

Indiana Department of Natural Resources - Division of Forestry
Group Chain of Custody Certification Procedures for the
Forest Stewardship Council (FSC)

Group Member Procedures

Group Member: _____

Contact Name: _____

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January 14, 2010

Revised April 29, 2010; June 23, 2010, June 20, 2012, March 2013, December 2013, December 2014, February 2015,
April 2016, December 2017, March 2018, November 2018, December 2018, June 2019, September 2020, January 2022, January 2023, January 2024

Certificate Number SCS-COC-002041_ __

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(1) Introduction

To facilitate the efficient application of Chain of Custody (CoC) Certification for Indiana forest products industries, the Division of Forestry (DoF) initiated a Group CoC Certification Procedure. This document outlines the procedures the Group Member will follow to maintain the integrity of the group. The Division of Forestry is the “Group Entity” with responsibility for administration of the group and communication and coordination with Scientific Certification Systems (SCS), the Certifying Body. The DoF contracted with SCS to establish a Chain of Custody agreement for a multi-site organization.

Eligibility

Membership in the DoF Group Chain of Custody certificate will be limited to forest products companies that meet the following qualifications:

- Located within the State of Indiana
- Engaged in logging, hauling or primary processing of forest products
- Make application to the Division of Forestry (DoF) requesting group membership
- Acknowledge and agree to the requirements and responsibilities of group membership
- Authorize the DoF to apply for CoC certification on the member’s behalf
- Agree to comply with Corrective Action Requests (CARs) issued by DoF, contract auditors, or the Certification Body, SCS
- Agree to provide information (as necessary to ensure compliance with FSC CoC standards) to the DoF or the Certification Body upon request. This information may include, but not limited to: production records, internal policy documents, management records, invoices for services or products, agreements with outside entities; this information (excluding financial data) will be publicly available upon request.
- Submit to an initial audit and to annual audits by DoF and/or the Certifying Body
- Agree to have FSC product claims for labeling, marketing, and promotion comply with the appropriate FSC standard and be approved by SCS through the DoF
- Ability to communicate, submit/recvie documents and/or participate in virtual meetings via electronic email, smart phone, or computer as necessary
- Allow Accreditation Services International (ASI), the organization responsible for the Certifying Body’s accreditation, rights to access the site for the purposes of external evaluation and control (including unannounced audits). For this COC group certificate, the certification body and FSC publish information provided by the group manager on the name, contact details, and certificate codes of each group member on the FSC database entry. For group members that source controlled material, the certification body and the group manager each publish annual summaries on the FSC database entry. ASI may audit the certification body and/or conduct a compliance audit of the group manager, either of which would result in a report published by ASI that could reveal the names of group member companies.

II. Definitions

CoC – Chain of Custody

DoF – Indiana Division of Forestry

Group Manager – Indiana Division of Forestry

Member Company – Indiana forest products company (logger or primary industry) that voluntarily participates in the Division of Forestry’s Group FSC Chain of Custody Certificate

FSC – Forest Stewardship Council

SCS – Scientific Global Services, the Certifying Body for FSC

Certifying Body – The organization accredited by the Forest Stewardship Council to certify landowners, companies and other entities as FSC certified.

FSC CoC Administrator – the Individual within each Group Member company who is responsible for maintaining overall compliance with the requirements of FSC

DCS – Documented Control System, the system or set of procedures that each Group Member and the Division of Forestry agree to follow in order to maintain the overall integrity of the Chain of Custody Group Certification

III. Documented Control System and Procedures for FSC Chain of Custody

○ PART I: UNIVERSAL REQUIREMENTS

(1 Quality Management

Responsibilities. This Group Member will indicate the person (name of individual) or position (title) that has the overall responsibility for FSC CoC control. This person or position should be clearly stated on the Application for Group Membership (Appendix A). This person or position shall be designated as the FSC CoC Administrator for this Group Member. The FSC CoC Administrator is responsible for all functions of the Group Member not elsewhere assigned. This Group Member’s FSC CoC Administrator is clearly stated on the cover of this document and on the Application for Group Membership.

The FSC CoC Administrator will maintain awareness of FSC throughout the management team and key staff. This may be accomplished through postings on bulletin boards, newsletters, team meetings, etc. This Group Member will demonstrate compliance with this requirement at each audit.

This Group Member shall notify the DoF within one month of any change in this information. Further, this Group Member shall notify DoF within one month of any changes of address or physical location of any facility. The DoF will notify SCS within one month of any such change to include the addition or removal of a Group Member.

1.2 Procedures. Each member shall prepare a statement of procedures, providing all the information on FSC Chain of Custody Group Member Procedures for Quality Control (Appendix B-1). These procedures are summarized in Appendix B-1 with additional examples attached as necessary. This document, “Group Chain of Custody Certification Procedures for the Forest Stewardship Council (FSC) – Group Member Procedures”, is part of this company’s procedure and policy. This member understands that these procedures are necessary to insure the integrity of the FSC CoC Certificate and fully intends to prevent any non-FSC wood from entering our FSC Chain of Custody, in compliance with FSC STD 40-004 V3-1. This Group Member document includes

the names of management personnel responsible for each procedure. A copy of this Documented Control System and Procedures for FSC Chain of Custody will be available to and in the possession of this member's FSC CoC Administrator.

1.3 Training. All employees that come into contact with FSC materials will receive the appropriate level of training. Initial FSC training of existing employees will occur within 3 months of group membership and FSC training of new employees will occur within 3 months of employment. Thereafter, FSC training will occur at intervals not to exceed 3 years. The FSC CoC Administrator will keep a record of FSC training for each employee for a minimum of five years. A sample record of FSC training is included in Appendix B-1.3. The DoF will offer training opportunities at least annually for all group members. Group members will be notified of training opportunities by newsletter and/or announcement in the Licensed Timber Buyers Bulletin.

Records. This member will maintain complete and up-to-date records covering all the requirements of FSC STD 40-004 V3-1 for a minimum of five years. These records include personnel responsibilities and training described above, in addition to records described later in this document. Examples of standard documents, including purchase orders, invoices, etc, with required references to FSC where appropriate, are attached to this document. These records include the following that are appropriate to this business (including sample or draft copies with this member's procedures as applicable):

1. FSC Product Groups List
2. FSC Suppliers List
3. Suppliers validation and monitoring and material inspection and classification upon receipt
4. Purchase orders, receiving documents, production control document, bills of material, packing lists, invoices, and any other documentation identifying FSC materials from the point of specification to shipment.
5. Samples of labeling used on outbound shipments.
6. Examples of tags used while FSC stock is in inventory and/or in the manufacturing process.
7. Annual volume summaries of FSC inputs and outputs in a unit of measure (each pc. Lineal feet, board feet, square feet, tons, etc.; not \$).
8. Records of all trademark and on-product label approvals by SCS for this firm. These include date and who gave the approval from your certification body.
9. Inventory balances of FSC inputs at the beginning and end of the audit period.
10. A conversion factor matrix for establishing your manufacturing process, if applicable.
11. Signed Outsourcing Agreements for contractors, if applicable.

