



## **Controlled Wood, Chain of Custody, Life Cycle Criteria –**

### **Environmental Compliance Program: ‘Due Care’ Standards, Policies and Procedures**

#### **INTRODUCTION**

**LEGAL LUMBER™ is an internal environmental compliance program drafted by Tropical Forest Products to encompass comprehensive Criteria, Standards, Policies and Procedures designed to support global forest sustainability initiatives and promote the environmental benefits associated with the specification and utilization of naturally renewable wood products through consumer awareness and chain of custody accountability and compliance with all international laws and regulations pertaining to the international trade of forest products including but not limited to**

**CITES (Convention on the International Trade of Endangered Species), ITTO/ITTA (International Timber Trade Organization / Agreements),**

**U.S. Lacey Act, (U.S. federal law banning commerce in illegally sourced plants and their products – including timber and wood products). Verification of compliance with U.S. Federal Ban on the import, trade or possession of illegally harvested plant products.**

**U.S. Foreign Corrupt Practices Act, Specifically, the anti-bribery provisions of the FCPA prohibit the willful use of the mails or any means of instrumentality of interstate commerce corruptly in furtherance of any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion such money or thing of value will be offered, given or promised, directly or indirectly to a foreign official to influence the foreign official in his or her capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.**

**U.S, Forced Labor Laws (U.S.C 1307). All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. “Forced labor”, as**

herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily. For purposes of this section, the term “forced labor or/and indentured labor” includes forced or indentured child labor.

## **ISO 14001 – International Standards Organization Environmental Management System Guidelines**

### **1. Control System**

1.1 The following personnel are listed as LEGAL LUMBER Control System Staff.

Director: Brian Lotz

Program Development and Oversight: Primary Administrator – Brian Lotz

Staff Training : Primary Administrator – Brian Lotz

FSC Chain Of Custody Certification: Primary Administrator – Raul Ponze

Third Party Verification of Legal Origin and Legal Compliance: Primary Administrator – Raul Ponze

Document Collection, Management and Collection: Import Manager – Raul Ponze

Buyer – Kris Canijentrum

### **2. Quality Management**

2.1 Primary Administrator will be familiar with U.S. Lacey Act compliance requirements.

2.2 Primary Administrator will be familiar with U.S. Foreign Corrupt Practices Act.

2.3 Primary Administrator will be familiar with U.S. Forced Labor Laws.

2.4 Primary Administrator will be familiar with ISO 14001 Environmental Management Standards.

2.5 Primary Administrator shall maintain a valid IWPA Due Diligence Training Certificate

2.6 Primary Administrator shall maintain a valid IWPA Advanced Compliance Certificate

2.7 Primary Administrator shall maintain a valid IWPA Audits for the Wood Trade Professional Certificate.

2.8 Primary Administrator will have overall responsibility and authority for the organization’s compliance with all Green By Nature Standards.

2.9 Primary Administrator will have overall responsibility for establishing, implementing and maintaining procedures and/or work instructions covering all applicable requirements of LEGAL LUMBER.

2.10 Primary Administrator will have overall responsibility for developing and documenting a control system that complies with LEGAL LUMBER Policies and Procedures.

2.11 Primary Administrator will be familiar with FSC Standards Policies and Procedures.

2.12 Primary Administrator shall audit third party verification of legal origin documents annually.

### **3. Material Sourcing – Pre Order**

3.1 Buyer will be familiar with U.S. Lacey Act compliance

3.2 Buyer will be familiar with U.S. Foreign Corrupt Practices Act

3.3 Buyer will be familiar with U.S. Forced Labor Laws

3.4 Buyer will be familiar with ISO 14001 Environmental Management Standards.

3.5 Buyer shall seek Vendors believed to be in compliance with LEGAL LUMBER policies and procedures.

3.6 Buyer shall provide Vendors with LEGAL LUMBER policies and procedures.

3.7 Buyer shall train Vendors in LEGAL LUMBER compliance requirements.

3.8 Buyer shall assist Vendors in developing LEGAL LUMBER compliant documentation.

- 3.9 Buyer shall audit Vendor internal documentation and secure Vendor Risk Assessment as required by Import Manager.
- 3.10 Buyer shall investigate Vendor sources as declared in 'Vendor Declaration Of Source Controlled Wood' with Source regulatory agencies to determine potential risk concerns and report findings to Import Manager.
- 3.11 Buyer shall oversee third party compliance providers as available to perform independent Risk Assessments And Verification of Legal Origin as directed by Import Manager.
- 3.12 Buyer will be familiar with and verify vendor compliance with FSC Chain of Custody requirements as directed by Import Manager.

#### **4. Material Sourcing – Pre Production**

- 4.1 Import Manager will be familiar with U.S. Lacey Act compliance requirements.
- 4.2 Import Manager will be familiar with U.S. Foreign Corrupt Practices Act
- 4.3 Import Manager will be familiar with U.S. Forced Labor Laws
- 4.4 Import Manager will verify species against CITES (Convention On The International Trade In Endangered Species) Appendixes I, II, and III – Verification of international authorization for legal trade by wood species.
- 4.5 Import Manger will verify supplying country membership in ITTO (International Tropical Timber Organization) - Verification of source country signature on ITTA (International Tropical Timber Agreement) formed under the auspices of the United Nations – Verification of Country of Origin Commitment to ITTO Sustainable Forest Management Principles and Criteria.
- 4.6 Import Manager will verify that Company has on file a 'Vendor Risk Assessment Survey', complete, approved and current (within previous 12 months) – Verification of Vendor commitment to compliance with all international laws pertaining to the legal harvest and trade of forest products.
- 4.7 Import Manager will verify that Company has on file a 'Vendor Certificate of Compliance and Indemnification Controlled Wood" complete, approved and current (within previous 12 months) prior to order placement – Verification of source declaration pertaining to compliance with LEGAL LUMBER provisions and vendor commitment to legal compliance.
- 4.8 Import Manager will verify that Company has on file a "Vendor Certificate of Compliance and Indemnification U.S. Foreign Corrupt Practices Act" complete, approved and current (within previous 12 months) prior to order placement – Verification of source declaration pertaining to compliance with LEGAL LUMBER provisions and vendor commitment to legal compliance.
- 4.9 Import Manager will verify that Company has on file a "Vendor Certificate of Compliance and Indemnification U.S. Forced Labor Laws complete, approved and current (within previous 12 months) prior to order placement – Verification of source declaration pertaining to compliance with LEGAL LUMBER provisions and vendor commitment to legal compliance.
- 4.10 Import Manager will verify that Company has on file a current 'Vendor Export Permit/License (copy) prior to order placement and production – Verification that Vendor has legal authority to export from Vendor country of Origin.
- 4.11 Import Manager will verify vendor compliance with FSC Chain Of Custody compliance requirements as required.

