

Certified by:



Filosoofi 31
50108 Tartu
Estonia
www.NEPCon.net

Audit Managed by:
NEPCon
Tel: 304-884-9364
Contact person: Randy Coots
Email: rcoots@NEPCon.org



SmartLogging
2019 Annual Audit
Report for:

The Trust to Conserve
Northeast Forestlands
in
Augusta, Maine, USA

Certificate code:	RA-SL-000001
Auditors:	Randy Coots
Audit Dates:	2-5 December 2019
Report Finalized:	10 March 2020
Operation Contact:	Ted Wright
Address:	110 Sewall Street Augusta, Maine 04332

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INTRODUCTION

The purpose of this report is to document annual audit conformance of **The Trust to Conserve Northeast Forestlands (TCNEF)**, hereafter referred to as SmartLogging Operation (SLO). The report presents the findings of NEPCon auditors who have evaluated company systems and performance against the SmartLogging standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the SLO through corrective action requests.

NEPCon audit reports include information which will become public information. Sections 1-3 will be posted on NEPCon's website. All appendices will remain confidential.

Dispute resolution: If NEPCon clients encounter organizations or individuals having concerns or comments about NEPCon and our services, these parties are strongly encouraged to contact NEPCon regional or Headquarters offices directly (see contact information on report cover). Formal complaints or concerns should be sent in writing.

1. AUDIT FINDINGS AND RESULTS

1.1. Audit conclusion

Based on the SLO's conformance with SmartLogging requirements, the audit team makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification requirements <u>met</u>, certificate maintenance recommended Upon acceptance of NCR(s) issued below
<input type="checkbox"/>	Certification requirements <u>not met</u>: Conformance with Major NCR(s) required
Additional comments:	
Issues identified as controversial or hard to evaluate.	None

1.2. Changes in the SLO operation, structure, group membership, etc.

Two group members have retired from logging and left the group. The group increased membership with 12 new members, bringing the total of group members to 112. There were no other changes to the operation or structure of the group.

1.3. Conformance with applicable corrective action requests

The section below describes the activities of the certificate holder to address each applicable corrective action request issued during previous evaluations. For each NCR a finding is presented along with a description of its current status. Failure to meet NCRs will result in nonconformances being upgraded from minor to major status with conformance required within 3 months with risk of

suspension or termination of the NEPCon certificate if Major NCRs are not met. The following classification is used to indicate the status of the NCR:

NCR Status Categories	Explanation
Closed	Certified operation has successfully met the NCR and addressed the underlying nonconformance.
Open	Certified operation has <u>not met</u> the NCR; underlying nonconformance is still present. NCR becomes a Major NCR with a 3-month deadline for conformance

Check if N/A (there are no open NCRs to review)

1.4. New nonconformity reports issued as a result of this audit

NCR: 01/19	NC Classification: Minor
Standard & Requirement:	SmartLogging Group Certification Standard (SL-03), Version 1
Report Section:	APPENDIX VI: Group management conformance checklist
Description of Non-conformance and Related Evidence:	
<p>Requirement: “The group manager shall be contractually responsible to NEPCon for ensuring that all the requirements of certification are fully implemented for all members within the scope of the group certification.”</p> <p>Finding: During site visits, this auditor asked to review landowner/service contracts for harvesting. At the time of the audit, of the 9 harvester sites visited, the auditor was only able to review one landowner contract. The auditor agreed to give some time for the group manager to obtain and send copies of the landowner/service contracts for each of the harvest sites visited. At time of this report this auditor has only received 5 of the 9 contracts. The auditor considers this a minor non-conformance to standard 1.3 of the SmartLogging Group Certification Standard, for not ensuring that all requirements of certification are fully implemented for all members.</p>	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalization (10 March 2021)
NCR Evaluation Type	On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/>
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING

NCR Status:	OPEN
Comments (optional):	

