


FSC® Chain of Custody Documented Control System (CoC-DCS)

FSC® Chain of Custody Documented Control System (CoC-DCS)	
East Kootenay Operations – Canal Flats, Elko, Radium and Skookumchuck WLC	Date: March 31, 2015
CANADIAN FOREST PRODUCTS LTD. – CENTRAL OFFICE	
CONTACT: DIVISIONAL GM, CANFOR SOUTHERN PINE SALES AND MARKETING	

The procedures stated herein are designed to support the standards for Forest Stewardship Council® (FSC) Chain of Custody (COC) Certification in Canfor's East Kootenay Operations and are maintained onsite by the Chain of Custody Multi-Site Coordinator. However, the Central Office of the organization holds ultimate management responsibility for maintaining the certification contract with the certification body and will be held responsible for upholding the Chain of Custody system and ensuring that the requirements of the relevant Chain of Custody certification standard are met at the participating sites included in the scope of the multi-site certificate. Therefore, should any written procedure or standard stated herein directly conflict those maintained by Canfor's Central Office, the latter will be deemed to have precedence.

Certificate Scope

Scope Definition

<u>Scope Item</u>	Check all that apply to the Certificate Scope			
Input Material Categories for all FSC Product Groups:	<input checked="" type="checkbox"/> FSC 100%	<input type="checkbox"/> FSC Mix	<input type="checkbox"/> FSC Recycled	
	<input type="checkbox"/> FSC Controlled Wood	<input checked="" type="checkbox"/> Controlled material	<input type="checkbox"/> Post-consumer Reclaimed	<input type="checkbox"/> Pre-consumer/ Other Reclaimed
System for Controlling FSC Claims:	<input type="checkbox"/> Transfer		<input type="checkbox"/> Percentage	<input checked="" type="checkbox"/> Credit
FSC Claims for FSC Product Groups:	<input type="checkbox"/> FSC Mix X%		<input checked="" type="checkbox"/> FSC Mix Credit	
	<input type="checkbox"/> FSC Recycled X%		<input type="checkbox"/> FSC Recycled Credit	
	<input type="checkbox"/> FSC 100%		<input checked="" type="checkbox"/> FSC Controlled Wood	
Outsourcing:	<input type="checkbox"/> FSC-certified Subcontractors		<input checked="" type="checkbox"/> Non-certified Subcontractors	
Minor Components:	<input type="checkbox"/> < 1% of Product Volume		<input type="checkbox"/> ≥ 1% to ≤ 5%	
Trademark Use:	<input checked="" type="checkbox"/> FSC on-product Labelling	<input checked="" type="checkbox"/> FSC Promotional	<input checked="" type="checkbox"/> RAC Seal	

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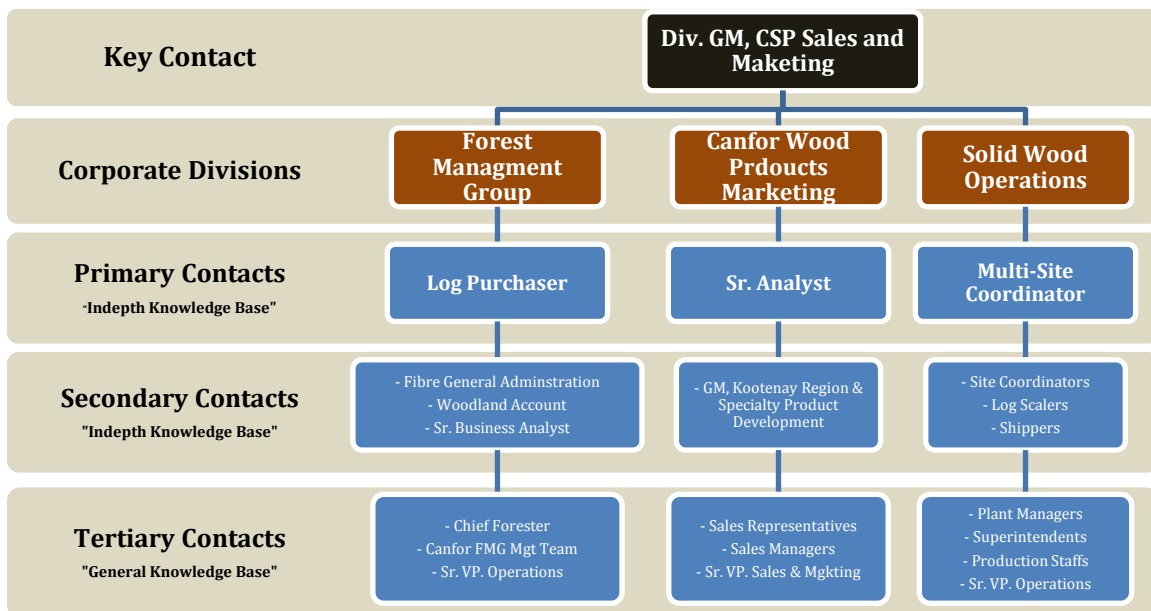
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1 Quality Management