## **5. Material Sourcing – Pre Export/Pre Import**

- 5.1 Import Manager will verify that Company has on file a ‘Vendor Declaration of Source Controlled Wood Chain Of Custody, complete and approved for each purchase contract prior to order export – Verification of source declaration pertaining to approved forest management plans, licenses and permits to harvest and transport VLO/VLC compliance reviewed and approved internally and by third party verification of legal origin provider as directed by Primary Administrator.
- 5.2 Import Manager will verify that company has received Certificate of Origin Documents – Verification that Vendor has complied with country of origin export species and source of origin declaration requirements.
- 5.3 Import Manager will verify that company has on file ISF (Importer Security Filing Documents) prepared on Companies behalf by Import Manager- Verification of supplier declaration of compliance and importer filing of U.S. Department of Agriculture Lacey Act documentation requirements.
- 5.4 Import Manager will verify submittal of ISF (completed by Import Manager) to U.S. Department of Agriculture prior to arrival – Verification that Company has represented compliance with U.S Department of Agriculture Lacey Act requirements.
- 5.5 Import Manager will verify that company has on file a Commercial Invoice – Verification of Vendors compliance with purchase order requirements.
- 5.6 Import manager will verify that company has on file Certificates of Inspection confirming compliance with purchase order requirements.
- 5.7 Import Manager will review all documentation provided with specific intent to confirm consistency or identify inconsistencies or non-compliance with LEGAL LUMBER provisions.

## **6. Certificates of Compliance**

- 6.1 Program Administrator will be responsible for issuing Company Certificates of Compliance as required by Companies Customers as follows;
  - 6.1.1 Certificate of Compliance - Inspection
  - 6.1.2 Certificate of Compliance – Verification of Legal Origin
  - 6.1.3 Certificate of Compliance - International Building/International Residential Codes
  - 6.1.4 Certificate of Compliance – MSDS
  - 6.1.5 Certificate of Compliance – LEED (FSC certified products only)
  - 6.1.6 Certificate of Compliance – Invasive Species
  - 6.1.7 Certificates of Compliance - Other

## **7. Training**

- 7.1 Training will be conducted on an annual basis. Training will be conducted by Primary Administrator. In the event of a change in personnel, training will be conducted with new personnel upon their processing for employment. Training will be conducted on areas of responsibility.

## **8. Controlled Wood / Chain of Custody Records Management System**

8.1 Records will be owned by Import Manager and will be maintained for 7 years. Documents will include;

- 8.1.1 Employee Declaration of Compliance U.S. Lacey Act/U.S. Foreign Corrupt Practices Act/ Forced Labor Laws
- 8.1.2 Vendor Risk Assessments.
- 8.1.3 Vendor Declaration of Source Controlled Wood Verification of Legal Origin (VLO) and Legal Compliance (VLC)'Import Documentation –
- 8.1.4 Commercial Invoice, waybills, and bills of lading, Certificates of Origin, ISF documents
- 8.1.5 Supplier Declaration of Source / Chain of Custody Certificate
- 8.1.6 Supplier Declaration of Compliance CITES
- 8.1.7 Supplier Declaration of Compliance U.S. Lacey Act
- 8.1.8 Supplier Declaration of Compliance U.S. Foreign Corrupt Practices Act
- 8.1.9 Supplier Declaration of Compliance U.S. Forced Labor Laws
- 8.1.10 Commercial Invoices
- 8.1.11 FSC documentation as required
- 8.1.12 Other documents as required
- 8.1.13 Complaints or claims from third parties against suppliers

## **9. Internal Documents**

1.1 Company Policy Statement will be internally available for review. Annex B

## **10. Suppliers**

10.1 Suppliers will be categorized in the following manner;

- i. FSC Certified Suppliers ([www.fsc-info.org](http://www.fsc-info.org)).
- ii. Controlled Wood Suppliers (LEGAL LUMBER).
- iii. Uncontrolled Wood Suppliers.

10.2 The list of suppliers will be prepared and maintained by the Import Manager, and updated on an as needed basis.

10.3 The list of suppliers will rate Vendors in three categories.

- 10.3.1 Fully Compliant (Green)
- 10.3.2 Compliant with Corrective Action Required (Yellow)
- 10.3.3 Non-Compliant (Red)

## **11. Suppliers included in LEGAL LUMBER Verification Program**

11.1 Controlled Wood Supplier list will be maintained by Import Manager, the owner of the Risk Assessment.

11.2 Suppliers who are not FSC Certified Wood Suppliers will be identified and a risk assessment will be conducted and maintained by the Import Manager.

11.2.1 Supplier list will include;

- i. Name of Supplier.
- ii. Address of Supplier.
- iii. POC for Supplier.
- iv. Description of wood from Supplier to include species.