NCR: 02/19	NC Classification: Minor
Standard & Requirement:	SmartLogging Generic Certification Standard (SL-02), Version 6, 3.3.1
Report Section:	APPENDIX III: SmartLogging standard conformance
Description of Non-conformance and Related Evidence:	
<u>Requirement:</u> “Silvicultural prescriptions are followed.”	
<u>Finding:</u> Of the nine locations visited, this auditor was only able to review written silvicultural prescriptions for five. This is considered a minor NCR to 3.3.1 of the SmartLogging Generic Certification Standard, Version 6, by the auditor, based upon confusing language in the “Northeast Master Logger Certification Program” document which states at 1.1c, “If a forest management plan exists and is available, applicable elements are incorporated into the harvest plan”.	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalization (10 March 2021)
NCR Evaluation Type	On-site <input checked="" type="checkbox"/> Desk Review <input type="checkbox"/>
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	OPEN
Comments (optional):	

NCR: 03/19	NC Classification: Minor
Standard & Requirement:	SmartLogging Generic Certification Standard, Version 6
Report Section:	APPENDIX IV: Chain of Custody Conformance
Description of Non-conformance and Related Evidence:	
<u>Requirement:</u> “ A summary of forest products, which includes at a minimum, delivery dates, destinations, volumes and species is provided to the SmartLogging auditor during the annual audit.”	
<u>Finding:</u> <u>Each group member keeps a record of the volume of forest products delivered to each mill. Mill receipts are verified against trip tickets and used to summarize volumes and values for group member recordkeeping and payment to landowners.</u>	

<u>The volume summary for all group members produced a total of 5,439,304 green tons of wood in 2019. Missing from this information is the delivery dates, destinations, volumes and species. As such it is concluded to be a minor NCR.</u>	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalization (10 March 2021)
NCR Evaluation Type	On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/>
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	OPEN
Comments (optional):	

1.5. Audit observations

Observations are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into an NCR in the future.

One observation was issued as a result of this audit.

OBS: 01/19	Standard & Requirement:	SmartLogging Group Certification Standard (SL-03), Version 1, 4.3
	Report Section	APPENDIX VI: Group management conformance checklist
Description of findings leading to observation:	<p>Requirement: If a group member joins or leaves either the group or the group certification scheme, the group manager shall inform the certification body within one month.</p> <p>Finding: Documents observed by the auditor indicate that changes to group membership will be documented and NEPCon will be notified within 30 days. However, in practice, unable to confirm that notifications to NEPCon have been submitted within the 30 days as documented.</p>	

Observation:	FME should ensure continued conformance with Group Indicator 4.3.
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2. AUDIT PROCESS

2.1. Auditors and qualifications:

Auditor Name	Randy Coots	Auditor role	Lead Auditor
Qualifications:	B.S. in Forestry from West Virginia University: Randy has worked in the field of forestry for over 30 years. He has worked for the Florida Division Forestry, West Virginia Division of Forestry, Columbia Forest Products, Georgia Pacific Corp., Collins Hardwoods, U.S. Forest Service, and as a forestry consultant. He is a Society of American Foresters Certified Forester (#1547), and a West Virginia Registered Professional Forester (#266) and has served on the Board of Directors of the WVRPF and the West Virginia Forestry Association. Randy currently is an employee of NEPCon as a Forest Management and Chain of Custody Associate. Completed FSC COC Lead Auditor training Sept. 2017, and FM Lead Auditor training in April 2018.		

2.2. Audit schedule

Date	Location /Main Sites	Principal Activities
12/1-12/2/2019	Off-site	Audit prep and travel
12/3/2019	Rangeley, ME Area	Opening meeting, site visits to group members
12/4/2019	Rangeley, ME Area	Site visits to group members
12/5/2019	Farmington, ME Area	Final site visit to group member
12/5/2019	Off-site	Closing meeting (via phone)
1/10/2020	Off-site	Report

Total number of person days used for the audit: 2.75 = number of auditors participating 1 times total number of days spent for the audit

There are currently 112 logging contractors in the TCNEF group. The auditor visited nine contractors on nine sites over the 2.75-day field audit.

2.3. Stakeholder consultation process

During the certification audit process stakeholders may be consulted by the auditor(s). Stakeholder consultation carried out during a SmartLogging audit may provide evidence concerning harvester conformance with the SL standard. Stakeholders may include forest industry (including loggers, foresters, mill personnel, log purchasers, workers etc.) landowners, government regulatory agencies, and community members.

