2 Material Balances, require that the Group Member record and have summaries available of all FSC purchases,</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

<p>received/used and product type produced/sold, as follows:  a) inputs received;  b) inputs used for production (if applicable);  c) inputs still in stock;  d) outputs still in stock;  e) outputs sold.</p>	<p>inputs used in manufacturing, finished outputs in stock, and outputs sold.</p> <p>As examined during the conduct of this audit, Leiberling Dimension records all FSC: a, lumber inputs; b, lumber consumed on a per job basis; c, lumber in stock; d, N/A-finished product is shipped on completion of the manufacturing order; and e, outputs sold in pieces. Current inventory levels are maintained in its Peachtree software. Summaries were available to this auditor.</p>	
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**5.3 Determination of FSC claims (see sections 7, 8 and 9 as applicable)**

**6. Sales and delivery**

**6.1 Identification of outputs sold with FSC claims**

<p>6.1.1 Sales documents issued for outputs sold with FSC claims include the following information:  a) name and contact details of the organization;  b) name and address of the customer;  c) date when the document was issued;  d) description of the product;  e) quantity of the products sold;  f) the organization's FSC Chain of Custody or FSC Controlled Wood code;  g) clear indication of the FSC claim for each product item or the total products (<i>refer to standard for details on claims</i>)  h) if separate delivery documents are issued, information sufficient to link the sales document and related delivery documentation to each other.</p> <p>NOTE: for supplies of finished products that meet the labeling thresholds specified in Section 11, the organization may omit the percentage or credit information in sales and delivery documentation however the material will then have lost its information on FSC or post-consumer content for subsequent customers and therefore may not be resold with FSC claims.</p> <p>NOTE: In cases where systems of Electronic Data Interchange (EDI) are employed and no written invoices are issued, alternative evidence shall be provided to demonstrate the FSC status of supplied products equivalent to</p>	<p>Leiberling Dimension has not sold and subsequently issued any sales or delivery documents for FSC parts. However, it has provided examples and templates to this auditor that demonstrated the following will be included on invoices and delivery documents for FSC sales:</p> <ul style="list-style-type: none"> <li>i. The Leiberling Dimension name and address</li> <li>j. The customer name and address;</li> <li>k. The date the wood dimension was sold;</li> <li>l. A description of the wood sold by species, dimension, and grade;</li> <li>m. The quantity in number pieces;</li> <li>n. The IN DoF FSC COC code with the sub-code "L";</li> <li>o. The FSC claim;</li> <li>p. The invoice contains the customer purchase order number and full product description that link it to the Packing List.</li> </ul>	<table border="1"> <tr> <td style="text-align: center;">x</td> <td><b>C</b></td> </tr> <tr> <td></td> <td><b>NC</b></td> </tr> <tr> <td></td> <td><b>C w/Obs</b></td> </tr> </table>	x	<b>C</b>		<b>NC</b>		<b>C w/Obs</b>
x	<b>C</b>							
	<b>NC</b>							
	<b>C w/Obs</b>							