## **12. Districts of Origin**

12.1 District of origin is defined as the lowest area, such as state, city, county or other country designation,

where a risk assessment can be reasonably made.

## **13. Risk Assessment**

13.1 Risk Assessments will be assessed on the district level.

13.2 Risk Assessments will be assessed with procurement oversight to insure the legal origin of the raw Materials.

13.3 Risk Assessments will be secured and audited by Import Manager.

13.4 Risk Assessments will be owned by Import Manager.

13.5 Risk Assessments will be initially conducted on all suppliers and procurement will be directed at suppliers which can be identified as having lowest risk.

13.6 Risk Assessments will be reviewed annually.

13.7 Risk Assessments will be reviewed if;

- i. If information changes with a supplier.
- ii. Risk Assessment is challenged.
- iii. If violations are uncovered in document audits.

13.8 If the risk cannot be positively identified as low risk on a supplier, Import Manager will screen all FMP and harvest paperwork to insure legal log supplies and controlled wood compliance.

## **14 Receiving**

14.1 The following procedures will be followed. The receiving system must have a Vendor name, address, date of purchase, description of the product, quantity of the product received, reference to be able to track back to the shipment.

## **15 Sales**

15.1 The following procedures will be followed. The Invoicing system must have a customer name, address, date of purchase, description of the product, quantity of the product sold, reference to be able to track back to the shipment.

## **16 Transport/Shipping Documents**

16.1 The following procedures will be followed. The Shipping Document system must have a customer name, address, date of purchase, description of the product, quantity of the product sold, reference to be able to track back to the shipment.

## **17 Authenticity of Supplier Documentation**

17.1 Export Manager will secure all documents required under the Supplier Declaration of Source Controlled Wood and provide to Import Manager or Third Party Verification Provider as required by Import Manager for all procurements.

17.2 Supplier Declaration of Source with supporting documentation will be will be completed and submitted with each shipment and an audit of the validity of information will be conducted for each shipment by Import Manager or Third Party Verification Provider as required by Import Manager.

17.3 If documentation is found to contain discrepancies or is incomplete, all unfulfilled contracts with supplier will be suspended until compliance can be substantiated.

## **18 Other**

### **18.1 CITES Species**

18.1.1 Import Manager will be responsible to insure species procured is not listed on the CITES database, <http://www.cites.org/eng/resources/species.html>.

18.1.2 CITES website will be checked on an annual basis for changes.

## **19 ITTO**

19.1 Import Manager will verify that supplying country is a current member of the ITTO having signed the International Tropical Timber Agreement.

## **20 Lacey Act**

20.1 Import Manager will verify accuracy of Lacey Act – U.S. Department of Agriculture Plant Declaration Forms.

20.2 All USDA Plant Declaration Forms and LEGAL LUMBER mandatory Vendor Lacey Act Compliance Declaration Forms will be maintained for 7 years on each shipment.

## **21 Complaints Mechanism**

21.1 TFP will maintain a complaints database on all complaints registered with the company.

21.2 Import Manager will be responsible for the complaints receipt.

21.3 Upon receipt of a complaint all key personnel will be notified and the complaint will be acted upon within 2 weeks.

21.4 If audit is necessary, Export Manager will be dispatched to visit the supplier within 60 days.

21.5 Upon a complaint, subject controlled wood material will be segregated and not shipped until the complaint is cleared.

21.6 If a supplier is found to be in violation of the controlled wood policy their status as a controlled wood supplier will be suspended until such a time as they can comply with Green By Nature Policies and Procedures.

## **22 Communication**

22.1 All Communication related to LEGAL LUMBER Systems Policies and Procedures shall be in documented in writing via email with all LEGAL LUMBER Control System Staff being copied.





**ANNEX A**

## Environmental Compliance Program Training

I hereby verify that I have received, reviewed and understand a copy of TFP LEGAL LUMBER “Due Care” Environmental Compliance Program Policies and fully understand my compliance responsibilities.

I understand that any questions that I might have regarding my roles and responsibilities should be reported to the Program Administrator for clarification.

I agree to report any concerns regarding Program Compliance to the Program Administrator for resolution and that failure to meet my environmental compliance responsibilities may result in additional training, disciplinary action or dismissal as appropriate.

I understand that I have a responsibility to report any and all activities that could be construed as either un-knowingly or knowingly in Violation to the U.S. Lacey Act of U.S. Foreign Corrupt Practices Act to the Program Administrator.

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Employee Name

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Employee Signature

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Position

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Date

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## ANNEX B

### COMPANY POLICY

#### TFP Company Policy - Environmental

TFP through the implementation of its LEGAL LUMBER™ Controlled Wood, Chain of Custody, Life Cycle Criteria Environmental Compliance – Standards, Policies and Procedures Program has implemented a ‘Due Care’ strategy designed to avoid trading and sourcing wood from the following categories:

- a. Wood harvested illegally;
- b. Wood harvested in violation of traditional and civil rights;
- c. Wood harvested in forests where high conservation values are threatened by management activities;
- d. Wood harvested from forests being converted to plantations or non- forest use;
- e. Wood harvested from forests in which genetically modified trees have been planted.
- f. Wood that has not been sourced in compliance with all international laws and regulations pertaining to the legal trade of wood products including but not limited to the U.S. Lacey Act and U.S. Foreign Corrupt Practices Act.
- g. Wood listed in CITES (Convention on the International Trade In Endangered Species) Appendixes I, II or III without compliance to related CITES regulations.
- h. Wood that has been treated with petroleum based or inorganic chemicals to enhance durability;
- i. Wood which requires specialized handling, storage or disposal procedures;
- j. Wood which generates post-industrial or post-consumer non-biodegradable waste;
- k. Wood that cannot be reused or recycled;
- l. Wood which violates U.S. VOC off gassing regulations.
- m. Wood which is not free from invasive insect, plant or animal species.