1.5 Commitment to FSC Values

1.5.1 The organization shall demonstrate 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).

1.5.2 The organization shall declare not be directly or indirectly involved in the following activities:

- a) Illegal logging or the trade in illegal wood or forest products;

- b) Violation of traditional and human rights in forestry operations;
- c) Destruction of high conservation values in forestry operations;
- d) Significant conversion of forests to plantations or non-forest use;
- e) Introduction of genetically modified organisms in forestry operations;
- f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

1.6 Occupational Health and Safety

1.6.1 The organization shall demonstrate its commitment to occupational health and safety.

- Have an appointed safety coordinator
- Provide documentation of safety training

1.7 Nonconforming Products

If nonconforming products are detected after they have been delivered, the organization **implements procedures to:**

- a) immediately cease selling any nonconforming products held in stock;
- b) contact Group Manager/ FSC CoC Administrator
- c) identify all relevant customers, advise those customers in writing within five (5) business days of the nonconforming product, and maintain records of that advice;
- d) analyze causes for occurrence of nonconforming products and implement measures to prevent recurrence;
- e) notify SCS; and cooperate with SCS to allow for confirmation that appropriate action has been taken to correct the nonconformance.

2. Scope of Chain of Custody System

2.1. Product Groups. This member will establish a list of FSC product groups that will be sold with FSC claims.

An example of a product group chart is shown below. A completed chart is provided in Appendix B-2.

| FSC Material Output Category (1 of: FSC 100%, FSC Mix, FSC Recycled, or FSC Controlled Wood) | FSC Product Classification(s) (See FSC-STD-40-004 (V3-0) EN) | FSC Species Terminology (common & scientific names) | Material Input Categories (As many as apply: 100%,FSC Mix, Recycled, FSC Controlled Wood, Controlled Material) | Control System (1 of: transfer, percentage, or credit) | Participating Sites (Sites involved in management, production, storage, sale, etc.) |
|--|--|---|--|--|---|
| <i>FSC 100%</i> | <i>W1 Rough wood (logs)</i> | <i>Red Oak</i> | <i>FSC 100%</i> | <i>Transfer</i> | <i>Main yard</i> |
| <i>FSC 100%</i> | <i>W5.2 lumber W5.6 cross-ties</i> | <i>Walnut hickory, poplar,</i> | <i>FSC 100%</i> | <i>Transfer</i> | <i>Main street mill</i> |
| <i>FSC 100%, FSC Mix</i> | <i>W7 Veneer</i> | <i>Black Walnut, Black Cherry</i> | <i>FSC 100%, FSC Mix</i> | <i>Transfer</i> | <i>Main street veneer mill</i> |
| <i>FSC Recycled</i> | <i>W 12 Custom Furniture</i> | <i>White Oak</i> | <i>FSC Recycled</i> | <i>Transfer</i> | <i>Mainstreet Cabinets</i> |

Initially, this Group Member prepared a complete list of FSC Product Classifications, using FSC-STD-40-004a (V3-1) EN to determine product classification codes. Some FSC Material Input Categories are unknown until shipments are received from suppliers. All loggers and most primary mills will receive material as FSC 100% and will use the Transfer Control System, so the Output Category should also be FSC 100%.

2.2 Outsourcing. Each member shall clearly state which, if any, FSC materials will be outsourced to outside contractors, including anytime any FSC materials will leave the physical possession of your company. This includes off-site reloading facilities or warehouses, outside planing, treating, drying facility, etc. This member's intention to outsource materials is entered on the form in Appendix B-2. A list of processes to be outsourced to each Outsourcing Contractor is entered in Appendix B-12. If a member contracts with a new outsourcer, it shall contact the Division of Forestry's FSC CoC Administrator, Group Manager to inform them of the new outsourcer.

3. Material Sourcing

3.1 Input Specifications. This group member will use the FSC definitions and categories of input materials as required in FSC STD 40-004 V3-1. In procuring, sourcing and purchasing FSC inputs, the FSC CoC Administrator will verify the supplier and check invoice and shipping documents for supplier COC codes and FSC product claims.

3.2 Supplier Validation. The FSC CoC Administrator will establish and maintain a current record of all suppliers who currently or propose to supply FSC products. This information will include the supplier name, address, contact information, FSC CoC Code number, product type and material category (Claim: FSC 100%, Mix, etc.). This information will be kept on file, using the form in Appendix B-3 or similar format. An example Record of all FSC Suppliers is shown below:

| Supplier | FSC Chain of Custody or Controlled Wood Code | Date validity of code last verified (http://info.fsc.org/) | Product Supplied (See FSC-STD-40-004a V3-0 EN) | Material Category (FSC 100%, FSC Mix, FSC Recycled, FSC Controlled Wood) |
|--|--|---|--|--|
| Division of Forestry 402 W. Washington Indnpls, IN 46204 317-232-4105 | SCS-FM/COC-00099N | 08-19-2008 | Rough Wood W1 W1.1 roundwood (logs) | FSC 100% |
| Joe Logger 123 Oak Street Indianapolis, IN 123-123-4567 | SCS-COC-00#### | 08/19/2008 | Rough Wood W1 W1.1 roundwood (logs) | FSC 100% |

This group member's FSC CoC Administrator will check the validity of the supplier's certificate at the time of the first purchase from that supplier and at least annually thereafter. The validity can quickly be checked by entering the Certificate Number on the FSC web site, <http://info.fsc.org/>.

3.3. Purchase of noncertified material. This Group Member understands the option to purchase and supply FSC controlled wood. Part V of this document fully outlines the process for purchase and supply of controlled wood as necessary to fulfill the requirements of FSC-STD-40-005 (Version 2-1) EN. Group members currently do not use reclaimed material. Before using reclaimed material, this Group Member will notify DoF to request an audit of this standard.

4. Material Receipt and Storage

4.1 Identification of Input. This Group Members will state on purchase orders to vendors the requirement of “FSC Certified” and will require that the documentation accompanying each shipment and the invoice for the material includes:

- a. The FSC supplier’s CoC or CW Certificate Number
- c. The FSC Claim (FSC 100%, FSC Mix 70%, FSC Recycled, or FSC Mix Credit)

(The above three items will be stated on all outgoing packing slips and invoices)

- d. Check all normal descriptions, such as supplier name and location
- e. Product description and quantity received
- f. Part numbers if applicable

4.2. Segregation of FSC Material. This Group Member will develop a system to assure that FSC material is physically separated from or otherwise identifiable from non-FSC material. This Group Member will have an accounting system that documents the receiving, inventory, manufacturing, and distribution of FSC material. This Group Member’s segregation of materials is found in Appendix B-4.

4.3. Precautions for labeled material. This Group Member will remove any labels before remanufacturing or conversion to another product. If or when FSC wood is resold in the same form and packaging as received (distributors, collection yards) we will check to make sure that the FSC wood is correctly labeled according to its FSC material category. If FSC wood is resold in the receiving packaging or container, this Group Member will remove any labels from competing forestry conformity assessment schemes. This member will assure that products sold as FSC do not contain SFI, PEFC or labels from other competing forest assessment schemes anywhere on the product.