<p>the information as required by 6.1.1.</p>		
<p>6.1.2 If a copy of the sales document is not included with the shipment of the product the information required in clause 6.1.1 is included in the related delivery documentation.</p>	<p>Leiberling Dimension issues packing slips for its wood dimension sales. Their packing slip contains the same information as required under clause 6.1.1, as confirmed by this auditor in reviewing examples of FSC packing slips.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A</p>
<p>The claim(s) stated on sales and delivery documents are specified <b>exactly</b> per FSC-STD-40-004v2-1 §6.1.1.g unless, due to space constraints, this information is supplied through supplementary evidence AND</p> <ul style="list-style-type: none"> <li>• There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;</li> <li>• The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;</li> <li>• In cases where the sales and delivery documents contain multiple products with different FSC claims, a clear identification for each product is included as a cross-reference to the associated FSC claim provided in the supplementary evidence.</li> </ul> <p><i>ADVISE-40-004-05</i></p>	<p>Leiberling Dimension has not issued any invoices for FSC sales. The procedures included in At. 2, the IN DoF Group procedures, require the use of the exact FSC claim as required. Examples provided to this auditor include the correct and exact FSC claim as required by this clause.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A</p>
<p>6.1.3 When selling semi-finished products with FSC claims containing minor components exceeding 1% of the product volume or weight the organization provides the volume or weight of the minor components on sales documents, delivery documentation and/or supplementary letters.</p>	<p>Leiberling Dimension sells only solid wood dimension parts; minor components are not applicable, as confirmed by this auditor during the conduct of this site audit.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A</p>
<p>6.2.1 FSC-labeled products are always sold with the corresponding FSC claim on their sales and delivery documentation.</p>	<p>Wood parts sold by Leiberling Dimension do not have FSC labels attached, as confirmed by this auditor during the conduct of this site surveillance.</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input checked="" type="checkbox"/> N/A</p>
<p>6.2.2 Products sold with FSC claims do not carry any labels from other forestry conformity assessment schemes.</p>	<p>No labels are attached to the FSC wood parts sold by Leiberling Dimension, as confirmed by this auditor during the inspection tour of the dimension plant.</p>	<p><input checked="" type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>