## ANNEX C

### Environmental Compliance Vendor Introduction Letter

Dear Vendor,

Tropical Forest Products is committed to sourcing the wood products we sell from vendors who are equally committed to complying with all international laws and regulations pertaining to the controlled, legal, environmentally conscious and sustainable trade of forest products including but not limited to the U.S. Lacey Act.

In expansion of our LEGAL LUMBER “Due Care” Policies and Procedures TFP has engaged an independent third party environmental NGO to audit chain of custody documentation and certify compliance with Verification of Legal Origin and Verification of Legal Compliance requirements.

TFP now categorizes our Vendors into 3 “Due Care” categories and preferences contract placements accordingly.

#### **Vendor Categories**

- 1) Vendors having met the threshold of Independent Third Party Verification of Legal Origin and Legal Compliance.
- 2) Vendors having met the threshold of Internal Verification of Legal Origin and Legal Compliance.
- 3) Non-Compliant Vendors

*As a condition of our LEGAL LUMBER “Due Care” program, overseas vendors are required to complete as follows,*

#### **Annually**

- a) **Vendor Risk Assessment Survey.**
- b) **Vendor Certificate of Compliance and Indemnification Controlled Wood.**
- c) **Vendor Certificate of Compliance and Indemnification U.S. Foreign Corrupt Practices Act.**
- d) **Vendor Certificate of Compliance and Indemnification U.S. Forced Labor Laws**

#### **Each Shipment**

- a) **Vendor Declaration of Source Chain of Custody.** Vendors must submit this completed document in advance of each order shipment as part of your document package requirements. Please include copies of all supporting GF1, GF3, AUTEF, DUPF or other documents listed on your Declaration of Source Chain of Custody.
- b) **Certificate of Compliance Inspection.** Confirming understanding and compliance with THUSA grading rules and moisture content requirements.
- c) **Certificate of Origin**
- d) **Commercial Invoice**
- e) **Packing List**
- f) **Fumigation Certificate**

#### **Packaging**

- a) Vendor will comply with THUSA Packaging Requirements
- b) Vendor will not apply any Vendor Identification Marks
- c) Vendor will apply appropriate fumigation marks.
- d) Vendor will apply Iron Woods ink stamps to the ends of all boards meeting THUSA Premium Select Grade Requirements.
- e) Vendor will apply Certificate of Compliance Invasive Species to all Units prior to shipment.

Tropical Forest Products sincerely appreciates the efforts that all members of our industry are making to educate the public regarding the Sustainability, Life Cycle Value and Cradle to Cradle benefits associated with naturally occurring forest resources.

**Tropical Forest Products**

## ANNEX D

### Vendor Risk Assessment

Tropical Forest Products, Inc is firmly committed to the legal trade of wood products. As such, we expect the same commitment from our suppliers. Your answers to this questionnaire help us meet our legal commitments. In particular, this questionnaire is designed to ensure that our arrangements fully comply with the Lacey Act Amendment provisions regarding plants and plant products enacted by the U.S. Government in 2008. These provisions require compliance with all applicable national and international laws or regulations that protect, or that regulate the theft of plants; the taking of plants from a park, forest reserve, or other officially protected area; the taking of plants from an officially designated area; and the taking of plants without, or contrary to, required authorization or taking of endangered species. They also require that plants and plant products not have been obtained without the payment of appropriate royalties, taxes, or stumpage fees, as required by applicable national laws or regulations, in violation of U.S Forced Labor Laws, and U.S. Sanction Laws (OFAC).

We encourage you to incorporate any of the following information into the outreach you are conducting with your suppliers. Thank you for taking the time to complete this questionnaire.

#### SUPPLIER QUESTIONNAIRE

Supplier Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_ email: \_\_\_\_\_

#### Sources of Supply:

Detail the original country of harvest and actual (No spp. allowed) scientific genus and species for the products supplied to our company.

Products Supplied	Genus and Species contained in products	Original Country of Harvest

Does your company have written Environmental Compliance SOP (Standard Operating Procedures)?

Yes     No

If Yes, do they include training in U.S. legal compliance including but not limited to U.S Lacey Act, U.S. Foreign Corrupt Practices Act, U.S. Forced Labor Laws?

Yes     No

If Yes, have your SOP been provided to the importer for review or been made publicly available.

Yes     No

Is the Country of Harvest considered High Risk for Illegal Timber under IWPA WRI Risk Tool, WWF Risk Tool or any other credible Risk Tool?

Yes     No

Is the Country of Harvest considered High Risk for Corruption under Transparency International Risk ?

Yes  No

Are any of the species harvested and supplied considered High Risk under IWPA WRI Risk Tool, WWF Risk Tool or any other credible Risk Tool?

Yes  No

Is the Country of Harvest on the OFAC/U.S. Sanctions Law SDN (Specially Designated Nationals) list?

Yes  No

Have you provided copies of all domestic laws and regulations pertaining to the legal trade of timber products confirming you knowledge and understanding of such laws?

Yes  No

What percentage of your wood is derived from your own concessions/forests?

0% - 25%  26% - 50%  51% - 75%  76% - 100%

Does your company have a system for the traceability of wood sources?

Yes  No

If yes, are records maintained?  Yes  No

Do you require your suppliers to provide a statement of compliance regarding legality of wood products you purchase (through purchase order requirements or other documentation like what we have shared with you)?

Yes  No

Does your company have a written system for the approval of external suppliers?

Yes  No

Does your system include information from your suppliers confirming compliance with the following components?