1.1 Responsibilities

The Divisional GM, Canfor Southern Pine Sales and Marketing are responsible for implementing the FSC standard and managing the Participating Sites.

- The FSC Chain of Custody Certification Organizational Chart below detailed the list of individuals who are responsible for different levels of knowledge with respect to Canfor's FSC CoC standards.
- The Organizational Chart indicates the Key Contact being responsible for all communication between internal and external parties including Canfor's quarterly review to the senior executives, FSC accredited certification bodies and FSC International.
- Furthermore, individuals designated as Primary, Secondary and Tertiary Contacts based on their required knowledge levels are also listed under the three internal departments: Forest Management Group, Canfor Wood Products Marketing and Solid Wood Operations.



1.2 Procedures

The following listed Central Office procedures covering applicable Chain of Custody standard requirements are available to relevant staff.

- FSC Chain of Custody Documented Control System (CoC-DCS)
- Controlled Documented Control System (CW-DCS)
- Risk Assessment Procedure
- Multi-site Procedures

Personnel responsible for maintaining documented procedures including qualifications and/or training measures for this responsibility are defined in each of the listed above procedures. See Canfor's Chain of Custody Organizational Chart.

1.3 Policies

Canfor maintains the following policies:

- Environment Policy
- FSC Controlled Wood Policy Commitment

1.4 Documents

The following lists the relevant standards:

- FSC-STD-40-004 – FSC Standard for Chain of Custody Certification
- FSC-STD-40-005 – Standard for Company Evaluation of FSC Controlled Wood
- FSC-STD-50-001 – Requirements for Use of the FSC Trademarks by Certificate Holders
- FSC-STD-40-003 – Standard for Multi-site Certification of Chain of Custody Operations

Current versions of the above standards are available on www.fsc.org

1.5 Training

- The Senior Analyst and the Multi-Site Coordinators will be responsible for Chain of Custody training at the East Kootenay operations and at the Central Office.
- All key personnel (primary & secondary contacts) shall know and understand their specific responsibilities in order to implement all the requirements of Chain of Custody.
- The training will consist of an overview of FSC Chain of Custody certification and the FSC Chain of Custody Document Control System and each person's specific responsibilities.
- Training will take the form of either presentations, review of job-specific written control procedures and/or verbal one-on-one instruction.
- Training will occur on an "as needed basis". This includes: change of work responsibilities; changes in personnel; changes to applicable sections of any CoC DCS; or as a result of a non-conformance or observation.
- Training shall be documented and records kept on file by Canfor's Senior Analyst.

1.6 Records

- The Central Office will keep and maintain up-to-date records of all Participating Sites.
- Records include purchase and sales documents, suppliers list, training records, production records, volume summaries and trademark approval.
- All records relating to FSC Chain of Custody will be retained for at least 5 years and made available to the certification body on request.
- The FSC Mix Credit Account is recorded in MS Excel spreadsheets, separately, by Sawmill and Species Group.
- Fibre procurement and sales records are available in the Canfor's Logs Production Module databases.