<b>6.3 Supplying FSC Controlled Wood</b>		
6.3.1 The organization ensures all sales of FSC Controlled wood comply with Part 4 of FSC-STD-40-005.	N/A As confirmed with Shawn Leiberling, Leiberling Dimension does not currently purchase or sell FSC CW.	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input checked="" type="checkbox"/> N/A
<b>PART II: Systems for controlling FSC claims</b>		
<b>7. Transfer system</b>	<b>Is the transfer system used to determine FSC claims?</b>	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Skip this section)	
<p><b>Eligibility:</b> The transfer system shall be used for <u>trading activities</u> related to finished products and for the production of FSC 100% (Pure) product groups. In addition, it can also be used for other FSC product groups in the following situations:</p> <ul style="list-style-type: none"> <li>▪ FSC Mix (Mixed) product groups:                     <ul style="list-style-type: none"> <li>– mixtures of FSC 100% (Pure), FSC Mix (Mixed) and/or FSC Recycled inputs;</li> <li>– exclusive use of FSC Mix (Mixed) inputs;</li> </ul> </li> <li>▪ FSC Recycled product groups:                     <ul style="list-style-type: none"> <li>– exclusive use of FSC Recycled and/or post-consumer reclaimed material;</li> </ul> </li> <li>▪ FSC Controlled Wood product groups.</li> </ul> <p>NOTE: Non-Timber Forest Products used for food and medicinal purposes are restricted to the transfer system only.</p>		
<b>7.1 Specification of claim periods or job orders</b>		
7.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC claim.  NOTE: The minimum length of the claim period shall be the length of time to complete a batch run including receipt, storage, processing, labeling and/or sale of the output product.	FSC claims are determined by Leiberling Dimension on a job-to-job. It receives lumber and determines (will determine) the FSC claim for each manufacturing order based on the supplier's FSC claim. This process was confirmed by this auditor during the conduct of interviews with Leiberling Dimension staff.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<b>7.2 – 7.3 FSC claims using a transfer system</b>										
<p>The organization determines the correct FSC claim for outputs based on the material category and FSC claim of the input(s), over a specified claim period or per job order.</p> <p>NOTE: If the input consists of 100% post-consumer reclaimed materials the output FSC claim shall be “FSC Recycled 100%”.</p> <p>NOTE: Inputs with an ‘FSC Mix Credit’ claim or an ‘FSC Recycled Credit’ claim shall be considered as having a lower standing than inputs with an ‘FSC 100%’ or an ‘FSC Recycled 100%’ claim, respectively.</p>	<p>IN DoF Group Member procedures, At. 2, require the correct transfer of FSC claims from the supplier’s invoice to the Group Members invoice. Leiberling Dimension has not yet, as determined by this auditor, sold any FSC wood parts. However, the staff interviews conducted by this auditor at Leiberling Dimension did confirm that the company will correctly transfer FSC claims on future invoices and delivery documents.</p>	<table border="0"> <tr><td><input checked="" type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> </table>	<input checked="" type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>		
<input checked="" type="checkbox"/>	<b>C</b>									
<input type="checkbox"/>	<b>NC</b>									
<input type="checkbox"/>	<b>C w/Obs</b>									
<b>Application of FSC labels</b>	<table border="0"><tr><td><input checked="" type="checkbox"/></td><td><b>N/A, does not label FSC products</b></td></tr></table>		<input checked="" type="checkbox"/>	<b>N/A, does not label FSC products</b>						
<input checked="" type="checkbox"/>	<b>N/A, does not label FSC products</b>									
<p>11.1.1 The organization has applied the FSC 100% label exclusively to products eligible for an FSC 100% (Pure) claim.</p>		<table border="0"> <tr><td><input type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (no pure label)</b></td></tr> </table>	<input type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (no pure label)</b>
<input type="checkbox"/>	<b>C</b>									
<input type="checkbox"/>	<b>NC</b>									
<input type="checkbox"/>	<b>C w/Obs</b>									
<input type="checkbox"/>	<b>N/A (no pure label)</b>									
<p>11.2.1 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of</p> <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul>		<table border="0"> <tr><td><input type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (no mix label or chip &amp; fiber products only)</b></td></tr> </table>	<input type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (no mix label or chip &amp; fiber products only)</b>
<input type="checkbox"/>	<b>C</b>									
<input type="checkbox"/>	<b>NC</b>									
<input type="checkbox"/>	<b>C w/Obs</b>									
<input type="checkbox"/>	<b>N/A (no mix label or chip &amp; fiber products only)</b>									
<p>11.2.1 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of</p> <ul style="list-style-type: none"> <li>• FSC Mix (Mixed) 70% or higher</li> <li>• FSC Mix (Mixed) Credit</li> </ul> <p><b>OR</b></p> <p>has retained appropriate evidence that the FSC Mix label was applied exclusively to registered chip and fiber products (eligible for a claim of FSC Mix (Mixed) 50% or higher)</p> <p><i>Appropriate evidence includes:</i></p> <ul style="list-style-type: none"> <li>• <i>sales and delivery documents issued by the supplier including the additional claim “registered” (e.g. “FSC Mix [Mixed] 50% registered”) OR</i></li> <li>• <i>evidence that the product was received with an on-product FSC label (e.g. packaging or product sample)</i></li> </ul> <p>(ADVICE-40-004-03)</p>		<table border="0"> <tr><td><input type="checkbox"/></td><td><b>C</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>NC</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>C w/Obs</b></td></tr> <tr><td><input type="checkbox"/></td><td><b>N/A (no mix label or solid wood products only)</b></td></tr> </table>	<input type="checkbox"/>	<b>C</b>	<input type="checkbox"/>	<b>NC</b>	<input type="checkbox"/>	<b>C w/Obs</b>	<input type="checkbox"/>	<b>N/A (no mix label or solid wood products only)</b>
<input type="checkbox"/>	<b>C</b>									
<input type="checkbox"/>	<b>NC</b>									
<input type="checkbox"/>	<b>C w/Obs</b>									
<input type="checkbox"/>	<b>N/A (no mix label or solid wood products only)</b>									