5. Volume Control

5.1 Conversion Factors. This requirement is for distributors or any manufacturer to determine how the measure of volume changes during the manufacturing process. For members that manufacture a product measured in a different unit than materials received, a conversion factor will be indicated. See example table below. This Group Member entered conversion factors on the form in Appendix B.5.

| Manufactured Product | Input Product and Unit of Measure | Output Unit of Measure | Conversion factor | How was factor determined |
|----------------------|--------------------------------------|-------------------------|--|---------------------------|
| Sawlogs W1.1 | Standing timber, bd. ft, Doyle Scale | Board Feet, Doyle Scale | 1000 bf standing timber: 1200 bf sawlogs | Job by job basis |
| Lumber W5.2 | Sawlogs, bd. ft, Doyle Scale | Board Feet | 1000 bf sawlogs: 1150 bf lumber | Historical yield |
| Chips, W3.1 | Sawlogs, bd. ft, Doyle Scale | Tons | 1000 bf sawlogs: 0.9246 tons of chips | USFS FIA Data |

5.2 Material Balances. This Group Member will maintain sufficient records of FSC material purchased and sold to assure that volume of FSC material sold during the period does not exceed the volume on inventory. The period may be established as daily, weekly, monthly, or quarterly. Initially and at each audit, each member will show FSC volume purchased, FSC volume sold and FSC volume in inventory. This member’s inventory control system is indicated on the form in Appendix B.5.

5.3 Determination of FSC Claims. This Group Member will state which of the three FSC Claims Systems (Transfer, Percentage, or Credit) will be used. Initially, all Group Members will use the Transfer system to

determine FSC Claims. That is, whatever claim that is supplied by our supplier is what we use to sell our products. Before using a different system to determine claims, we will check with the DoF before using that system. This Group Member understands that extra accounting requirements associated with Controlled Wood are necessary to use the Percentage or Credit Claim System.

6 Sales and Delivery

6.1 Identification of Outputs Sold with FSC Claims. This member will include the following information on all invoices and packaging lists and will attach examples to this document. As a common business practice, most businesses already do all but the last two items on the list below:

- Company name and contact information (address)
- Customer name and contact information (address)
- Date when the document was issued (the packing slip and invoice may be different dates)
- Product Description (Including your and/or customer's part number).
- Quantity shipped/sold and Unit of Measure
- **This Member's FSC Chain of Custody Code number: SCS-COC-002041**
- **The FSC Claim for the product being shipped:** (FSC 100%, FSC Mix XX%, FSC Mix Credit, FSC Recycled, FSC Recycled XX%, FSC Recycled Credit, or FSC Controlled Wood)

The same information listed above will appear on packing slips that accompany the delivery. If the invoice is delivered on the same truck as the material, the invoice will be sufficient.

A common business practice for Indiana loggers is to deliver logs to a mill before the logs are scaled, so no invoice or packing slip accompanies the load. The invoice is replaced by a mill or yard scale ticket received at the mill after the load is scaled. This scale ticket is the basis for payment and is therefore considered the invoice from the logger's perspective. For FSC material, this scale ticket will include the logger's (seller's) name and contact information, FSC CoC code number (SCS-COC-002041*) and FSC claim along with all other information listed above. The seller must acknowledge that the FSC claim is appropriate by signing or initialing the delivery ticket. If the seller cannot endorse the delivery ticket, the seller will produce an invoice containing the above information that will accompany the delivery.

6.2. Labeling of Products sold with FSC Claims. This Group Member will not initially use FSC on-product labeling. Before we use FSC on-product labels, we will notify the DoF for approval. This Group Member will assure that all products sold with an FSC claim do not carry any labels from other forestry conformity assessment schemes (no SFI, PEFC labels).

6.2.1 Promotional use of FSC trademarks. This Group Member will contact the DoF before any promotional use of the FSC trademark, including the FSC logo, "FSC" or "Forest Stewardship Council". This Group Member understands the requirement to obtain approval from SCS before promotional use of the trademark and understands that it is the DoF responsibility to obtain that approval from SCS. This Group Member will develop draft promotional material and forward to DoF for approval before use.

6.3. Supplying of FSC Controlled Wood. This Group Member understands the requirements to supply FSC Controlled Wood as specified in FSC-STD-40-005 Part 4. Part V of this document fully outlines the process for supply of controlled wood as necessary to fulfill the requirements of FSC-STD-40-005 (Version 2-1) EN.

○ **PART II: SYSTEM FOR CONTROLLING FSC CLAIMS**

7. Transfer System

7.1 Specification of Claim Periods or Job Orders. This Group Member will use the claim period specified below:

- ☐ Job to Job Basis
- ☐ Batch Basis
- ☐ Monthly Basis
- ☐ Quarterly Basis
- ☐ Other (_____)

7.2. Inputs with Identical FSC Claims. All Claims for any specific item in a batch or claim period are the same claim (FSC input) as will be used in the FSC final product (FSC output)

7.3. Inputs with different FSC Claims.

7.3.1 For claim periods or job orders in which inputs of different material categories or associated percentage claims or credit claims are mixed the organization shall use the FSC claim with the lowest FSC or post-consumer input per input volume as the FSC claim for the outputs.

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.

8. Percentage System

- ☐ This member will use the percentage system.
- ☐ **This member will not use the percentage system.**

8.1 Specification of claim periods. This member will specify a claim period for which a single FSC percentage claim shall be made:

- ☐ Job by Job Basis
- ☐ Batch Basis
- ☐ Daily Basis
- ☐ Monthly Basis

8.2 Determination of FSC and post-consumer input. This member will use the percentage claim or credit claim stated on the supplier invoice to determine the quantity of FSC inputs. Post-consumer inputs are not applicable to this group.

8.3 Calculation of the input percentage. This member will calculate and record the input percentage for each claim period or job order as specified in FSC-STD-40-004 V3-1 EN. The percent input shall be equal to

quantity of FSC input divided by the total quantity of virgin material, expressed as a percent. This member will calculate input percentage based on the fixed claim period stated above and will not use the rolling average percentage method. For each product group, the input percentage will be based on claim periods indicated above, not to exceed 1 month.

8.4 This member will sell the total output of a claim period from FSC Mix product groups with a percentage claim equal to or less than the calculated input percentage. Any wood that has not been sold with an FSC percentage claim during the claim period may be sold as FSC Controlled Wood.

8.5 This member will not use FSC trademarks which do not meet the thresholds for labeling specified in Part III of FSC-STD-40-004 V3-1 EN.

9. Credit System

☐ This member will use the credit system.

☐ **This member will not use the credit system.**

9.1 Specification of claim periods. This member will setup and maintain an FSC credit account on the following claim period, but will not exceed 1 month:

☐ Job by Job Basis

☐ Batch Basis

☐ Daily Basis

☐ Monthly Basis

9.2 Determination of FSC and post-consumer input. This member will use the percentage or credit claim stated on supplier invoices to determine the quantity of FSC input.

9.3 Adding FSC credit to the credit account. This member will add to the credit account the converted quantity of FSC material with conversion factors as stated in Appendix B-5. The credit will be added after ownership and receipt of the material but before the material enters any production process. For sawmills producing chips from sawmill co-products, a conversion factor provided by the Division of Forestry based on US Forest Service FIA Data is 1000 bd ft, Doyle scale of sawn logs produces 0.9246 green tons of coarse residue (chips). This member will use this conversion factor to add FSC Recycled credit to the credit account on the claim period specified in 9.1 above.

This member will set up a separate credit account for each species or species group and general grade class. For example, sawmills may set up a credit account for White Oak, Red Oak, Poplar, Ash, Hickory and Other Hardwoods; for each species group, two grade classes of Uppers (#1C and better) and Loweres (#2 and lower), or other grade classes as are appropriate for the product and customer base will be used. Additions to each credit account will be made upon receipt and ownership of the material. Each member will determine the credit account additions by grade class from company records or from information provided by the Division of Forestry.