1.7 Volume Summary

1.7.1 Volume Accounting Records

Annual volume summaries are generated from the sawmills' FSC Credit accounting table. The annual volume summaries provide quantitative information for each material category received/used and product type produce/sold, as follows:

- Inputs received
- FSC Mix Credit available
- FSC Mix Credit credits sales and/or labeled
- FSC Controlled Wood sales

Data for each FSC product group will be obtained from Canfor upon request by Rainforest Alliance auditors including:

- Reference to supplier invoice for inputs;
- Quantities of inputs;
- Material category of inputs (credit claim);
- Claim period for outputs;
- FSC claim of outputs;
- Product item information for outputs used on sales invoices;
- Reference to sales invoices for outputs.

2 Purchasing and Receiving

2.1 Sourcing

2.1.1 Input Specifications

Eligible inputs sourced for each FSC product groups will be categorized according to the following material categories:

- **FSC 100%:** FSC certified inputs from an FSC certified supplier
- **Controlled material:** non-FSC inputs controlled by implementing applicable FSC-STD-40-005 requirements
- **FSC Controlled Wood:** material originating in non FSC-certified forests supplied with an FSC claim by a supplier which has been assessed for conformity with FSC Chain of custody and/or FSC Controlled Wood requirements (FSC-STD-40-005 or FSC-STD-30-010)

2.1.2 Suppliers

A central list of suppliers for certified and controlled material has been established and is maintained up-to-date as described below. The list of supplier will be updated when a new supplier of wood fibre is contracted. The list will be updated at least once a year by the Log Purchaser and submitted to the Senior Analyst (Central Office).

2.1.3 Supplier Verification

FSC Certified material is from the company's own FSC FM Certificate tenures. There is no need to check validity and scope of their own FSC certificate. If the company begins to purchase of certified material, then the validity and scope of suppliers of **certified material** would be checked on www.info.fsc.org prior to the purchase of certified material.

The Log Purchaser will be responsible for validating the supplier of **controlled material**. This will be checked prior to the purchase contract being signed. In addition, The Log Purchaser will be responsible for ensuring the suppliers' list for controlled material is current at the time of contract signature and made available to Central Office.

2.1.4 Procedures for Purchasing Certified Material

FSC Certified material is from the company's own FSC FM Certificate tenures.

2.1.5 Procedures for Purchasing Controlled Material

The Log Purchaser is responsible for the procedures for purchasing Controlled Material. A Log Purchase Agreement is used when purchasing any roundwood for the East Kootenay operations. Log purchase information is stored in a database referred to as Genus Logs Production Module. A software tool called Crystal Reporting is used to generate the Log Purchase Agreement. Signatures of both the Log Purchaser and the supplier must be displayed on each Log Purchase Agreement.

It is a core requirement for all suppliers – defined in the Log Purchase Agreement – that all log purchases must meet the standards for Controlled Wood, defined in the FSC Standard FSC-STD-40-005 (Version 2-1); no logs will be delivered which do not meet this standard, without the explicit written permissions of the Mill Manager.

2.1.6 Risk Assessment

A risk assessment will be conducted—under the responsibility of Canfor's Chief Forester for British Columbia—for each forest or woodlot supplying wood to any Canfor site encompassed by the FSC multi-site Chain of Custody certification. The purpose of each assessment will be to verify that the respective forest meets the standards of FSC-controlled materials. This assessment will be completed prior to any log deliveries originating from that site, and will be reviewed and renewed on an annual basis. See *Risk Assessment Procedure* for more details on this procedure.