Stakeholder type (i.e. Industry, landowners, government, community)	Number of Stakeholders consulted	Stakeholder issues (if any)
TCNEF Staff	1	None
Group Members	9	None
Contractor employees	1	None
Industry Foresters	1	None

2.4. Changes to Certification Standards

SmartLogging standard used in audit:	SmartLogging Generic Certification Standard, Version 6, SL-02 SmartLogging Group Certification Standard, Version 1, SL-03
Revisions to the standard since the last audit:	<input checked="" type="checkbox"/> No changes to standard. <input type="checkbox"/> Standard was changed (detail changes below)
Changes in standard:	N/A
Implications for SLO:	Not applicable - no new requirements

APPENDIX I: List of visited sites (confidential)

Location	Logger	Site Description / Audit Focus and Rationale for selection
New Portland, Maine	XXXX	<p>A harvest of 100 acres with the tract bisected by Gilman stream, a perineal stream. Two landing sites on either side of the stream near the county road bridge over the stream. Both landings were close but outside of the buffer zone. A small operator as the crew consists of XXXX The harvesting on one side of the creek was complete and the other side was still being operated. The main forwarder trail on the active side had slash (tree tops) placed in the trail to minimize ground impact. All the harvesting activity has been done during a freeze. The equipment being used was a tracked harvester, forwarder, and landing loader. Harvest prescription was an overstory removal and release of advanced regeneration. No stand damage observed. A no cut area was left along the road as an aesthetics' buffer. When asked about first-aid kits, fire extinguishers, and spill kits, these were all shown to the auditor.</p>
Norridgewock, Maine	XXXX	<p>Harvest of a 35-acre site of stagnated spruce & fir and mixture of hardwoods. The harvest desired by the landowner was to remove all the standing trees except that all oaks are to be left standing. Observed a skidder crossing over a small stream that had previously had culverts installed. Hay bales were placed to prevent any sedimentation from entering the stream. Slash was also placed over the culverts to additionally filter and protect the stream crossing. Filter zone along stream was acceptable. Observed no issues with any sedimentation entering the stream. There was one location in the main skid trail that was rutting out causing a deep hole in the road. Discussing this situation with the logger, this trail had been laid out by the landowner and will be filled in at completion to become a future driveway for a house that is to be built. The auditor determined that this single rutting location is on a flat and will not create any soil flow or movement. This is another operation consisting of a 2-man crew. Producing 5 different market sorts on the landing. When asked about</p>

		first-aid kits, fire extinguishers, and spill kits, these were all shown to the auditor.
Kingfield, Maine	XXXX	Harvest of a 21-acre overstory removal and described in the Forest Management Plan as a thinning from below with crop tree spacing. Another small 2-man crew. This auditor observed that skid trail had been flagged. No stream crossing to deal with on this job. Observed no damage to the residual stand of trees or to the ground. Producing 7 different market sorts on the landing. When asked about first-aid kits, fire extinguishers, and spill kits, these were all shown to the auditor.
Phillips, Maine	XXXX	Another small 2-man operation. Harvesting 8 acres behind the landowners' house. The harvest was laid out by the landowner to remove the mature maple, spruce, fir, and white pine, while leaving all the birch, beech and oaks. Observed trees painted by the landowner as reserve/crop trees. Operation was using a tracked harvester, a wheeled cut to length system, and a forwarder. Observed all forwarder trails with a heavy layer of slash. This operation was operating in a very tight location near the home and garage with the log loadout piles near the landowners' water well. Observed no damages to residual stand. There were no water features to deal with. When asked about first-aid kits, fire extinguishers, and spill kits, these were all shown to this auditor.
Carthage, Maine	XXXX	This operation was on 220 acres of his own property. This site had recently been harvested and then experienced a major wind event that caused some major blow down damage to the residual stand. The current operation is to clean up the blow down and cut all trees down to an 8" dbh and all of the "junk". Observed a stream crossing on main haul road. This auditor did not observe any sediment movement into the stream.
Roxbury, Maine	XXXX	A large tract owned by Wagner Forest Management was visited; XXXX has the service contract for the harvest currently being performed. XXXX was the onsite company contact, and Wagner Forester Joe Lesnikoski was also available to answer questions. Visited a >100-acre clear cut (pre-approved by state of ME due to size) with active harvesting in process (grapple skidder, stroke delimber observed in use). Little standing residual on harvest, so hard to evaluate if practices could have resulted in damage to leave trees. Understory vegetation probably