9.4 Withdrawing FSC credit from the credit account. This member will deduct the quantity sold from the available FSC credit as FSC Mix or FSC Recycled.

9.5 This member will assure that the credit account is never overdrawn, and records of remaining FSC credit will be clearly available to all relevant staff. This member will not accumulate more FSC credit in the credit

account than the sum of new FSC credit added during the previous 12 months using an accounting system similar to the following example. This spreadsheet is available upon request from the Division of Forestry.

| FSC Credit System | | | Product = | | Chips | | | |
|-------------------|----------------------|---------------------|--------------------|---------|---------------------------------------|-------------------|----------------|-----------------------------------|
| Units = | Green Tons | | Group Member Name | | | | | |
| | | | | | | | | |
| Date | Board Feet Processed | Tons of Chips Added | Tons of Chips Sold | Balance | Sum of Credit added previous 365 days | Corrected Balance | Invoice Number | Credits to expire within 2 months |
| 1/1/2009 | 20000 | 18.5 | 0 | 18.5 | 18.5 | 18.5 | | 0.0 |
| 2/1/2009 | 20000 | 18.5 | 0 | 37.0 | 37.0 | 37.0 | | 0.0 |
| 3/1/2009 | 20000 | 18.5 | 0 | 55.5 | 55.5 | 55.5 | | 0.0 |
| 4/1/2009 | 20000 | 18.5 | 0 | 74.0 | 74.0 | 74.0 | | 0.0 |
| 5/1/2009 | 20000 | 18.5 | 0 | 92.5 | 92.5 | 92.5 | | 0.0 |
| 6/1/2009 | 20000 | 18.5 | 0 | 111.0 | 111.0 | 111.0 | | 0.0 |
| 7/1/2009 | 20000 | 18.5 | 0 | 129.4 | 129.4 | 129.4 | | 0.0 |
| 8/1/2009 | 20000 | 18.5 | 0 | 147.9 | 147.9 | 147.9 | | 0.0 |
| 9/1/2009 | 20000 | 18.5 | 0 | 166.4 | 166.4 | 166.4 | | 0.0 |
| 10/1/2009 | 20000 | 18.5 | 25 | 159.9 | 184.9 | 159.9 | | 0.0 |
| 11/1/2009 | 20000 | 18.5 | 0 | 178.4 | 203.4 | 178.4 | | 0.0 |
| 12/1/2009 | 20000 | 18.5 | 0 | 196.9 | 221.9 | 196.9 | | 12.0 |
| 1/1/2010 | 20000 | 18.5 | 0 | 215.4 | 221.9 | 215.4 | | 30.5 |
| 1/15/2010 | 20000 | 18.5 | 0 | 233.9 | 240.4 | 233.9 | | 30.5 |
| 2/1/2010 | 20000 | 18.5 | 0 | 252.4 | 240.4 | 240.4 | | 37.0 |

| FSC Credit System | | | | Product = | | White Oak #1C and Better | |
|-------------------|--------------|-------------|---------|--|-------------------|--------------------------|-----------------------------------|
| Units = | | Board Feet | | Group Member Name | | | |
| | | | | | | | |
| Date | Volume Added | Volume Sold | Balance | Sum of Credit added previous 12 months | Corrected Balance | Invoice Number | Credits to expire within 2 months |
| 1/1/2010 | 1000 | | 1000 | 1000 | 1000 | | 0.0 |
| 1/15/2010 | 18000 | | 19000 | 19000 | 19000 | | 0.0 |
| 2/20/2010 | | 3000 | 16000 | 19000 | 16000 | | 0.0 |

| | | | |
|-------------------|------------------------|-------------------|------------------|
| FSC Credit System | | Product = | White Oak Veneer |
| Units = | Board Feet Doyle Scale | Group Member Name | |

| Date | Volume Added | Volume Sold | Balance | Sum of Credit added previous 12 months | Corrected Balance | Invoice Number | Credits to expire within 2 months |
|-----------|--------------|-------------|---------|--|-------------------|----------------|-----------------------------------|
| 1/1/2010 | 1000 | | 1000 | 1000 | 1000 | | 0.0 |
| 3/1/2010 | 3000 | | 4000 | 4000 | 4000 | | 0.0 |
| 4/15/2010 | | 2500 | 1500 | 4000 | 1500 | | 0.0 |

9.6 FSC claims for outputs. This member will sell material from the FSC Mix or FSC Recycled product group with a credit claim up to the total credits available in that credit account, making sure the credit account is never overdrawn.

○ **PART III: LABELING**

10. General Labeling Requirements

10.1 Application of Labels. This Group Member will not initially use FSC on-product labeling. Before we use FSC on-product labels, we will notify the DoF for approval.

11. Eligibility for Labeling

Not applicable.

○ **PART IV: SUPPLEMENTARY REQUIREMENTS**

12. Outsourcing

12.1 Preconditions for Outsourcing. This Group Member will state which processes will be outsourced. The Group Member will maintain legal ownership of all outsourced materials at all times. An outsourcing example would be a sawmill that sends green lumber to a dry kiln owned by a separate company and receives the dried lumber, while maintaining ownership at all times. Processes to be outsourced by this group member are listed on the form on Appendix B-12.

12.2. Maintaining traceability and paper trails. The materials to be outsourced will be clearly marked on the material and on accompanying purchase orders or packing lists. The Outsourcing Company must agree to maintain the marking and accompanying paperwork. The traceability and paper trail system used by this group member is indicated on the form in Appendix B-12.

12.3. Records. This Group Member will maintain records of Outsourcing Contractors for a minimum of five years.

12.4. Invoicing. This Group Member, not the Outsourcing Contractor, will issue the invoice and use the FSC COC code.

12.5. Labeling. The Outsourcing Contractor must agree to only use the FSC labels on products covered by the scope of the Outsourcing Agreement.

12.6. Promotion. The Outsourcing Contractor must agree to not use the FSC Trademark for its own promotional use.

12.7. Preclusion of Subcontracting. The Outsourcing Contractor must agree to do the contracted work themselves and to not subcontract the process to an outside company.

12.8 Access to documentation. The Outsourcing Contractor shall provide access to documentation related to services outlined in the Outsourcing Agreement to the Division of Forestry or its contactors.

12.9 If the company providing the outsourcing is FSC certified, the company will follow its own FSC procedures and processes.

13. Minor Components

Not applicable.

14. Complaint Procedures

14.1 Records of all complaints received and actions taken will be kept for a minimum of 5 years and made available to SCS upon request.

The organization has ensured that complaints received regarding its conformity to the requirements applicable to the scope of its CoC certificate have been adequately considered, including the following:

- a. acknowledged receipt of the complaint to the complainant within two (2) weeks of receiving the complaint;
 - a. investigated the complaint and specified its proposed actions in response to the complaint within three (3) months. If more time is needed to complete the investigation, the complainant and the organization's certification body shall be notified;
 - b. taken appropriate actions with respect to complaints and any deficiencies found in processes that affect conformity to the certification requirements; and
- notified the complainant and its certification body when the complaint is considered to be successfully addressed and closed.