2.1.7 Responsible Personnel for Purchasing

- Chief Forester
- Log Purchaser
- First Nations & Planning Coordinator (FMG)

2.1.8 Forms/Records used for Purchasing

- Purchasing – Log Purchase Agreement

2.2 Receipt and Storage

2.2.1 Identification of Input

A) Procedures for Verifying the Certified or Controlled Status of Material Purchased

On receipt of material or prior to further use or processing the supplier invoice and supporting documentation will be checked to ensure the following:

- The supplied material quantities and quality are in compliance with the supplied documentation;
- The material category is indicated;
- The supplier's invoice and supporting documentation quote the site's FSC Chain of Custody or FSC Controlled Wood code for material supplied with FSC claims;
- The supplier's invoice and supporting documentation quote the site's Log Purchase Agreement for controlled material supplied.

B) Procedures for Recording Quantities of Certified and Controlled Materials Received

- All logs received by each Sawmill cross the mill's respective Scales.
- Upon arrival at the scales, truckloads of logs are weighed, and the scaler enters information – such as the weight, species, stratum, and origin- into an interface computer program. Stratums are derived from the government - approved yearly Stratum Plan that is produced by Canfor's Forest Management Group (FMG).
- Procured material is traceable in Canfor's Logs Production Module by Forest Tenure (i.e. TFL 14, FL A18978); therefore, FSC certified material can be queried by Tenure.
- The FMG Woodlands Accountant imports delivery information from the Scale computer into Canfor's Logs Production Module, which converts the weights into volumes (see FMG standard work procedures for Chain of Custody).
http://fmg.canfor.ca/FMG_Main/fmg_chain_of_custody_swp.xls
- To obtain a credit for these logs, the above-mentioned system – combined with monthly mill production records – will be used to demonstrate what portion of the mill yard inventory is applicable as FSC-certified. These deliverables will be used to generate an FSC Mix credit system by product groups (SPF & Fir/Larch). The FSC Chain of Custody Multi-Site Coordinator is responsible for tracking certified volumes to ensure the applicability of the FSC credit system.
- All deliveries are assumed to be controlled material, unless otherwise indicated by the Log Purchaser, prior to the point of sale.

C) Procedures for Tracking Deliveries by Product Group

- In addition to the two specified products groups, SPF and FL, other species are delivered in very small quantities (see section 1.2). These species combined normally make up less than 2% of all deliveries. Although a few truckloads consisting of these off-species stratums are delivered each year, the majority of the off-species are mixed in SPF truckloads that are designated to SPF stratums.
- It would not be possible to determine certified volumes of these species.
- These off-species are sometimes sorted out in the log yard and sold in log form. Most of these species are mixed in with SPF production at the Sawmill and

Planer mill. Currently only Western Red Cedar is separated and sold in lumber form.

- Because of the relatively small volume of these off-species, the even smaller volumes of sales (in either log or lumber form) of these species and the fact that the majority of deliveries cannot be tracked as certified or not, they will be considered as part of the SPF product group. All certified or non-certified log deliveries and log or lumber sales of these species will be included in the SPF delivery and credit account spreadsheets.
- D) Inter-mill Transfers – periodically, logs and lumber—which have already been accounted as delivered to a particular Sawmill—will be reloaded onto a truck and transferred to another Sawmill. The following procedure will be used for this occurrence:
- No volume which originates from another Sawmill will be considered Certified under any circumstances, regardless of the ultimate origin of the product.
 - All inter-mill transfers will be treated as a Controlled Wood Sale.
- E) Procedures for the Handling and Sale of FSC-Certified Logs from the Canal Flats, Elko and Radium Sawmills
- Small quantities of logs are sold from the respective mill site. All log volume that is sold is scaled and recorded by Scale personnel. A report is generated each month that summarizes the log sales by species.
 - All log sales are deducted from the current month’s FSC input volume, prior to conversion calculations into the various products and co-products.
- F) Procedures for Tracking Deliveries of Pulpwood
- Periodically, accumulations of logs deemed unsuitable for Sawmill use are delivered, and are collectively known as Pulpwood. This material may or may not originate in FSC-Certified forests, and is delivered to, and stored at, several locations:
 - Canal Flats, Elko, Radium log yard or the Skookumchuck WLC log yard.
 - Upon delivery to each site, Pulpwood is measured and recorded by the Log Scalers as normal, except that a Pulpwood stratum is used when entering the delivery in Canfor’s Logs Production Module. The Pulpwood is stored together, segregated from regular Sawmill log inventory.
 - If the Pulpwood is stored at the Skookumchuck WLC Site, it tracked by personnel in Canal Flats and is considered a separate inventory under the control of the Site Manager.
 - All Pulpwood deliveries must meet the standard for Controlled Wood. No Uncontrolled deliveries will be made to the respective Mill site without the explicit written permission of the Site manager; if delivery of uncontrolled volume is authorized, this volume must be physically segregated from all other site inventory at all times.
 - Periodically, Canfor’s mobile chipper is moved onto one of the sites, and converts the Pulpwood into chips. The resulting chip FSC credits are transferred if sold with the chips at the time of delivery, using a flat percentage-of-delivered-volume method.