		<p>dormant with some snow cover so likewise hard to evaluate likelihood of damage. Joe stated that desired regen is “anything but beech and striped maple”. Very rocky, somewhat steep slopes. Wagner plans all harvests, flags harvest areas and boundaries, and plans out roads. Irish does the work; they use GPS (Trimble Pilots) to navigate the harvest areas. No sensitive natural or cultural sites in harvest area were reported by XXXX or observed on the site. No stream crossings in harvest area reported by XXXX or observed onsite. XXXX utilizes treetops to armor skid trails; the practice was observed in the field and armoring appeared to be adequate. Spill kits, first aid kits, and fire extinguishers were observed onsite in multiple machines. XXXX reported that company uses spill kits when any hose blows, or any significant leak is noted; used spill kits are disposed of in local dumpsters. Trip tickets and a harvest summary sheet were inspected in the field, but service contract was not available for review onsite. XXXX reports that during closeout they remove bridges and install water bars in erosion-prone skid trails; however, since the harvest is still underway, this could not be observed. XXXX reports that they have had no accidents in the recent past and have had one complaint from a local resident about logging noise. They reported responding to the complaint, meeting with the local resident and touring her on their harvest site. According to XXXX, the resident was satisfied, and the complaint was closed. XXXX verified that IXXXX understands the SL certification standard, process and requirements.</p>
<p>Raingly, Maine</p>	<p>XXXX</p>	<p>XXXX has been in business for 25 years. Has been in the SL program for 4 years. Harvesting under the SAPPI program. Harvesting a 50-acre tract doing an overstory removal to release the spruce and fir. Observed harvest lines flagged, and main skid trails were flagged. Crew uses Avenza maps with GPS to make sure about where they are at on the tract. No special sites known on this harvest location.</p>
<p>Eustis, Maine</p>	<p>XXXX</p>	<p>XXXX has a service contract for current harvests on a 40,000-acre tract owned by Wagner Forest Management (trip tickets and service contract were not available to be viewed onsite during audit). Onsite company representative on the day of the site visit was XXXX Observed two clear cuts with</p>

		<p>reserves (wildlife trees) at a reported and observed density of ~4-6 trees per acre. Selection of retention trees appeared to be a mixture of white pine, yellow birch, paper birch, and other occasional species. Most reserves had well-formed crowns (>30% LCR) and appeared to be in good condition post-harvest (no bole scars seen), although it is questionable if the paper birch will remain standing for long, due to wind exposure and age. When asked, loggers were somewhat unclear as to what the desired regeneration for the site would be; no foresters were available to interview. Wagner plans all harvests, flags harvest areas and boundaries, plans out roads. Observed skid trails appeared to be well-armored with slash. No sensitive natural or cultural sites in harvest area were reported by XXXX or observed on the site. No stream crossings in harvest area were reported. XXXX reports that stream crossings are avoided when possible. Difficult to evaluate if there was any damage to understory vegetation due to snow and likely dormancy of most species. Observed onsite equipment included a grapple skidder and a stroke de-limber; a feller-buncher was reported to be at work but was not observed. XXXX reports that other Wagner contractors build the roads and do post-harvest closeout, though XXXX reports that they sometimes install temporary water bars during harvesting operations on steeper sites (no steep slopes/ water bars observed during visit). Loggers were able to show us spill kits, first aid kits, and fire extinguishers onsite in multiple machines, and XXXX reports that all company crews go through trucking and logger training (every year), first aid (every 2 years), and logger rescue training (every year). XXXX gave explanation of spill kit use. XXXX verified that XXXX understands the SL certification standard, process and requirements. XXXX reports that there have been no complaints in the past year.</p>
Farmington, Maine	XXXX	<p>XXXX is one of the founding members of the Master Logger program in 1991. His son XXXX is studying at the University of Maine with a major in forestry. His plans are to continue working in the family business. Harvest site observed boundary lines well marked, painted blue. The harvest was the landowners desire to cut everything that could make firewood to release</p>