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| a) legal rights to use the forest:                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) all relevant forestry laws:                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) payment of all relevant royalties and taxes:       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d) any violations of Forced Labor Laws                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| e) any violations of traditional or civil rights      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| f) wood coming from any High Conservation Value areas | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| g) forests experiencing conversion                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| h) wood listed in CITES, appendices I, II, III        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

**Certification/Auditing:**

1. Is your company certified by any of the following national/international programs? Check all that apply:

PEFC  MTCC  SFI  VLO

VLC  FSC  LEI  ISO

TFT  TFF-RIL

Other (please identify) \_\_\_\_\_

2. Are certificates available which independently verify that the timber products you supply our company are derived in accordance with the appropriate national and international forestry laws and regulations?

Yes  No

3. Does your company hold a chain of custody certificate? If so, identify organization and number : \_\_\_\_\_

4. Has your company ever been expressly denied certification?

**Yes**     **No**

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

5. Has any action ever been taken against your company or your suppliers for violations of any and all laws pertaining to the legal trade of forest products?

**Yes**     **No**

If yes, please explain: \_\_\_\_\_

**Sources of Supply:**

Detail the original country of harvest and genus and species for the products supplied to our company (please use attached sheet for additional products and/or species).

Products Supplied	Genus and Species contained in products	Original Country of Harvest


end of survey REV052321

**Office Use Only**

As a result of this survey what is the status of the supplier?

- Approved                       More Information Required     Denied

**ANNEX E**

**Vendor Certificate of Compliance and Indemnification Controlled Wood**

(Vendor) acknowledges that goods from time to time provided to Tropical Forest Products. (Buyer) , and all related or affiliated entities are from time to time exported from outside the Continental United States and as such must be imported by (Buyer) in compliance with the Lacey Act, 16 USC3371 et seq. and U.S. Department Of Agriculture Plant and Plant Product Declaration requirements.

Vendor hereby represents and warrants to and for the benefit of Buyer and Buyers customers that,

- (a) Vendor has reviewed and understands the Lacey Act requirements. The materials sold by Vendor to Buyer have been, harvested, possessed, transported and sold in compliance with all international laws pertaining to the legal trade of wood and plant products.
- (b) The materials sold by Vendor to Buyer have been harvested, possessed, transported, and sold in compliance with all applicable federal, state, local and regional laws of the country of harvest.
- (c) The materials sold by Vendor to Buyer are warranted that all applicable royalties, taxes, and fee were paid the appropriate agencies necessary to formalize their legalization.
- (d) The exported materials sold by Vendor to Buyer have been sourced and exported in compliance with Lacey Act and U.S. Department of Agriculture regulations related to the importation of "Any wild member of the plant kingdom, including roots, seeds, part, or products thereof, and including trees from either natural or planted forest stands.
- (e) Vendor will provide any further verified information, certification or assurance of compliance with this paragraph as may be reasonably requested by the Buyer or the U.S Department Of Agriculture.
- (f) The materials sold by Vendor to Buyer have not come from forest areas where traditional or civil rights have been violated.
- (g) The materials sold by the Vendor to Buyer have not been harvested, processed, or transported using Forced Labor.
- (h) The materials sold by Vendor to Buyer have not come from forests having high conservation values which are threatened.
- (i) The materials sold by Vendor to Buyer have not come from genetically modified trees.
- (j) The materials sold by Vendor to Buyer have come from natural forest that has been converted to non-forest use.
- (k) The materials sold by Vendor to Buyer are not listed in CITES, appendices I, II or III without required authorization documentation.
- (l) The materials sold by Vendor to Buyer and its packaging has either been kiln dried or Fumigated and is free from Invasive Insect, plant or Animal Species.

This certificate of compliance is a continuing, irrevocable representation and warranty of compliance with the Lacey Act requirements and may continue to be relied upon by the Buyer for each purchase of goods or services unless prior timely prior written notice is given to the Buyer that the goods Vendor proposes to sell to Buyer do not comply with the Lacey Act requirements. Such notice shall not be deemed to revoke or modify Certificates of Compliance previously provided by Vendor.

Vendor\_\_\_\_\_

Vendor Agent\_\_\_\_\_

Title\_\_\_\_\_

Date\_\_\_\_\_



## ANNEX F

### Certificate of Compliance and Indemnification "U.S. Foreign Corruption Practices Act"

(Vendor) acknowledges that goods from time to time provided to Tropical Forest Products.(Buyer) , and all related or affiliated entities are from time to time exported from outside the Continental United States and as such must be imported by (Buyer) in compliance with the U.S. Foreign Corruption Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, et seq. ("FCPA).

#### Overview

("FCPA"), was enacted for the purpose of making it unlawful for certain classes of persons and entities to make payments to foreign government officials to assist in obtaining or retaining business. Specifically, the anti-bribery provisions of the FCPA prohibit the willful use of the mails or any means of instrumentality of interstate commerce corruptly in furtherance of any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

Since 1977, the anti-bribery provisions of the FCPA have applied to all U.S. persons and certain foreign issuers of securities. With the enactment of certain amendments in 1998, the anti-bribery provisions of the FCPA now also apply to foreign firms and persons who cause, directly or through agents, an act in furtherance of such a corrupt payment to take place within the territory of the United States.

The FCPA also requires companies whose securities are listed in the United States to meet its accounting provisions. See 15 U.S.C. § 78m. These accounting provisions, which were designed to operate in tandem with the anti-bribery provisions of the FCPA, require corporations covered by the provisions to (a) make and keep books and records that accurately and fairly reflect the transactions of the corporation and (b) devise and maintain an adequate system of internal accounting controls.