PART V: CONTROLLED WOOD

V.1 Company policy. In order to purchase and supply FSC Controlled Wood, this Group Member hereby establishes the following policy. This policy is signed by the most senior management level of this company and is available to the public or any of our customers or suppliers upon request, prominently posted in the company office and/or posted on the company website. This Company Policy is as follows:

Policy for Sourcing Wood, Wood Fiber and Pulp for All Forest Stewardship Council (FSC) Certified Products

It is the policy of _____ to avoid using wood from forest areas where traditional or civil rights are violated; forest areas where high conservation values are threatened by management activities; wood from forests in which genetically modified trees are planted; wood that has been harvested illegally or wood

harvested from areas which have been converted from natural forest to plantations or non-forest uses. This Group Member has appointed _____, _____ as the contact person responsible for implementing this policy.

If it is demonstrated that this company is using wood from such sources in its FSC certified products, we will promptly take appropriate actions, including stopping purchases from such sources.

We are committed to making best efforts to identify the sources of wood used for products labeled according to the FSC rules, and to establish the origin of materials used in the products affected with sufficient geographical resolution to ensure compliance with the policy. If it proves impossible to identify the origin of some of these raw materials, we are committed to replacing them with materials which can be sourced with confidence. Our sourcing policy requires us to verify and monitor our sources, the proportions of raw materials which have not yet been verified, and the steps being taken to replace materials of unknown origin.

Adopted _____
date

signature

name

title

V.2 Procedures. This Group Member has established procedures to fully comply with FSC-STD-40-005 V3-1 EN. Those procedures are summarized in the various sections of this document. The person or position responsible for implementing each procedure is listed in Appendix B.1

V.3 Training. This Group Member will require all relevant staff to attend training provided by the Indiana Division of Forestry as necessary to implement this standard. The FSC CoC Administrator will keep records of training provided to staff in relation to this standard. Initial training of existing employees will be provided within 3 months of group membership and before any FSC Controlled Wood is purchased. New employees will be provided training in relation to this standard within 3 months of employment. Thereafter, each relevant employee will be provided refresher training at intervals not to exceed 3 years.

V.4 Records. This Group Member will maintain complete and up-to-date records covering all the requirements of FSC-STD-40-005 V3-1 EN for a minimum of five years.

V.5 Supplier identification. This Group Member will maintain an up-to-date list of all suppliers of FSC Certified and FSC Controlled material. For each supplier, we will keep records of name and address of supplier, description of the wood supplied (standing timber, logs, etc.), species and volume of wood supplied and any necessary purchasing documentation. This information will be recorded on the form in Appendix B-3 or a similar form in either electronic or paper form.

V.6 FSC Controlled Wood inputs from suppliers certified to deliver FSC Controlled Wood. For FSC Controlled Wood that is identified as controlled wood by the supplier, this Group Member will ensure that material is properly and clearly identified as Controlled Wood. We will assure that proper documentation is provided that links the invoice to the product supplied. We will require the suppliers FSC CoC Controlled Wood certificate number on all documents and will verify that the supplier has a valid Controlled Wood certificate with <http://info.fsc.org/>.

V.7 Controlled material inputs from non FSC certified suppliers. Wood supplied by non-FSC certified suppliers will be subjected to a higher level of control. We will determine the country and district of origin of all wood supplied and will require documentation to demonstrate the forest management unit of origin. For logs delivered to a mill, this may be in the form of a timber sale contract or statement signed by a landowner stating the state and county of origin, landowner's name, volume of material involved in the transaction, and date. A landowner and timber buyer's declaration of forest unit of origin on the form in Appendix B-13 or a similar form will be used as proof of origin. This Group Member will rely on the Division of Forestry's audit process to verify the authenticity of the country and district of origin of wood and will provide any information necessary for the Division of Forestry to conduct any necessary audits.

V.8 Uncontrolled wood inputs. For supplies of uncontrolled wood, this Group Member will establish and maintain a system to ensure that uncontrolled wood is not mixed with FSC Controlled or FSC certified wood. That system is documented in Appendix B-4.

V.9 Species listed on CITES. This Group Member will make sure that any species of wood listed in Annex 1, 2, or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) has proper applicable licenses and/or export permits.

V.10 Risk Assessment. This Group Member is aware of the Division of Forestry's risk assessments for specific states/counties in the Eastern United States and intends to purchase most or all of the FSC Controlled Wood from this District. Any wood purchased from outside this district will not be considered controlled material. If this Group Member discovers any issue which would affect the low-risk rating for any category specified in FSC-STD-40-005 V3-1 EN, we will provide that information to the Division of Forestry.

V.11 Verification program for wood supplies identified as coming from low-risk sources. Only wood from sources identified as low risk for all categories will be treated as controlled material.

V.12 Verification program for wood supplies from sources with unspecified risk. Group members shall check <http://www.globalforestregistry.org/map> to view the unspecified risk and determine if the wood supplies can be considered controlled material. Group members will also use the Indiana RA as a tool to assist in determining if the wood supplies can be considered controlled material.

V.13 Complaints mechanism. This company has implemented a complaints mechanism. Any complaints received with supporting evidence will be forwarded to the Division of Forestry within one week. The complainant will immediately be informed of the complaints mechanism and advised to provide complaints and evidence directly to the Division of Forestry. The Division of Forestry will review the complaint and supporting evidence. If the Division of Forestry considers the complaint to be relevant, it will notify this Group Member within one week. Upon notification by the Division of Forestry, this Group Member will exclude the supply and supplier from the company's FSC Controlled Wood category. Only upon written clearance from the Division of Forestry that the supply and supplier are in full compliance with the FSC Controlled Wood standard will this Group Member treat the supply as FSC Controlled Wood. This Group Member's and the Division of Forestry's complaints mechanism is as follows:

**Indiana Division of Forestry
FSC Controlled Wood
SCS-COC-002041**

Complaints Procedure

Complaints supported by evidence related to supplies of controlled wood will be assessed by the Property Program Specialist within 2 weeks of receipt. In the event that evidence is considered relevant, a field verification will be conducted within 2 months of receipt of the complaint. Field verifications will be conducted by personnel with sufficient expertise and knowledge to be able to conduct the verification in accordance to the standard (Annex 3 of FSC-STD-40-005 V3-1).

If the field verification concludes that the wood does not meet the requirements of FSC Controlled Wood standard Annex 3, or if the field verification is not conducted within 2 months of receipt of the complaint, then the supply will be excluded from our FSC Product Groups, and no claims about this material will be made until the supply has been proven to comply with the FSC Controlled Wood requirements. Furthermore, the Division of Forestry will notify the United States FSC National Initiative and SCS of the results of the verification within 2 weeks.

Records of all complaints received, and actions taken will be kept for a minimum of 5 years and made available to SCS upon request.