2.2.2 Segregation

A) Procedures for Maintaining the Separate Identity of Certified and Controlled Materials Upon Receipt

Under the credit system, FSC-certified and Controlled material will not be physically segregated upon arrival at the sawmill, however its identity will be tracked in Canfor's Logs Production Module database and it will be identifiable through stamp-hammer marks and/or spray-painted timber marks.

Canfor does not accept uncontrolled material. If material arrives at any log scale yard and the origin cannot be confirmed through stamp-hammer marks and/or spray-painted timber marks, the wood is offloaded in a segregated area until the input material is determined. If it is certified or controlled material, standards procedures are implemented. If the Log Scaler determines the supply is uncontrolled, then the product cannot be off loaded until further verification has been made.

B) Procedures for Separate Production and Identity of Certified Material

Under the Credit System, FSC-certified material will not be physically segregated throughout production (except in the case of Uncontrolled Materials); however the mill's conversion rate (LRF) will be used to generate the applicable volume credit of lumber saleable as FSC-certified.

2.2.3 Responsible Personnel for Receiving and Storage

- Receiving – Scalers (Canal Flats, Elko and Radium Sawmill, as well as the Skookumchuck WLC)

2.2.4 Forms/Records used for Receiving and Storage

- Receiving – Load Description Slip, Scale Slip & Daily Stratum Reports
- Purchasing – Log Purchase Agreement

3 Production

3.1.1 Conversion Factors

Material is converted from weight to volume based on conversion factors derived through the mill sampling program. Round wood deliveries by volume (m³) are compiled monthly and input into the FSC Credit accounting table. Input fibre credit are reported in cubic meter and converted into units of board feet and BDMT of co-products monthly. Conversion factors are established through monthly inventories, consumption and production. The conversion factors will be revised at least once per year.

Lumber Recovery Factors (LRFs) are generated daily and monthly, and averages – both gross (rough lumber) and net (after trim loss, planning, etc.) – are tracked in a database referred to as Canfor's Logs Production Module. The same methodology will be used to establish chips, sawdust, and shavings recovery factors.

3.1.2 Generating of Raw Material Inputs On-Site

Canfor generates sawmill co-products that include chips, sawdust and shavings. Chips, sawdust and shavings are managed under Canfor's credit system and will be sold with a FSC Mix Credit claim.