		<p>the regeneration, an overstory removal. A view shed from the top of the hill was being cleared for a better view. When asked about tract planning it was disclosed that they will walk each job prior to startup and flag the skid trails. All skid trails observed had been bedded with tree tops and other slash. Observed no damage to residual stand. There were no stream crossings. However, it was observed that a small wet area was being treated as if it were a stream crossing. The harvester and forwarder were working both sides of the wet spot to avoid any disturbance of the site. No unique sites were reported or observed. Observed first-aid kits, spill kits, and fire extinguishers on all machines. In addition to safety equipment was shown an emergency action plan with Life Flight landing coordinates, and directions to closest hospital.</p>
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APPENDIX II: List of stakeholders consulted (confidential)

List of TCNEF Staff Consulted

Name [Last, First]	Title [Affiliation, if any]	Contact [preferably email or phone, if available; otherwise address]	Type of Participation Notification, interview, and/or public meeting.
Ted Wright	Executive Director	executivedirector@tcnef.org	Interview

List of other Stakeholders Consulted

Name	Organization	Contact	Type of Participation
XXXX	XXXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview
XXXX	XXXX	XXXX	Interview

APPENDIX III: SmartLogging standard conformance (confidential)

The table below demonstrates conformance or non-conformance with the SmartLogging standard. The NEPCon Task Manager should provide guidance on which sections of the standard should be evaluated in a particular audit. NEPCon may evaluate only a subset of the standard in any one particular audit provided that the SLO is evaluated against the entire standard by the end of the certificate duration. Findings of conformance or non conformance at the criterion level will be documented in the following table with a reference to an applicable NCR or OBS. The nonconformance is also summarized in a NCR table in Section 2.4. All non-conformances identified are described on the level on criterion though reference to the specific indicator shall be noted. Criteria not evaluated are identified with a NE.

P & C	Conformance: Yes/No/ NE	Findings	NCR OBS (#)
Subject Area 1: Legal Requirements			
1.1	No	During site visits, this auditor asked to review landowner/service contracts for harvesting. At the time of the audit, of the 9 harvester sites visited, the auditor was only able to review one landowner contract. The auditor agreed to give some time for the group manager to obtain and send copies of the landowner/service contracts for each of the harvest sites visited. At time of this report this auditor has only received 5 of the 9 contracts. The auditor considers this a minor non-conformance to standard 1.3 of the SmartLogging Group Certification Standard, for not ensuring that all requirements of certification are fully implemented for all members. Due to the above, conformance to this standard cannot be confirmed at this time. See NCR 01/19.	Minor NCR 01/19
1.2	NE		
1.3	NE		
Subject Area 2: Harvest Planning and Monitoring			
2.1	NE		
2.2	NE		
2.3	NE		
2.4	NE		
2.5	NE		
Subject Area 3: Harvesting Practices			
3.1	NE		
3.2	Yes	The auditor observed no sensitive areas on sites visited, and interviews corroborated no sensitive sites. All observed harvesting systems were site appropriate, and no use of equipment was observed in wet areas.	
3.3	No	All harvesters visited showed a good understanding of harvest prescriptions by observations of harvest sites. Little to no residual tree damage was observed across visited operations. All sites were active at time of visit, so it was difficult to see final closeout activities. However, on a couple of sites, areas of the harvest that were completed had been water-barred for closeout.	NCR 02/19

		Of the nine locations visited, this auditor was only able to review written silvicultural prescriptions for five. This is considered a minor NCR to 3.3.1 of the SmartLogging Generic Certification Standard, Version 6, by the auditor, based upon confusing language in the “Northeast Master Logger Certification Program” document which states at 1.1c, “If a forest management plan exists and is available, applicable elements are incorporated into the harvest plan”. See NCR 02/19.	
3.4	NE		
3.5	NE		
3.6	Yes	All interviews during site visits confirmed layout or planning around harvest trails prior to harvesting. Across visits, the auditor was generally impressed with slash used to armor skid trails. Erosion control measures could not be observed in most sites since they have not yet been closed out, although all companies reported that closeout measures to control erosion are taken. No skid trail crossings of sensitive sites were observed or reported.	
3.7	Yes	Interview indicate that most logging companies avoid stream crossings where possible. One small stream crossing was observed on a skid road. Hay bales were placed to slow water movement and prevent soil movement into the stream. Also, slash was placed on top of the old culvert to further buffer the crossing. At the time of the visit the ground was frozen, but the stream was running. Upon inspection of the intake side and out flow sides of the culvert, no sediment was observed in the stream.	
3.8	NE		
3.9	NE		
<u>Subject Area 4: Community Values</u>			
4.1	Yes	None of the harvesting sites visited contained cultural sites according to interviews and auditor observations. All logging contractors interviewed were able to explain proper use and disposal of spill kits, and spill kits were observed at every site. One of the loggers interviewed reported a complaint, but also explained the company’s process to the auditor, and noted that the complaint had been closed (and the complainant satisfied).	
<u>Subject Area 5: Occupational Health and Safety</u>			
5.1	NE		
5.2	NE		
<u>Subject Area 6: Business Viability</u>			
6.1	NE		
6.2	NE		
6.3	NE		
6.4	NE		
<u>Subject Area 7: Continuous Improvement and Innovation</u>			
7.1	NE		
<u>Subject Area 8: Silviculture and Reforestation</u>			