In addition to and in support of the above, the below items are also a part of the Complaints Mechanism:

- a) Acknowledging receipt of complaints;
- b) Informing stakeholders of the complaint procedure, and providing an initial response to complainants within a time period of two (2) weeks;
- c) Forwarding complaints related to risk designations in the relevant FSC risk assessment to the responsible body (for an NRA: as indicated in the NRA; for a CNRA: FSC);
- d) Conducting a preliminary assessment to determine whether evidence provided in a complaint is or is not substantial, by assessing the evidence provided against the risk of using material from unacceptable sources;
- e) Dialogue with complainants that aims to solve complaints assessed as substantial before further actions are taken;
- f) Forwarding substantial complaints to the certification body and relevant FSC National Office for the supply area within two (2) weeks of receipt of the complaint. Information on the steps to be taken by the organization in order to resolve the complaint, as well as how a precautionary approach will be used, shall be included with the complaint;
- g) Employing a precautionary approach towards the continued sourcing of the relevant material while a complaint is pending;
- h) Implementing a process (e.g., field verification and/or desk verification) to verify a complaint assessed as substantial by the organization, within two (2) months of its receipt;
- i) Determining the corrective action to be taken by suppliers and the means to enforce its implementation by a supplier if a complaint has been assessed and verified as substantial. If a corrective action cannot be determined and/or enforced, the relevant material and/or suppliers shall be excluded by the organization;
- j) Verifying whether corrective action has been taken by suppliers and whether it is effective;
- k) Excluding the relevant material and suppliers from the organization's supply chain if no corrective action is taken;
- l) Informing the complainant, the certification body, and the relevant FSC National Office of the results of the complaint and any actions taken toward its resolution, and for maintaining copies of relevant correspondence; and
- m) Recording and filing all complaints received and actions taken.

Anyone may submit complaints along with evidence to:

FSC CoC Administrator c/o

Indiana Department of Natural Resources
Division of Forestry
402 West Washington Street Room W296
Indianapolis, IN 46204-2739
317-232-4105
Email: forestryinfo@dnr.IN.gov

V.14 Supplying FSC Controlled Wood. This Group Member will include the following information on invoices and transport documents: name and address of buyer, date issue, description of the product, quantity of product sold, reference to batch and/or related shipping information sufficient to link the invoice to the goods received, and the Member's FSC Controlled Wood code. All documents will include the product description "FSC Controlled Wood" for applicable products.

V.15 Promotion of FSC Controlled Wood. This Group Member will completely avoid any promotion of FSC Controlled Wood. This Group Member will only refer to controlled wood in communication with DoF, other group members, other FSC certified companies or in response to requests from outside sources.

Appendix A. Application for Group Membership in the Indiana Division of Forestry Group Chain of Custody for Forest Stewardship Council (FSC)

Certificate Number SCS-COC-002041

Business Name: _____

FSC CoC Administrator: _____

(Contact Name)

Mailing Address: _____

City: _____ State: IN Zip: _____

Phone: _____ Email: _____

Fax: _____ Website: _____

Type of Business:

☐ Logging ☐ Hauling ☐ Sawmill ☐ Concentration Yard ☐ Veneer Mill

☐ Other (Specify) _____

Number of Employees: _____ Annual Sales: \$ _____

Estimated Annual Production: _____
(Annual production amount) (Unit – mbf, pieces, tons)

I hereby request to be included in the Indiana Division of Forestry (DoF) Primary FSC Group Certificate. I acknowledge and agree to the requirements and responsibilities of group membership and to comply with the FSC standards; allow right of access to documentation and installation (site) for DoF and its contractors and respond to any Corrective Action Requests identified by the DoF or its contractors. I authorize the DoF to apply for certification on my behalf. I understand that membership in this group is totally voluntary and that I may withdraw from the group for any reason with a 30-day notice to the DoF.

Signature: _____ Title: _____

Printed Name: _____ Date: _____

FSC License Subcode: _____

Date Removed from Group: _____ Reason: _____

Return this completed page via US Post: FSC CoC Administrator c/o, Indiana Department of Natural Resources, Division of Forestry, 402 West Washington Street Room W296, Indianapolis, IN 46204-2739
Or (preferred) scan and email completed page to: forestryinfo@dnr.IN.gov

Appendix B-1. FSC CoC Group Member Procedures for Quality Control

Business Name: _____

FSC CoC Administrator: _____

Date: _____

The Group Chain of Custody Certification Procedures for the Forest Stewardship Council (FSC) is included as part of this company's policy or procedure manual. These procedures are necessary to ensure the integrity of the FSC CoC Certificate. This company fully intends to prevent any non-FSC wood from entering our FSC Chain of Custody, in compliance with FSC STD 40-004 V3-1.

The following management personnel are responsible for the corresponding procedure.

| <u>Name</u> _____ | <u>Procedure</u> _____ |
|-------------------|------------------------|
|-------------------|------------------------|

| | |
|-------|--|
| _____ | <input type="checkbox"/> Specifying, <input type="checkbox"/> Purchasing, <input type="checkbox"/> Receiving, <input type="checkbox"/> Inventory Control, <input type="checkbox"/> Manufacturing, <input type="checkbox"/> Quality Assurance, <input type="checkbox"/> Human Resources, <input type="checkbox"/> Packaging, <input type="checkbox"/> Shipping, <input type="checkbox"/> Invoicing, <input type="checkbox"/> Other (_____) Date FSC Training Completed _____, Refresher training _____ |
|-------|--|

| | |
|-------|--|
| _____ | <input type="checkbox"/> Specifying, <input type="checkbox"/> Purchasing, <input type="checkbox"/> Receiving, <input type="checkbox"/> Inventory Control, <input type="checkbox"/> Manufacturing, <input type="checkbox"/> Quality Assurance, <input type="checkbox"/> Human Resources, <input type="checkbox"/> Packaging, <input type="checkbox"/> Shipping, <input type="checkbox"/> Invoicing, <input type="checkbox"/> Other (_____) Date FSC Training Completed _____, Refresher training _____ |
|-------|--|

| | |
|-------|--|
| _____ | <input type="checkbox"/> Specifying, <input type="checkbox"/> Purchasing, <input type="checkbox"/> Receiving, <input type="checkbox"/> Inventory Control, <input type="checkbox"/> Manufacturing, <input type="checkbox"/> Quality Assurance, <input type="checkbox"/> Human Resources, <input type="checkbox"/> Packaging, <input type="checkbox"/> Shipping, <input type="checkbox"/> Invoicing, <input type="checkbox"/> Other (_____) Date FSC Training Completed _____, Refresher training _____ |
|-------|--|

| | |
|-------|--|
| _____ | <input type="checkbox"/> Specifying, <input type="checkbox"/> Purchasing, <input type="checkbox"/> Receiving, <input type="checkbox"/> Inventory Control, <input type="checkbox"/> Manufacturing, <input type="checkbox"/> Quality Assurance, <input type="checkbox"/> Human Resources, <input type="checkbox"/> Packaging, <input type="checkbox"/> Shipping, <input type="checkbox"/> Invoicing, <input type="checkbox"/> Other (_____) Date FSC Training Completed _____, Refresher training _____ |
|-------|--|

Appendix B-1.3 Record of Training

[illegible]

Appendix B-2. Product Group Chart.