Procedures for Tracking Certified Volumes of Raw Materials Generated Onsite

- Trim Blocks – trim blocks are chipped onsite at the respective sawmills.
- Chips – all woodchips are delivered to Paper Excellence and delivered to the Skookumchuck WLC.
- Sales Procedure – Chips, Sawdust, and Shavings are combined under FSC Product Type W3 and sold to Paper Excellence. On a monthly basis, the Multi-Site Coordinator undertakes the following process to account for certified Sales and communicate Sales volume to Paper Excellence:
- For each Sawmill, as well as the Whole-Log Chipping Operation:
 - Total certified volume is determined using the co-product Credit Accounting Table.
 - Total Sales volume is supplied by the Woodlands Accountant.
 - A memo is generated, indicating—in oven-dried tons—the certified and controlled credit volume being transferred to Paper Excellence. This volume equals the full amount of available byproducts for the current month.
- The 4 memos are signed by the Multi-Site Coordinator, and are then sent to Paper Excellence’s Fibre Quality and Inventory Coordinator.
- On each credit table, the Sales volume indicated on the relevant memo is entered, bringing the respective credit balance to zero
- Chips from the mobile chipper – low-grade logs (pulp logs) are delivered into the “sites” log yards, which are then processed by a mobile chipper. Chips, fines and Hog Fuel are produced. A report is produced that shows the FSC-certified delivery volumes of pulp logs into the East Kootenay operations’ yards.
- Sawdust – Sawdust production and shipments are recorded in Canfor’s Logs Production Module. A sawdust recovery factor is calculated and applied to the net FSC log deliveries each month to determine the volume of certified sawdust.
- Shavings – Shavings are produced and sold at the Canal Flats, Elko and Radium Planermills. These volumes are tracked in Canfor’s Logs Production Module, and available on the Monthly Cost Statement. This total is then multiplied by the percentage of FSC log deliveries to the respective Sawmill during the current month.

3.1.3 Responsible Personnel for Production

- FSC Site Coordinator at Elko, Canal Flat and Radium facilities
- FSC Multi-Site Chain of Custody Coordinator
- Sales / Production Coordinator

4 Systems for Controlling FSC Claim

4.1 Credit System

Canfor will maintain a credit accounting system for FSC Mixed lumber and co-products. Canfor will ensure that there are sufficient credits available at all times for the labelling and sale of FSC certified product.

4.1.1 Specification of Claim Period

The applicable FSC product groups are in product group schedule and the claim period that will be used for maintaining the credit account for each product group including time period for recording additions and withdrawals from the account is one month.

4.1.2 Adding Credit to the Account

- Canfor's Logs Production Module contains FSC – certified log deliveries (obtained from a crystal report by Tenure) as well as daily/monthly LRFs. This system will generate the conversion, which will be used on the Volume Credit Spreadsheet (FSC Credit Account).
- FSC credits added to the account will be based on the converted quantities using the identified conversion factors.
- FSC credits will be added to the account after ownership is taken of the inputs and the material category has been verified, and before the inputs enter processing / production.
- Only FSC-certified (FSC 100%) inputs will contribute to FSC credit in accounts of product groups FSC Mix.

4.1.3 Withdrawing Credit from the Account

- The quantities of products that are FSC-labelled and/or sold with FSC Mix Credit claim will be deducted from the available FSC credit in the applicable FSC product group credit account.
- When FSC Controlled Wood claims are made for products that are not sold with FSC Mix Credit claims, the quantities of products that are sold with FSC Controlled Wood claims will be deducted from the available credit in the applicable FSC Controlled Wood credit account.

4.1.4 General Credit Account Management

- The credit accounts will be kept to date.
- The credit accounts will never be overdrawn.
- The sum of new credit will not exceed what has been added to the account over the past 12-months.
- Any unsold FSC credit that exceeds new credit added over the past 12-months will be deducted at the start of each new claim period.
- The credit accounts will be checked by monthly by Multi-site coordinator.

4.1.5 FSC Claims

- FSC Mix product groups will be sold with a credit claim up to the total available FSC credit in the applicable credit account.
- Products within an FSC product group may be supplied with / sold with an FSC Controlled Wood claim when that volume has not been sold with an FSC Mix Credit

claim. This is only allowed when FSC Controlled Wood claims are approved in the certificate scope and FSC Controlled Wood are managed in a credit account.

- Production is tracked by the FSC Site Coordinator at each of the facilities and communicated monthly to the FSC Multi-Site Coordinator.