8.1	NE		
8.2	NE		
8.3	NE		

APPENDIX IV: Chain of Custody Conformance (confidential)

2.5: Documentation is used and retained for monitoring the movement of forest products from forest of origin to destination.

Definition of Forest Gate: The forest gate is determined by contract type. For group members who purchase timber deeds or cut on shares, the forest gate is the mill scale. For group members who cut and haul for a mill, the forest gate is the landing.

Chain of Custody Criteria	Conform	Explanatory notes/ CAR or OBS
2.5.1: A trip ticket, load receipt or other transportation document accompanies each load of forest products (e.g., logs, chips, biomass) delivered to the purchaser.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Interviews with each group member confirms that load tickets are used for each load of wood sent to the mill. Observed load tickets for 5 of the 9 locations visited. The other 4 locations stated that the load tickets are kept in the trucks and there were no trucks on site at time of visit. Load tickets are used to track loads back to the source.
2.5.2: Trip tickets, load receipts or other documentation mentioned above contain the harvester's SmartLogging certification code and Subcode (if applicable) number.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	No TCNEF SL group members are currently using the SmartLogging certification code on trip tickets or other documentation because no sales are being made to an FSC market
2.5.3: A summary of forest products, which includes at a minimum, delivery dates, destinations, volumes and species is provided to the SmartLogging auditor during the annual audit.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Each group member keeps a record of the volume of forest products delivered to each mill. Mill receipts are verified against trip tickets and used to summarize volumes and values for group member recordkeeping and payment to landowners. The volume summary for all group members produced a total of 5,439,304 green tons of wood in 2019. Missing from this information is the delivery dates, destinations, volumes and species. As such it is concluded to be a minor NCR. See NCR 03/19.
2.5.4: All records are kept for at least five years.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	The group manager outlines the recordkeeping requirements for SmartLogging on the group member agreement. Interview

		with Group manager stated that all group members keep records for 5 years. During document review noted that some of the group members original signatures for membership dated back to 2001.
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APPENDIX VI: Group management conformance checklist (confidential)

Group Certification Requirements	Conform	Comments/CARs
<p>GC 1: The group manager is an independent legal entity or an individual acting as a legal entity.</p> <p>GC 1.3: The group manager shall be contractually responsible to SmartWood for ensuring that all the requirements of certification are fully implemented for all members within the scope of the group certification.</p>	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The group manager is an independent 501.c.3 non-profit organization created for the purpose of overseeing programs such as SmartLogging Certification.</p> <p>During site visits, this auditor asked to review landowner/service contracts for harvesting. At the time of the audit, of the 9 harvester sites visited, the auditor was only able to review one landowner contract. The auditor agreed to give some time for the group manager to obtain and send copies of the landowner/service contracts for each of the harvest sites visited. At time of this report this auditor has only received 5 of the 9 contracts. The auditor considers this a minor non-conformance to standard 1.3 of the SmartLogging Group Certification Standard, for not ensuring that all requirements of certification are fully implemented for all members. See NCR 01/19.</p>
<p>GC 2: The group manager has sufficient legal and management authority and technical and human resources (e.g. qualified staff, equipment.) to implement their responsibilities</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The auditor found the group manager has sufficient legal and management authority and the resources to implement their responsibilities based on group policies and Bylaws that specifically confer legal and administrative authority for managing the SmartLogging group.</p>
<p>GC 3: The responsibilities of the group manager and group members are clearly defined and documented, e.g., with respect to conforming with the SmartLogging standards and group manager policies</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The responsibilities of membership in the SL group are clearly defined in the Code of Ethics Consent form signed by each member. Group manager responsibilities are outlined in the Master Logger Manual that each member receives.</p>
<p>GC 4: Group membership requirements are documented and include:</p> <p>i. Procedures and rules of entry and exit from the certified pool</p> <p>ii. Procedures for the notification of NEPCon of changes in membership within 30 days of changes.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>Group membership requirements are documented and include:</p> <p>i. Procedures for entry and exit. This information is detailed in “More About the Trust to Conserve Northeast Forestlands SmartLogging Certificate”. An independent board has been established to determine who may enter the group and who should have their membership suspended.</p> <p>ii. Documents observed by the auditor indicate that changes to group membership will be documented and NEPCon will be notified within 30 days.</p>