| Check if Produced by this Member | Applicable FSC Output Claim (1 of: FSC 100%, FSC Mix, FSC Recycled, or FSC Controlled Wood) | FSC Product Classification(s) (See FSC-STD-40-004a (V3-1) EN for product sub categories) | FSC Species Terminology (If commonly used to designate product characteristics) | Material Input Categories (As many as apply: FSC 100%, Mix, Recycled, FSC Controlled Wood) | Control System (1 of: transfer, percentage, or credit) | Participating Sites (Sites involved in management, production, storage, sale, etc.) |
|----------------------------------|---|---|--|---|---|--|
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W1 Rough Wood | * See species list below | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood <input type="checkbox"/> Controlled Material | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W3 Wood in chips or Particles | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W5 Solid Wood (sawn, chipped, sliced or peeled) | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W6 Products from planning mill | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |

| | | | | | | |
|--------------------------|---|-----------------------------------|---|---|---|--|
| | <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | | | | | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W7Veneer | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W8Wood panels | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | W9Engineered wood products | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit | W11Wood for construction | * | <input type="checkbox"/> FSC 100% | <input type="checkbox"/> Transfer | |

| | | | | | | |
|--------------------------|---|----------------------------|---|--|---|--|
| | <input type="checkbox"/> FSC Recycled xx% <input type="checkbox"/> FSC Controlled Wood | | | <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |
| <input type="checkbox"/> | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix Credit <input type="checkbox"/> FSC Mix XX% <input type="checkbox"/> FSC Recycled Credit <input type="checkbox"/> FSC Recycled xx% | W12Indoor Furniture | * | <input type="checkbox"/> FSC 100% <input type="checkbox"/> FSC Mix <input type="checkbox"/> FSC Controlled Wood | <input type="checkbox"/> Transfer <input type="checkbox"/> Percent. <input type="checkbox"/> Credit | |

☐ This company will not outsource any FSC materials to outside contractors

☐ This company will outsource FSC materials to outside contractors. Outsourcing agreements are completed as required in Part 12 or a form similar to Appendix B12.

Product groups included in the same credit system must share similar input and output characteristics, in terms of quality and conversion factor, as defined in FSC-STD-40-004 Clause 2.1.3 and “Terms and Definitions”. The term “quality” represents characteristics such as species, composition/specifications or value of the materials. Products that contain inputs of different quality (e.g., sawn wood and fiber board) and/or with different conversion factors (e.g., solid wood and sandwich door) cannot be combined in the same product group. Credits from materials of a certain quality cannot be transferred to materials of different quality (e.g., credits from chip board material transferred to veneer). Thus, the credit system is not applicable for the production of products composed of materials of different “qualities” unless the organization establishes separate credit accounts for each input material.

Species List

| Species included | Latin |
|-------------------------|--------------------------------|
| Red Maple | <i>Acer rubrum</i> |
| Silver Maple | <i>Acer saccharinum</i> |
| Sugar Maple | <i>Acer saccharum</i> |
| Anigre | <i>Aningeria ssp</i> |
| Okume | <i>Aucoumea klaineaua</i> |
| White Birch | <i>Betulla alleghaniensis</i> |
| Pignut Hickory | <i>Carya glabra</i> |
| Pecan | <i>Carya illinoensis</i> |
| Shellbark Hickory | <i>Carya laciniosa</i> |
| Shagbark Hickory | <i>Carya ovata</i> |
| Catalpa | <i>Catalpa speciosa</i> |
| Hackberry | <i>Celtis occidentalis</i> |
| Eucalyptus | <i>Eucalyptus amygdalina</i> |
| Red Grandis | <i>Eucalyptus grandis</i> |
| American Beech | <i>Fagus grandifolia</i> |
| White Ash | <i>Fraxinus americana</i> |
| Black Ash | <i>Fraxinus nigra</i> |
| Green Ash | <i>Fraxinus pennsylvanica</i> |
| Black Walnut | <i>Juglans nigra</i> |
| Mahogany – African | <i>Khaya ivorensis</i> |
| Mahogany, African | <i>Khaya senegalensis</i> |
| Sweetgum | <i>Liquidambar styraciflua</i> |
| Tulip Poplar | <i>Liriodendron tulipifera</i> |
| Rosewood, Santos | <i>Machaerinum scderokylon</i> |
| Blackgum | <i>Nyssa sylvatica</i> |
| Bamboo | <i>Phyllostachys pubescens</i> |
| Norway Spruce | <i>Picea abies</i> |
| Shortleaf Pine | <i>Pinus echinata</i> |
| Red Pine | <i>Pinus resinosa</i> |
| Scotch Pine | <i>Pinus sylvestris</i> |
| Virginia Pine | <i>Pinus virginiana</i> |
| American Sycamore | <i>Platanus occidentalis</i> |
| Large-tooth Aspen | <i>Populus grandidentata</i> |
| Black Cherry | <i>Prunus serotina</i> |
| Douglas Fir | <i>Pseudotsuga menziesii</i> |
| White Oak | <i>Quercus alba</i> |
| Scarlet Oak | <i>Quercus coccinea</i> |
| Northern Pin Oak | <i>Quercus ellipsoidalis</i> |
| Southern Red Oak | <i>Quercus falcata</i> |
| Shingle Oak | <i>Quercus imbricaria</i> |

| | |
|------------------------------|---------------------------------|
| Overcup Oak | <i>Quercus lyrata</i> |
| Bur Oak | <i>Quercus macrocarpa</i> |
| Swamp Chestnut | <i>Quercus michauxii</i> |
| Chinkapin Oak | <i>Quercus muehlenbergii</i> |
| Cherrybark Oak | <i>Quercus pagoda</i> |
| Pin Oak | <i>Quercus palustris</i> |
| Chestnut Oak | <i>Quercus prinus</i> |
| Oak, European | <i>Quercus robur</i> |
| Northern Red Oak | <i>Quercus rubra</i> |
| Shumard Oak | <i>Quercus shumardii</i> |
| Post Oak | <i>Quercus stellata</i> |
| Black Oak | <i>Quercus velutina</i> |
| Black Locust | <i>Robinia pseudoacacia</i> |
| Sassafras | <i>Sassafras albidum</i> |
| Mahogany, Honduras | <i>Swietenia macrophylla</i> |
| Teak | <i>Tectona granis</i> |
| Basswood | <i>Tilia americana</i> |
| American Elm | <i>Ulmus americana</i> |
| Slippery Elm | <i>Ulmus rubra</i> |
| Balsam poplar (recon veneer) | <i>Populus balsamifera</i> |
| Obeche (recon veneer) | <i>Triplochiton scleroxylon</i> |

Appendix B-3. Record of all FSC Suppliers

| Supplier | FSC Chain of Custody or Controlled Wood Code | Date validity of code last verified (http://info.fsc.org/) | Product Supplied (See FSC-STD-40-004a V3-1 EN) | Material Category (FSC 100%, FSC Mix Credit, FSC Recycled, FSC Controlled Wood) |
|--|--|---|--|---|
| Division of Forestry 402 W. Washington Indianapolis, IN 46204 317-232-4105 | SCS-FM/COC-00099N | | Rough wood (logs) W1 List species | FSC 100% |
| Indiana Classified Forest and Wildlands Program Land | SCS-FM/COC-00123N | (Contact the District Forester for individual landowner verification – see on.IN.gov/Forestry or contact DoF at 317-232-4105) | Rough wood (logs) W1 List species | FSC 100% |
| | | | | |
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Appendix B-5. Segregation of FSC / Non-FSC Material

Business Name: _____

FSC CoC Administrator: _____

Date: _____

This Group Member will assure segregation of FSC/Non-FSC material in the following way(s).

- ☐ FSC Material will be physically stored in a separate location
- ☐ FSC Material will have a special label or part number as follows: _____
- ☐ FSC Material will have a unique bar code attached
- ☐ FSC material is end painted a unique color, using _____ paint
- ☐ In production, FSC material is processed in separate runs or batches
- ☐ FSC Material will be segregated from non-FSC material as described below:

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Appendix B-6. Volume Control

This business uses the following system to maintain FSC material balances:

Input and output volume are maintained in: ☐ computer system, ☐ ledger book,

☐ paper files, ☐ other system (_____)

Input and output volumes are calculated: ☐ on a job-by-job basis, ☐ month to month,

☐ quarterly, ☐ other basis (_____)

☐ This business uses a 1 to 1 minus trim and waste conversion factor. All products sold are in the same units as products received.