Vendor hereby represents and warrants to and for the benefit of Buyer and Buyers customers that,

- (a) Vendor has reviewed and understands the U.S. Foreign Corruption Practices Act Provisions. The materials sold by Vendor to Buyer have been, harvested, possessed, transported and sold in compliance with all foreign and domestic bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act.
- (b) Vendor has not willfully used the mails or any means of instrumentality of interstate commerce corruptly in furtherance of any offer, payment, promise to pay, or authorization of payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to any person.

Vendor has accounting provisions in place to (a) make and keep books and records that accurately and fairly reflect the transactions of the corporation and (b) devise and maintain an adequate system of internal accounting controls to comply with all international bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act.

- (c) Vendor agrees to Indemnify and hold Buyer harmless from and against any third party claims and government action for violations of any and all foreign and domestic bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act.

(d) Vendor understand that any violation of foreign and domestic bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act will result in the immediate and permanent termination of any and all business transactions with the Buyer.

This certificate of compliance is a continuing, irrevocable representation and warranty of compliance with any and all foreign and domestic bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act and may continue to be relied upon by the Buyer for each purchase of goods or services unless prior timely prior written notice is given to the Buyer that the goods Vendor proposes to sell to Buyer do not comply with any and all foreign and domestic bribery laws pertaining to the legal trade of goods and services including but not limited to the U.S. Foreign Corruption Practices Act. Such notice shall not be deemed to revoke or modify Certificates of Compliance previously provided by Vendor.

Vendor \_\_\_\_\_

Vendor Agent \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## Certificate of Compliance and Indemnification “U.S. Forced Labor Law”

I hereby acknowledge that goods from time to time provided to Timber Holdings USA LLC.(Buyer) , and all related or affiliated entities are from time to time exported from outside the Continental United States and as such must be imported by (Buyer) in compliance with the U.S, Forced Labor Laws (U.S.C 1307).

### Overview

All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

“Forced labor”, as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily. For purposes of this section, the term “forced labor or/and indentured labor” includes forced or indentured child labor.

I hereby represent and warrant that,

- (a) I have reviewed and understand the U.S. Forced Labor Law.  
I am committed to the trade of forest products which have been, harvested, possessed, transported and sold in compliance with all foreign and domestic Forced Labor Laws pertaining to the legal trade of goods and services including but not limited to the U.S. Forced Labor Laws.
- (b) I will not willfully buy, sell or trade any goods, wares, articles, and merchandise, harvested, produced, or manufactured wholly or in part by convict labor or/and forced labor or/and indentured labor or/and child labor.
- (c) I will report any suspicion or knowledge of any known, unknown or intended violation of the U.S. Forced Labor Laws by any party associated with any transaction tied to commerce conducted by Timber Holdings USA.
- (d) I will not participate in any transaction with any party known to be in violation of both foreign and domestic Forced Labor Laws.
- (e) I will practice all possible Due Care in protecting THUSA against any known or unknown violation of domestic, foreign, or U.S. Forced Labor Laws.
- (f) I understand that any violation of foreign and domestic Forced Labor laws pertaining to the legal trade of goods and services including but not limited to the U.S. Forced Labor Laws will result in the immediate and permanent termination of any and all transactional relationships or employment with Timber Holdings USA or its affiliated companies.

This certificate of compliance is a continuing, irrevocable representation and warranty of compliance with any and all foreign and domestic Forced Labor laws pertaining to the legal trade of goods and services including but not limited to the U.S. Forced Labor Laws and may continue to be relied upon by Timber Holdings USA.

Vendor \_\_\_\_\_

Vendor/Agent \_\_\_\_\_

Vendor Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Declaração de Origem do Fornecedor**

**Supplier Declaration of Source Controlled Wood Chain of Custody**

**Verification of Legal Origin and Compliance**

Data/**Date**:

Importador/**Importer Name**: Tropical Forest Products

Endereço Importador/**Importer Address**: 5266 Timberline Blvd. Mississauga, Ontario Canada

Empresa/**Source Name**: List all possible Botanical Names for PPQ:

Endereço/**Source Address**:

Registro IBAMA/**IBAMA License**: Registro SEMA/**SEMA License**:

Material/**Product Name**: Contrato/**Reference PO #**:

Quantidade/**Product Volume**: Valor/**Product Value**: US\$

Local de Origem/**Location of harvest**:

- a) País/**Country**:
- b) Estado/**State**:
- c) Cidade/**District**:
- d) Número do Manejo Florestal/**Forest Management Plan Number**:

Declaramos que o material coberto por esta declaração não vem de qualquer uma das seguintes áreas ou categorias abaixo, para o melhor do nosso conhecimento:

I / We declare that the material covered by this declaration has not come from any of the following areas or categories, to the best of our knowledge:

- 1) Madeira extraída de áreas florestais onde tradição e direitos civis são violados.  
Wood harvested from forest areas where traditional or civil rights are violated.
- 2) Madeira retirada a partir de árvores geneticamente modificadas.  
Wood harvested from genetically modified trees.
- 3) Madeira extraída ilegalmente.  
Illegally harvested wood.
- 4) Floresta natural que tenha sido transformado em plantações ou sem reflorestamento.  
Natural forest that has been converted to plantations or non forest use.
- 5) Madeira listada na CITES, anexo I, II or III sem a necessária documentação autorizada.  
Wood listed in CITES, appendices I, II or III without required authorization documentation.
- 6) Wood harvested, possessed, transported and sold not in compliance with all applicable federal, state, local and regional laws of the country of harvest.
- 7) Wood for which all applicable royalties, taxes and fees have been paid to the appropriate agencies necessary to formalize its legalization.  
Wood harvested from areas having high conservation values which are threatened

Cadeia de Custódia Legalizada/**Chain of Custody:**

- 1) Nome do Projeto de Manejo Florestal/**Origin Source:**  
Número do Protocolo de Manejo Florestal/**Forest Management Plan Number:**  
  