		However, in practice, unable to confirm that notifications to NEPCon have been submitted within the 30 days as documented. See OBS 01/19.
<p>GC 5: A 'consent form' or its equivalent has been signed by each group member</p> <p>The consent form at a minimum:</p> <ul style="list-style-type: none"> i. acknowledges and agrees to the obligations and responsibilities of group membership; ii. agrees to group membership for the full period of validity of the group certificate; and iii. authorizes the group manager to apply for certification on the member's behalf. iv. acknowledges NEPCon right to access their forest for evaluation and monitoring 	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The "Northeast Master Logger Code of Ethics" is signed by each SL group member. The consent form is specific to Master Logger certification, but the standards and practices mimic those of the SmartLogging standard. Upon signing the consent form:</p> <ul style="list-style-type: none"> i. All group members agree to the obligations and responsibilities of membership. ii. The consent form does not specifically include an agreement to remain a group member for the full period of validity of the certificate, but group members have demonstrated their commitment through long-term membership in the group. iii. The link between Master Logger certification and SmartLogging certification is included in the "Master Logger Readiness Packet." The consent form does not explicitly state that TCNEF will apply for SmartLogging certification on behalf of the group member, but the link is implicit in the overall package of documents received by group members. Auditor interviews with group members demonstrated that they understand the link between Master Logger certification and SmartLogging certification. iv. The consent form includes a statement that the group member understands that certification includes random field audits. NEPCon and/or SmartLogging auditors are not explicitly referenced on the consent form, but the link to the SmartLogging requirements is implied as described above.
<p>GC 6: Group manager has provided each group member with provided each group member with documentation including:</p> <ul style="list-style-type: none"> i. The applicable SmartLogging standard i. An explanation of the certification process ii. An explanation of group membership requirements 	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The SmartLogging standard, and related information on Master Logger and SmartLogging certification process are included in the "Master Logger Readiness Packet." Other group membership requirements are described in the consent information in the "Northeast Master Logger Code of Ethics" document.</p>
<p>GC 7: Group manager has a policy and practice for monitoring harvest</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>The group manager has a clear policy for monitoring the harvests of the group members.</p>

<p>practices to ensure that they are meeting the SmartLogging standard and group membership requirement?</p>	<p>N/A <input type="checkbox"/></p>	<p>Each new member is audited prior to entry into the group and is audited again for recertification after 2 years. For Master Loggers who have been certified for at least two years TCNEF audits at least 25% of the group members each year at the time of recertification every 4 years.</p> <p>In addition, members may be audited as a result of practices reported to the certification board by stakeholders. In some cases these reviews have resulted in some Master Loggers having their certification revoked, which indicates that the internal auditing and control process is robust.</p>
<p>GC 8: The group manager has a system for maintaining the following records up to date at all times:</p> <ul style="list-style-type: none"> i List of names and addresses of group members, together with date of entry into group certification scheme; ii Evidence of consent of all group members, preferably in the form of a signed 'consent form' iii Records demonstrating the implementation of any internal control or monitoring systems. Such records shall include records of internal inspections, non-compliance identified in such inspections, actions taken to correct any such non-compliance viii An annual summary of production, sales and forest product purchasers of all members; and ix The date of leaving of any group members, and an explanation of the reason why the member left the group. x Documents are kept for five years 	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>The group manager, provided records for each member audited and has clear policies for:</p> <ul style="list-style-type: none"> i. Maintaining an accurate and current list of all group members. ii. Maintaining all consent forms. iii. Maintaining records of Master Logger interviews, audit findings, and recertification results and corrective actions. iv. Maintaining records of group member production and sales. v. The entrance and exit of group members are determined by an external board. A copy of the board's decision is sent to TCNEF and is kept with the group member's, or ex-group members, file for the duration of the certification period. vi. All certification documents are maintained by the group manager for 5 years.