4.1.6 Responsible Personal for FSC Claims and Credit Management

- Site Coordinator at Elko, Canal Flat and Radium facilities
- FSC Multi-Site Chain of Custody Coordinator
- Senior Woodlands Accountant

4.1.7 Forms/Records Used for FSC Claims and Credit Management

- Purchasing – Log Purchase Agreement
- Receiving – Load Description Slip, Scale & Daily Stratum Reports
- Credit Management – Canfor’s Logs Production Module database will contain inventories of FSC saleable material (by license).
- Sales – Canfor Wood Products Marketing (CWPM) data base will also contain summaries of material sold as FSC-certified

5 Sales and Delivery

Completed certified orders are entered into the sales inventory system by sales staff located in the Vancouver sales office. The status of all orders is real time on the JD Edwards Enterprise is updated daily on the system. Orders are processed upon shipment.

5.1 Sales and Delivery Documents

All sales and delivery documents issued for products sold with an FSC claim shall include the following information:

- Name and contact details of company;
- Name and address of customer;
- Date when the document was issued;
- Description of the product;
- Quantity of the products sold;
- FSC Chain of custody certificate code RA-COC-005906 or FSC Controlled Wood code RA-CW-005906, applicable to the FSC claim
- Clear indication of the FSC claim for each product item or the total products as follows:
 - FSC Mix Credit for product sold under the FSC chain of custody certificate code
 - FSC Controlled Wood for product sold under the FSC Controlled Wood certificate code
- If separate delivery documents are issued, information sufficient to link the invoice and related delivery documentation to each other
- Prior to the Sale of any FSC-certified or Controlled material, the customer’s Chain of Custody certificate will be verified by central office using the FSC website (www.fsc.org).

5.2 Delivery Documents

When a copy of the sales document does not physically go with the product, all the required details in section 5.1 above will be included on the delivery documentation.

The sales / production coordinator performs a visual check to ensure that the load matches the invoice before the truck or railcar leaves the site.

5.3 FSC Claims and On-Product Labeling

Products that carry an FSC label will always be sold with the corresponding FSC claim on the sales documentation. Only the East Kootenay operations are allowed to make the FSC claim. No other facilities within the Canfor's operations, including Canfor pulp facilities are prohibited from this claim. The FSC claim is initiated at the time of order entry. Canfor's order entry system is programmed with only two options for lumber sales originating from the East Kootenay operations: 1) with FSC claim or, 2) without FSC claim. Generally, the system defaults to "without FSC claim" unless the sales personnel select the option to issue the FSC claim to the customer. Lumber sales originating from other Canfor's operations do not have the above options as a preventative measure for any incorrect claim being issued.

When invoices are issued with FSC claims, the corresponding product will not carry any on-product marks/claims of another forestry conformity assessment scheme.

5.4 Non-Conforming Products

In case non-conforming products are detected after they have been delivered, the organization shall:

- a) Immediately cease to sell any non-conforming products held in stock;
- b) Identify all relevant customers, and advise those customers in writing within three (3) business days and maintain records of that advice;
- c) Analyze causes for occurrence of non-conforming products and implement measures to prevent its re-occurrence;
- d) Notify their certification body;
- e) Cooperate with the certification body in order to allow confirmation that appropriate action is taken to correct this non-compliance

5.5 Responsible Personnel for Finished Product Handling and Sales

- FSC Chain of Custody Site Coordinator
- Sales / Production Coordinator
- Shipping Supervisor
- Senior Analyst (CWPM)

5.6 Forms/Records used for Finished Product Handling and Sales

- Handling – Order Files/Bill of Lading/Invoice
- Sales – Oracle Business Intelligence

6 Trademark Use

FSC certified products will be labelled in accordance with the standards set forth by FSC. The FSC trademark use will be approved by Rainforest Alliance and will be used on specific products. Future plans are for lumber stamps and package labels include the FSC logo.