Número da AUTEF/**Forest Exploration Authorization Number:**  
  
DOF/GF1/**Forest Transport Permit:**  
  
GF3/ **Forest Transport Permit:**  
  
DVPF/**Forest Plan Permit:**  
  
Local/**Location:**  
  
Nome do Responsável/**Name:**  
  
Cargo/**Position:**
- 2) Serraria/ **Milling Source:**  
Número da DVPF/**Forest Products of sale Declaration:**  
  
Nota Fiscal/**Fiscal Note:**  
  
DOF/GF1/**Forest Transport Permit:**  
  
GF3/ **Forest Transport Permit:**

DVPPF/Forest Plan Permit:

Local/Location:

Nome do Responsável/Name:

Cargo/Position:

3) Fornecedor/Supplier Source:

Nota Fiscal/Fiscal Note:

DOF/GF1/Forest Transport Permit:

GF3/ Forest Transport Permit:

DVPPF/Forest Plan Permit:

Local/Location:

Nome do Responsável/Name:

Cargo/Position:

4) Exportador/Exporter Source:

Nota Fiscal/Fiscal Note:

DOF/GF1/Forest Transport Permit:

GF3/ Forest Transport Permit:

DVPPF/Forest Plan Permit:

Local/Location:

Nome do Responsável/Name:

Cargo/Position:

5) Importador/Importer Source: Timber Holdings USA

Local/Location: Bedford, NH, USA.

Nome do Responsável/Name:

Cargo/Position: Import Manager

**Certificate of Compliance Invasive Species**

**This Wood Product and its Wood Packaging is...**

**Kiln Dried or Fumigated**

**Free From Invasive**

**Insect, Plant or Animal Species.**

**TFP PO# -**

**SPECIES -**

**CRATE FD# -**

**UNIT # -**

**UNIT TALLY -**

**DIMENSION -**

**PRODUCT OF -**

# Certificate of Compliance

## “Inspection”

**We hereby certify that the lumber supplied under the order number and marks listed below has been harvested legally and in compliance with all country of origin, international and U.S. laws and regulations pertaining to the international trade of forest products including but not limited to the guidelines as defined by TFP LEGAL LUMBER™ Comprehensive Controlled Wood, Chain Of Custody, Life Cycle Impact and Due Diligence Standards Policies and Procedures.**

Date:

Specie and Genus:

Producer:

Order Number:

Customer Order Number:

Quantity:

Description:

Grade:

Moisture Content:

Inspector:



# ANNEX K

According to the Paperwork reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0579-0349. The time required to complete this information collection is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

OMB APPROVED  
0579-0349  
Exp. Date:

## SECTION 1 - Shipment Information

1. ESTIMATED DATE OF ARRIVAL: (MM/DD/YYYY)
2. ENTRY NUMBER:
3. CONTAINER NUMBER: <input type="checkbox"/> See Attachment
4. BILL OF LADING:
5. MID:

## Plant and Plant Product Declaration Form

**Section 3: Lacey Act Amendment (16 U.S.C. 3372)**



**U.S. DEPARTMENT OF AGRICULTURE**  
ANIMAL AND PLANT HEALTH INSPECTION SERVICE

10. DESCRIPTION OF MERCHANDISE:
---------------------------------

6. IMPORTER NAME:
7. IMPORTER ADDRESS:
8. CONSIGNEE NAME:
9. CONSIGNEE ADDRESS:

## SECTION 2 - Compliance with Lacey Act Requirements (16 U.S.C. 3372(f))

For each article or component of an article, provide the following:								
11. HTSUS NUMBER: (no dashes/symbols)	12. ENTERED VALUE:	13. ARTICLE/ COMPONENT OF ARTICLE	14. PLANT SCIENTIFIC NAME: <i>Genus</i> <i>Species</i>		15. COUNTRY OF HARVEST:	16. QUANTITY OF PLANT MATERIAL:	17. UNIT:	18. PERCENT RECYCLED:

I certify under penalty of perjury that, to the best of my knowledge and belief, the information furnished is true and correct:

Version 08-15-2011-0856  
PPQ FORM 505  
AUGUST 2011

Preparer's Phone Number and Area Code	Signature	Type or Print Name	Date

Knowingly making a false statement in this Declaration for Importation may subject the declarant to criminal penalties in accordance with 16 U.S.C. 3373(d).

- 15. **Country of Harvest:** Enter the country where the plant was harvested (example: See below). If the country of harvest varies, and is unknown, enter all countries from which the plant material in the product may have been harvested. This is NOT the country of manufacture/origin.
- 16. **Quantity of Material:** How much plant material is in the shipment (example: See below).
- 17. **Unit:** This is the Unit of Measure of the Plant Material. Use the drop down box on the form to enter the units for #17. (example: See below).
  - kg - kilograms
  - m - meter
  - m<sup>2</sup> - square meters
  - m<sup>3</sup> - cubic meters
- 18. **% Recycled Material:** If the product is paper or paperboard, enter the percentage of recycled material it contains (0 - 100%). If the percentage of recycled material varies, enter the average percentage of recycled material used in the product (example: If the percentage of recycled material used is between 25% and 45%, enter 35%).

11. HTSUS Number	12. Entered Value	13. Article/Component of Article	14. Plant Scientific Name		15. Country of Harvest	16. Quantity of Plant Material	17. Unit	18. Percent Recycled
			Genus	Species				
9401692010	1354	Bentwood Seats Made of Oak	Quercus	lineata	Indonesia	500	kg	0
4407950000	8442	European ash lumber (2" x 4")	Fraxinus	excelsior	Switzerland	52	M3	0

**Submission of Paper Declaration:** Importers should have a copy of the form available for Customs and Border Protection (CBP) to review at the port of entry. After CBP clears the shipment, the importer must mail the original form to the USDA at the following address:

The Lacey Act  
 c/o U.S. Department of Agriculture  
 Box 10  
 4700 River Road  
 Riverdale, MD 20737

**Note:** You may use Form PPQ 505B should more space be required. Make as many copies as necessary.  
 Failure to include any and all of the required information will result in the rejection of your declaration.