<p>11.3.1 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of</p> <ul style="list-style-type: none"> <li>• FSC Recycled 85% or higher</li> <li>• FSC Recycled Credit</li> </ul>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)
<p><b>8. Percentage system</b> Is the percentage system used to determine FSC claims?  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Skip this section)</p>		
<p><b>Eligibility:</b> The percentage system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is not applicable for trading activities related to finished products and can only be applied on the level of a single, physical (storage, distribution, manufacturing, etc.) site.</p>		
<p>5.3.2 The organization has carried out calculations of input percentages per product group at the level of a single site.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>8.1 Specification of claim periods or job orders</b></p>		
<p>2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to:</p> <p>a) quality of inputs (e.g. species, grade, value, composition),          b) conversion factors</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A, claim periods not used
<p>8.1.1 For each product group, the organization has specified whether claim periods or job orders will be used to determine a single FSC percentage claim.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>8.2-3 Determination of FSC and post-consumer input</b></p>		
<p>8.2.1 - 8.3.1 The organization has used the percentage or credit claims stated on the supplier sales documentation to calculate the correct input percentage for each claim period or job order using the formula specified in 8.3.1 of FSC-STD-40-004 V2-1.</p> <p>NOTE: Material supplied with a credit claim can be used by its full quantity as FSC input or postconsumer input, respectively.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>8.3.2 Input percentages calculated based on rolling average calculations are only made once the specified number of previous claim periods has been completed since the setup of the product group.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (single %)
<p>8.3.3 The time period over which the input percentage is calculated does not exceed 12 months, unless approved by SCS.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>8.4 FSC claims for outputs</b></p>		
<p>8.4.1-2 The organization has sold the up to the total output of a claim period or job order with FSC Mix (Mixed) or Recycled product groups with a percentage claim equal to or lower than the calculated input percentage.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>8.4.3 The organization has sold as FSC Controlled Wood up to the portion of the output of a claim period that had not been sold with an FSC percentage claim.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
<p><b>Application of FSC labels</b></p>	<input type="checkbox"/> N/A, does not label FSC products	
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>solid wood</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or chip & fiber products only)
<p>11.2.2 The organization has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 70% or higher</p> <p><b>OR</b></p> <p>has applied the FSC Mix label exclusively to <b>chip and fiber</b> products eligible for a claim of FSC Mix (Mixed) 50% or higher <b>AND</b> has an SCS approved transitory labeling registration (ADVICE-40-004-03)</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label or solid wood products only)

<p>11.3.2 The organization has applied the FSC Recycled label exclusively to products eligible for a claim of FSC Recycled 85% or higher</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)
<p><b>9. Credit system</b> <span style="float: right;"><b>Is this system used to determine FSC claims?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Skip this section)</span></p>		
<p><b>Eligibility:</b> The credit system can be used for FSC Mix (Mixed) and FSC Recycled product groups. It is neither applicable for print processes nor for trading activities related to finished products. The credit system shall only be applied on the level of a single, physical site.</p>		
<p><b>Description of credit account:</b></p>		
<p>5.3.2 The organization carries out calculations of FSC credit per product group at the level of a single site.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>9.1 Specification of claim periods</b></p>		
<p>2.1.3 The organization has ensured that all products in each product group share similar specifications in relation to:            a) quality of inputs (e.g. species, grade, value, composition),            b) conversion factors</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>9.1.1 For each product group, the organization maintains an FSC credit account with specified claim periods of up to 3 months according to which additions and deductions of FSC credits are recorded.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>9.2 Determination of FSC and post-consumer input</b></p>		
<p>9.2.1 For FSC Mix (Mixed) and/or FSC Recycled inputs, the organization has used the percentage claim or credit claim stated on the supplier sales document to determine the quantities of FSC and post-consumer inputs</p> <p>NOTE: Material supplied with a credit claim counts as FSC Mix (Mixed) 100% or 100% post-consumer reclaimed input.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs



<b>9.3 Adding FSC credit to the credit account</b>		
<p>9.3.1 The organization has used the conversion factor(s) specified for each component of the product group when adding converted quantities (volume or weight) of FSC and/or post-consumer inputs as FSC credit to their FSC credit account.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>9.3.2 The organization has added FSC credit to the credit account <u>only</u> after the organization has gained legal ownership and the material category has been verified, and before the material enters the production process.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.4 Withdrawing FSC credit from the credit account</b>		
<p>9.4.1 The organization has deducted the appropriate quantity of credits from the corresponding product group credit account when material is sold and/or labeled as FSC Mix or FSC Recycled.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.5 Credit account management</b>		
<p>9.5.1 The organization has ensured that the FSC credit account is never overdrawn and that records of the remaining FSC credit are clearly visible to relevant staff and kept updated at all times.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p>9.5.2 The organization has ensured that any FSC credit that exceeds the sum of new FSC credit added during the previous 12 months is deducted at the beginning of each new claim period from the credit account.</p> <p>NOTE: This means that the organization does not accumulate more FSC credit in the credit account than the sum of new FSC credit that has been added during the previous 12 months.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>9.6 FSC claims for outputs</b>		
<p>9.6.1-2 The organization has sold the up to the total of FSC credit available in the account for FSC Mix (Mixed) or Recycled product groups with a credit claim.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p>9.6.3 The organization has sold as FSC Controlled Wood up to the portion of the output volume that has not been sold with FSC Mix (Mixed) or Recycled credit claims on the basis of a corresponding FSC Controlled Wood credit account.</p> <p>NOTE: The sale of FSC Controlled Wood must be covered by the scope of the organization's CoC certificate.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (explain)
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<b>Application of FSC labels</b>	<input type="checkbox"/> N/A, does not label FSC products
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<p>11.2.3 The organization has applied the FSC Mix label to outputs from mix (mixed) product groups exclusively where there was sufficient credit in the credit account for the product group</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no mix label)
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<p>11.3.3 The organization has applied the FSC Recycled label exclusively to outputs from recycled product groups where there was sufficient credit in the credit account for the product group</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no recycled label)
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<b>PART III: Labeling and FSC Trademarks, FSC-STD-50-001 V1-2</b>
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**11 Eligibility for Labeling**  
**FSC Trademarks:** FSC labels, FSC tick-mark-and-tree logo, initials 'FSC' and full name 'Forest Stewardship Council'  
 Refer to FSC-STD-40-004 for labeling thresholds (and Transitory Requirements where applicable)

<b>10. General labeling requirements</b>
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<b>10.1 Application of FSC labels</b>	<input checked="" type="checkbox"/> N/A, does not label FSC products
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<p><i>FSC-STD-50-001 V1-2, 1.10</i>                  Authorization to use the FSC on-product labels has been granted by SCS.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p><i>FSC-STD-50-001 V1-2, 1.9</i>                  Products carrying an FSC label are included in the organization's certified product group list.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p><i>FSC-STD-50-001 V1-2, 2.6;</i>                  Marks of other forest certification schemes are not used on products carrying the FSC on-product label.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<b>Promotional Use of the FSC Trademarks (off-product)</b>		<input checked="" type="checkbox"/> <b>N/A, this site does not use FSC Trademarks in promotions</b>
Describe where/how the organization uses the FSC trademarks for promotion:		
<i>FSC-STD-50-001 V1-2, 1.16</i> Authorization for use of all promotional uses of the FSC trademarks has been granted by SCS.		<input type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b>
<i>FSC-STD-50-001 V1-2, 7.5</i> Sales document, delivery document or similar document templates containing FSC trademarks that may be used for FSC and non-FSC products include a visible disclaimer stating "only the products that are identified as such on this document are FSC certified".		<input type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b> <input type="checkbox"/> <b>N/A</b>
<i>FSC-STD-50-001 V1-2, 1.9, 6.1; FSC-STD-40-004 V2-0, 8.5.1</i> All products being promoted with the FSC trademarks are in compliance with FSC standards, are eligible for the FSC label in accordance with the minimum FSC requirements for labeling, and are included in the organization's product group list. Promotional items featuring FSC products clearly indicate which products are FSC certified or include a general statement about FSC availability.		<input type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b>
<i>FSC-STD-50-001 V1-2, 1.7, 4.4;</i> Claims regarding qualities outside the control of FSC (such as other environmental attributes of the product or future scope expansions) are clearly separated from text about FSC.		<input type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b> <input type="checkbox"/> <b>N/A</b>
<i>FSC-STD-50-001 V1-2, 7.5;</i> The FSC trademarks are not used on business cards to promote the organization's certification.  NOTE: If the paper is FSC certified an on-product label may be printed on the card by a certified printer as per product labeling requirements.  NOTE: If authorization was duly received under the previous trademark standard, the organization may use up the existing supply until it is depleted.		<input type="checkbox"/> <b>C</b> <input type="checkbox"/> <b>NC</b> <input type="checkbox"/> <b>C w/Obs</b> <input type="checkbox"/> <b>N/A</b>