☐ The following volume conversion factors are used:

| Manufactured Product | Input Product and Unit of Measure | Output Unit of Measure | Conversion factor | How was factor determined |
|--|-----------------------------------|------------------------|---|---------------------------|
| Wood in chips from sawmill co-products | Doyle Board feet | Tons | 1000 bf sawlogs produces 1.34 tons of chips | USFS FIA Data |
| | | | | |
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Appendix B-12. Chain of Custody Certification Outsourcing Agreement.

Business Name: _____

FSC CoC Administrator: _____

Date: _____

This Outsourcing Agreement allows the group member named above to outsource some processing functions to the contractor named below. The Group Member agrees to the following:

- All certified wood sent to an outsourcing company will be clearly marked as certified on the wood or load of wood itself (paint, tags, etc.) and on accompanying documentation (bills of lading, order forms, etc.)
- The exact certified wood that is shipped to the outsourcing company is the only wood to be used in the manufacturing of the desired outsourced wood product.
- The outsourcing company is fully aware of all the responsibilities outlined below.
- The annual report to DoF must document dates and quantities (sent out and received) of outsourced materials.
- If the outsourcing company is FSC certified, the company will follow their own Chain of Custody processes and procedures.

Outsourcing Company Name: _____

Contact Name: _____

Mailing Address: _____

City: _____ State: IN Zip: _____

Phone: _____ Email: _____

As an outsourcing company for certified wood products, a company must agree to the following terms:

- The outsourcing company will only use the wood sent to them by the FSC certified company named above. No other wood will be used in the job other than that which is sent specifically for certified use.
- Products sent back to the above-named company were manufactured using only the certified wood sent to them by the certified company.
- The certified wood products sent back to the certified company will be labeled clearly as certified on all accompanying documentation (sales slips, bills of lading, shipping invoices, etc.)
- The outsourcing company will only use the FSC labels on products covered by the scope of this outsourcing agreement.
- The outsourcing company shall allow the Division of Forestry and/or its certifying body the right to audit the contractor or operation.
- The noncertified outsourcing company named above can make no claims of being a certified company. The company has no right to advertise or market their products as certified or to use the FSC Trademarks for their own promotional use.
- The outsourcing company will not subcontract this process to an outside contractor.

The processes to be outsourced to this Outsourcing Company are listed below:

| Product or Process to be Outsourced | How the Material is Physically Marked | Accompanying Documentation |
|-------------------------------------|---------------------------------------|----------------------------|
| | | |
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We understand and agree to the terms listed above:

Signature of FSC CoC Certified Company

Date Signed

Signature of Outsourcing Company

Date Signed

Appendix B-13. Declaration of Forest Unit of Origin

Job # _____

This is to certify that the forest products described below originated from a forest unit located in the county and state indicated below. This form satisfies the Forest Stewardship Council (FSC) requirement for proof of purchase from the forest management unit of origin as stated in FSC-STD-40-005 V3-1 EN. This information is required if the purchaser or any other processor in the supply chain intends to treat this material as FSC Controlled Wood.

Landowner Name _____

Location of management unit _____ County (Counties)

in the state of _____, USA.

Timber Buyer Name _____

Purchase Date _____

Describe the terms of the transaction or complete one of the following tables with the information available. Attach additional information if available.

☐ Contract Sale

| Species | Number of Trees | Estimated Bd. Ft Volume |
|---------|-----------------|-------------------------|
| | | |
| | | |
| | | |

☐ Diameter Limit

| Minimum diameter | Estimated Volume |
|------------------|------------------|
| | |

☐ Shares Sale

| Share Amount | Estimated Volume |
|--------------|------------------|
| | |

☐ Other

By signing below, the landowner and purchaser state that the above information is true to the best of our knowledge on said date.

Landowner_____
Timber Buyer_____
Date_____
Date**Declaration of Log Origin**

Procurement # _____

This is to certify that the logs described below originated from a forest unit located in the county and state indicated below. This form satisfies the Forest Stewardship Council (FSC) requirement for proof of purchase from the forest management unit of origin. This information is required if the purchaser or any other processor in the supply chain intends to treat this material as FSC Controlled Wood.

Raw Material Owner _____

Origination of Raw Material _____ County (Counties)

in the state
of _____, USA.

Company/Owners Name _____

Purchase Date _____

Describe the terms of the transaction or complete the following table with the information available. Attach additional information if available.

Raw Logs Purchased:

| Species | Number of Logs | Estimated Bd. Ft Volume |
|---------|----------------|-------------------------|
| | | |
| | | |
| | | |
| | | |

By Signing below, the owner of the logs being sold states that the above information is true to the best of their knowledge on said sale date.

Company

Salesperson

Date

Date

Appendix B-14 FSC Values Signature Page (Self-Declaration)

The signing organization is associated with the Forest Stewardship Council,

_____ by being either a member of or having a contractual relationship with FSC. Hereby the signing organization explicitly states that it has read and understood the “Policy for the Association of Organizations with FSC” as published under www.fsc.org This policy stipulates FSC’s position with regards to unacceptable activities by organizations and individuals which already are or would like to be associated with FSC as well as the mechanism for disassociation.

In light of the above, the organization explicitly agrees currently and in the future, as long as the relationship with FSC exists, not to be directly or indirectly involved in the following unacceptable activities:

- a) Illegal logging or the trade in illegal wood or forest products;
- b) Violation of traditional and human rights in forestry operations;
- c) Destruction of high conservation values in forestry operations;
- d) Significant conversion of forests to plantations or non-forest use;
- e) Introduction of genetically modified organisms in forestry operations;
- f) Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

Signature _____ Date _____

Multi-Site and Group Chain of Custody Consent

I _____ as the FSC® Chain of Custody representative acknowledge and agree to the general obligations and responsibilities for participation in the Indiana Division of Forestry's Group COC certificate (SCS-COC-002041) as stipulated in Standard FSC-STD-40-003 V2-1 EN, the certification contract, and documented procedures of the Group Entity (Indiana Division of Forestry). Furthermore, the group member will agree to conform to all applicable FSC certification requirements and documented contractual obligations, corrective action requests, and the procedures set forth by the Group Entity. This group member authorizes the Group Entity representative to apply for and administer the FSC Chain of Custody certification on behalf of the participating site. Lastly, this group member acknowledges the mutual responsibility for the maintenance of the certificate, where non-conformities identified at the level of the participating sites or the Group Entity may result in corrective action requests, certificate suspension, and/or certificate withdrawal.

NOTE: Five (5) or more Major Corrective Action Requests (CARs) issued to the Central Office by the certification body will result in suspension of the entire certificate. Five or more Major CARs issued to a Participating Site by the certification body will result in suspension of that particular Participating Site, but it will not necessarily result in the suspension of the entire certificate. Nonconformities identified at the level of a Participating Site level may result in nonconformities at the Central Office when the nonconformities are determined to be the result of the Central Office's performance (e.g. where identical CARs are issued to several Participating Sites, the CAR may be a result of ineffective training or support by the Central Office).

Signature _____ Date _____

Company Name _____