**SPECIAL NOTE:** IF YOU HAVE FILED A LACEY ACT DECLARATION ELECTRONICALLY THROUGH THE CUSTOMS SYSTEM, THERE IS NO NEED TO FILE A PAPER DECLARATION.

1. **Estimated Date of Arrival:** Enter the date (MM/DD/YYYY) that the product is expected to enter the United States of America.
2. **Entry Number:** Enter the U. S. Customs entry number assigned to this shipment. (Format: xxx-xxxxxxx-x)
3. **Container Number:** Enter the number of the shipping container in which the product is being shipped - available from your shipping company. If you have more than container number in your shipment, check the "see attachment" box, and list all of the containers on a separate sheet. Attach the container list to the PPQ 505. If there is no container number, please leave this section blank.
4. **Bill of Lading:** Enter the Bill of Lading (BOL) number assigned to this shipment - available from the shipping company. If there is no Bill of Lading number, please leave this section blank.
5. **MID:** Manufacturer Identification Code - available from the manufacturer or customs broker (19 CFR Appendix to Part 102).
6. **Importer Name:** Enter the name of the import company or individual for the product.
7. **Importer Address:** Enter the address of the import company or individual in #6.
8. **Consignee Name:** Name of the individual or company who ordered and will ultimately receive the shipment.
9. **Consignee Address:** Enter the address of the individual or company in #8.
10. **Description of the Merchandise:** Enter the name of the plant or plant product, and its use (example: wooden spoons for kitchenware). If the use is unknown, enter only the name of the product(example: lumber). If the product is protected under CITES also input CITES permit number here. If product was manufactured prior to the Lacey Act Amendment also input "Manufactured Prior to May 22, 2008".
11. **HTSUS Number:** Enter the Harmonized Tariff Code for the merchandise described in #10 - available at <http://www.usitc.gov/tata/hts/>.
12. **Entered Value (in U.S. Dollars):** Write the entered value of the imported merchandise described in #10 in U.S. Dollars.
13. **Article/Component of Article:** Enter a brief description of each article, or component of an article, that is manufactured from plants or plant parts. (Example: A decorative item including a wood frame and 100 % recycled paperboard - enter the frame as a line item, and record the percent recycled material in the paperboard in section #18.)
14. **Plant Scientific Name:** For each article/component in #13 enter the scientific name (example: See next page). If the species of plant used to produce the product varies, and the species used to produce the product is unknown, enter each species that may have been used to produce the product. If product was manufactured prior to the Amendment and you cannot determine species, enter "Special" for Genus and "PreAmendment" for Species. The Scientific Name is NOT the trade/common name of the plant.

## **‘DUE CARE’ CERTIFICATE OF COMPLIANCE**

Products carrying the LEGAL LUMBER label or this certificate of compliance meet a comprehensive set of Controlled Wood, Chain of Custody, Life Cycle Impact and Due Care Standards, Policies and Procedures that support environmental sustainability and compliance initiatives...



All LEGAL LUMBER™ branded products have been third party verified of legal origin as being, legally harvested, transported, exported, imported and documented in compliance with all country of origin, international and domestic laws, rules, regulations and treaties pertaining to the fair and legal trade of forest products including but not limited to the ITTA (International Tropical Timber Trade Agreement), CITES (Convention On The International Trade of Endangered Species) U.S. Department of Agriculture Lacey Act, U.S. Foreign Corrupt Practices Act, U.S. Forced Labor Laws, U.S. Buy American Act, California Deforestation-Free Procurement Act, California Prop 65 and ISO (International Organization for Standardization) 14001 Environmental Management Systems.

All LEGAL LUMBER™ branded products are derived from forests which are naturally occurring, renewable and sustainable. LEGAL LUMBER brand products are not harvested from forests or forest plantations where traditional, civil or property rights have been violated, forests having high conservation values which are threatened, forests that have been genetically modified or forests which have been converted to non-forest use. LEGAL LUMBER™ branded products are sourced with a preference to those forestry operations implementing LIL (Low Impact Logging) techniques and sustainable forest management practices.

All LEGAL LUMBER™ branded products are 100% organic, grown without the use of chemical fertilization and are regenerated naturally or by seeding and replanting. All LEGAL LUMBER branded products are either kiln dried or fumigated and are free from invasive insect, plant or animal species.

The natural service life of wood products in their appropriate application exceeds their natural growth cycle. Naturally durable hardwood products trap and store carbon and are able to be reclaimed, reused or down-cycled. Naturally durable hardwood products are 100% bio-degradable and do not require for service any petroleum based or inorganic chemical treatments adhesives or coatings for use. Naturally durable hardwood products do not require for service any specialized handling storage or disposal procedures and generate zero post-industrial or post-consumer non-biodegradable waste. Naturally durable hardwood products are also safe for human and animal contact, meet Low VOC emission standards and International Building Code, International Residential Code, Cal Fire Wildlife Urban Interface Code requirements. Naturally durable hardwood products meet Living Building Challenge standards, not containing in their natural untreated condition any applied Red List Materials or Chemicals or any chemicals other than those that may occur naturally within the wood species.

LEGAL LUMBER™ is a corporate 'Due Care' Verification of legal origin and environmental compliance program standards, policies and procedures established by Tropical Forest Products to ensure international environmental compliance and promote the life cycle benefits associated with the worlds most renewable resource...Trees and the wood products that come from them.

For more information, please visit us at [legallumber.com](http://legallumber.com)