<p>FSC-STD-50-001 V1-2, 7.3 FSC trademarks are not used at the top of document templates such as letterheads, sales documents and emails.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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## PART IV: Supplementary Requirements

### Part 1: Certified Organizations Outsourcing Processing of FSC Material to Non-Certified Contractors

N/A, not outsourcing processing of FSC material to non-certified contractors

Describe the outsourced processing activity(ies) including which FSC material/product is affected:

#### 12.1.1 Preconditions for Outsourcing:

<p>a) <u>The organization has legal ownership of all input material to be included in outsourced processes; and</u></p> <p>b) <u>The organization does not relinquish legal ownership of the materials during outsourced processing:</u></p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p>c1) the organization has an agreement or contract covering the outsourced process with each contractor</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p>c2) the agreement or contract includes a clause reserving the right of SCS to audit the outsourcing contractor or operation;</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p>d) the organization has a documented control system with explicit procedures for the outsourced process that have been shared with the relevant contractor.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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#### 12.2 Maintaining traceability and paper trails

<p>12.2.1 The organization's control system for the outsourced process ensures:</p> <p>a) the material used for the production of FSC-certified material can be tracked and controlled and cannot be mixed or contaminated with any other material</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
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<p>b) the contractor keeps records of inputs, outputs and delivery documentation associated with all FSC-certified material which is processed or produced under the outsourcing contract or agreement</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.3 Records</b></p>		
<p><u>12.3.1 The organization has an up-to-date record of the names and contact details of all contractors used for the processing or production of FSC-certified materials.</u></p>	<p><i>Complete section 2C of Summary Report</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><u>12.3.2 The organization has implemented procedures to provide SCS with the name and contact details of any new contractor used for the processing or production of FSC-certified materials prior to outsourcing.</u></p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.4 Invoicing</b></p>		
<p><u>12.4.1 The final sales document is issued by the organization, not the contractor, for the processed or produced FSC-certified material following outsourcing.</u></p> <p>NOTE: If the organization has not issued the final sales document for the processed or produced FSC-certified material following completion of outsourced processing, then the material cannot be sold with FSC claims.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.5 Labeling</b></p>		
<p>12.5.1 The organization has ensured that the contractor only uses FSC labels on products covered by the scope of the outsourcing agreement</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<p><b>12.6 Promotion</b></p>		
<p>12.6.1 The organization has ensured that the contractor does not use the FSC Trademarks for promotional use.</p>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<b>12.7 Preclusion of subcontracting</b>		
12.7.1 The organization has ensured that contractors processing FSC certified material/product do not themselves outsource processing of their FSC certified material/product.		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
<b>Part 2: Certified Organizations Outsourcing Processing of FSC Material to <u>FSC-Certified</u> Contractors</b> <input checked="" type="checkbox"/> <b>N/A, not outsourcing processing of FSC material to FSC-certified contractors</b>		
The organization has an agreement or contract confirming that each contractor provides the service under its own FSC Chain of Custody system. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization ensures the certified contractor makes available relevant records and documentation from its FSC Chain of Custody system to SCS upon request. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization ensures the contractor uses their own trademark license code if products are labeled during outsourced processing. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs <input type="checkbox"/> N/A (no labeling)
<b>Part 3: Certified Organizations Providing Eligible Outsourcing Services to Uncertified Organizations</b> <input checked="" type="checkbox"/> <b>N/A, does not provide outsourcing services or only provides outsourcing services to valid certificate holders</b>		
The organization maintains control of applying the correct FSC label. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs
The organization uses their own trademark license code and has received approval from SCS for all such trademark uses. <i>(ADVICE-40-004-01)</i>		<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/Obs