6.1 On-Product Labeling

The FSC Chain of Custody Multi-Site Coordinator is responsible for using FSC trademarks supplied to Canfor's East Kootenay operations on confirmation of FSC Chain of custody certification.

The FSC Chain of Custody Multi-Site Coordinator is also responsible to comply with the requirements of the corporate procedure for obtaining necessary approvals to label FSC certified products.

The Senior Analyst (Central Office) is responsible to ensure that all uses of the FSC trademarks by the participating sites are approved by Rainforest Alliance prior to use.

East Kootenay operations shall submit all approvals via the Central Office and keep records of approvals.

6.1.1 Submittal to Rainforest Alliance

Submittal of FSC trademarks use to Rainforest Alliance of the central FSC Trademark (FSC-STD-50-001 V1-2).

All documentation with Rainforest Alliance concerning trademarks use approvals will be kept for a minimum of five years.

6.1.2 Applying the FSC Label

The lumber eligible for FSC labelling with approved FSC Mix label.

6.2 Promotional Use of FSC Trademarks

See the Central Office FSC Trademark (FSC-STD-50-001 V1-2) for requirements of promotional use of FSC trademarks.

6.3 Responsible Personnel for Labels and Logo use

- FSC Chain of Custody Multi-Site Coordinator
- Senior Analyst

7 Outsourcing

7.1 General Provisions for Outsourcing

- A) Canfor East Kootenay operations will have each outsourcing arrangement approved by Rainforest Alliance and included in its certificate scope prior to outsourcing.
- B) Canfor East Kootenay operations shall include procedures in its documented control system that covers each outsourcing arrangement.
- C) Canfor East Kootenay operations will have legal ownership of all materials for use in FSC-certified products included in each outsourcing arrangement.
- D) Canfor East Kootenay operations will not relinquish legal ownership of all materials for use in FSC-certified products during each outsourcing arrangement.
- E) Canfor East Kootenay operations will have an agreement or contract (e.g., outsourcing agreement) that covers each outsourcing arrangement with each subcontractor.
- F) Canfor East Kootenay operations will include in the above outsourcing agreement a clause reserving the right of Rainforest Alliance to audit the subcontractor.
- G) Canfor East Kootenay operations will ensure the subcontractor tracks and controls all materials that are outsourced for use in FSC-certified products to ensure they are not at risk of mixing or contamination with any other materials during the outsourcing arrangement.
- H) Canfor East Kootenay operations will ensure the subcontractor maintains records of inputs, outputs, and shipping documents associated with all material processed during the outsourcing arrangement.
- I) Canfor East Kootenay operations will issue the final invoice with the FSC certificate holder's certificate code for the FSC-certified products following the outsourcing arrangement as is required under normal FSC CoC procedures.
- J) If Canfor East Kootenay operations do not issue the final invoice for the FSC-certified products following the outsourcing arrangement; the products will not be sold as FSC-certified.
- K) If outsourcing arrangement requires that the subcontractor apply FSC labels to the FSC-certified products, Canfor East Kootenay operations will ensure the subcontractor only uses the FSC labels covered by the scope of the outsourcing arrangement and outsourcing agreement.
- L) Canfor East Kootenay operations will ensure the subcontractor does not use the FSC and Rainforest Alliance trademarks for promotional use or on any products not included in the outsourcing arrangement.
- M) Canfor East Kootenay operations will ensure the Subcontractor does not further outsource processing of the material to any other entity.
- N) Canfor East Kootenay operations will maintain a subcontractor list of the names and contact details of all subcontractors included in the scope of the certificate.
- O) Outsourcing of FSC-certified products is acceptable in cases that the Canfor East Kootenay operations would not normally take physical possession of the products after outsourcing.

7.2 Responsible Personnel for Outsourcing

- FSC Chain of Custody Multi-Site Coordinator

7.3 Forms/Records used for Finished Product Handling and Sales

- Senior Analyst