<p><b>13. Minor components</b>                  In justified cases the organization may use inputs that cannot be positively identified as eligible input in order to manufacture minor components of FSC 100% (Pure) or FSC Mix (Mixed) assembled products.</p>		
<p><input checked="" type="checkbox"/> <b>N/A, does not use minor components in FSC products (Skip this section)</b></p>		
<p><b>13.1 Specification and volume control</b></p>		
<p>13.1.1 The organization has specified minor components that can be exempt from the requirements for Chain of Custody control and labeling for their FSC 100% (Pure) or FSC Mix (Mixed) product groups, and <b>NOT</b> any FSC Recycled product groups.</p>	<p><i>Complete section 2E of Summary Report</i></p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>13.1.2 The organization does not include the following components as minor components in their FSC product groups:                  a) Solid wood veneer used as visible face veneer on top of other materials;                  b) Components made from species listed in CITES Appendices I, II or III.</p>		<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>13.1.3 The organization has demonstrated that the quantity of material considered as minor components (identified as exempt from requirements for Chain of Custody control and labeling) is less than 5% of the weight or volume of the virgin and reclaimed materials (i.e. wood/fiber) in the individual product.</p>	<p><i>Submit calculations with report</i></p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p>13.1.4 In cases where a product contains more than one minor component, they do not in total exceed 5% of the volume or weight of the wood/fiber in the product.</p>		<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs</p>
<p><b>13.2 Rationale</b></p>		
<p>13.2.1 For minor components up to 1% of the volume or weight of the virgin and reclaimed materials in the product, the organization has an accurate and up-to-date written justification why the material for the specified components could not be sourced from FSC-certified, controlled or reclaimed material.</p>	<p>See section 2E of Summary Report</p>	<p><input type="checkbox"/> C  <input type="checkbox"/> NC  <input type="checkbox"/> C w/Obs  <input type="checkbox"/> N/A, &gt;1%</p>

<p>13.2.2 For minor components between 1% and 5% of the volume or weight of the virgin and reclaimed materials in the product, the organization has a valid, <b>unexpired</b> derogation approved by FSC or SCS and have met the conditions of that derogation.</p> <p>*FSC-PRO-40-004v2-2</p> <p>NOTE: Without a valid derogation, use of uncontrolled material by an organization in minor components which constitute more than 1% of the volume or weight of the virgin and reclaimed materials in an FSC 100% (Pure) or FSC Mix (Mixed) assembled product shall prevent the issue of an FSC Chain of Custody certificate or, if the organization is an FSC Chain of Custody certificate holder, shall lead to the immediate suspension of the certificate.</p>	<p><i>Submit any new applications with report</i></p>	<table><tr><td><input type="checkbox"/></td><td>C</td></tr><tr><td><input type="checkbox"/></td><td>NC</td></tr><tr><td><input type="checkbox"/></td><td>C w/Obs</td></tr><tr><td><input type="checkbox"/></td><td>N/A, &lt;1%</td></tr></table>	<input type="checkbox"/>	C	<input type="checkbox"/>	NC	<input type="checkbox"/>	C w/Obs	<input type="checkbox"/>	N/A, <1%
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