APPENDIX VII: Certified Group Membership List

1. Total # members in the certified group: 112

GROUP MEMBERSHIP TABLE

Name of Member	Registration Subcode assigned	Address	Type of Equipment	Date of entry
XXXX		XXXX		01/28/13
XXXX		XXXX		12/11/18
XXXX		XXXX		07/01/01
XXXX		XXXXX		12/11/18
XXXX		XXXX		12/11/18
XXXX		XXXX		4/22/19
XXXX		XXXX		07/01/05
XXXX		XXXX		4/22/19
XXXX		XXXX		12/15/18
XXXX		XXXX		12/11/18
XXXX		XXXX		12/02/05
XXXX		XXXX		07/01/01
XXXXX		XXXX		1/28/13
XXXX		XXXX		12/11/18
XXXX		XXXX		12/18/18
XXXX		XXXX		04/30/02
XXXX		XXXX		12/11/18

XXXX		XXXX		12/11/18
XXXX		XXXX		12/11/18
XXXX		XXXX		1/28/13
XXXX		XXXX		12/11/18
XXXX		XXXX		12/11/18
XXXX		XXXX		4/22/19
XXXX		XXXX		12/11/18
XXXX		XXXX		12/2/05
XXXX		XXXX		12/11/18
XXXX		XXXX		05/05/05
XXXX		XXX		7/1/01
XXXX		XXXX		12/11/18
XXXX		XXXX		12/11/18
XXXX		XXXX		06/22/07
XXXX		XXXX		12/12/18
XXXX		XXXX		5/14/10
XXXX		XXXX		12/12/18
XXXX		XXXX		12/12/18
XXXX		XXXX		12/12/18
XXXX		XXXX		12/12/18

XXXX		XXXXX		04/16/10
XXXX		XXXX		07/02/08
		XXXX		
XXXX				12/15/18
XXXX		XXXX		12/18/18
		XXXX		
XXXX				4/22/19
XXXX		XXXX		6/17/08
XXXX		XXXX		03/04/11
XXXX		XXXX		07/01/01
XXXX		XXXX		12/02/05
XXXX		XXXX		03/04/11
		XXXX		
XXXX				12/12/18
XXX		XXXX		12/12/18
XXXX		XXXX		2/1/18
		XXXX		
XXXX				12/15/18
XXXX		XXXX		
				12/02/05
XXXX		XXXX		
				5/5/05
XXXX		XXXX		
				12/15/18
XXXX		XXXX		7/1/05
		XXXX		
XXXX				12/12/18
XXXX		XXXX		
				12/12/18
XXXX		XXXX		
				7/1/05
XXXX		XXXX		
				3/1/07
XXXX		XXXX		
				4/16/04

XXXX		XXXX		06/17/08
XXXX		XXXX		12/15/18
XXX		XXXX		8/6/08
XXXX		XXXX		4/16/04
XXXX		XXXX		03/04/11
XXXX		XXXX		12/12/18
XXXX		XXXX		06/17/08
XXXX		XXXX		05/05/05
XXXX		XXXX		12/15/18
XXXX		XXXX		12/12/18
XXXX		XXXX		3/31/10
XXXX		XXXX		4/30/02
XXXX		XXXX		05/05/05
XXXX		XXXX		
XXXX		XXXX		07/01/01
XXXX		XXXX		12/15/18
XXXX		XXXX		4/16/04
XXXX		XXXX		07/02/08
XXXXX		XXXX		12/15/18
XXXX		XXXX		6/22/07
XXXX		XXXX		4/16/04

XXXX		XXXX		12/18/18
XXXX		XXXX		4/16/04
XXXX		XXXX		12/18/18
XXXX		XXXX		12/02/05
XXXX		XXXXX		12/02/05
XXXX		XXXX		08/06/08
XXXX		XXXX		06/17/08
XXXX		XXXX		4/4/16
XXXX		XXXX		3/4/11
XXXX		XXXX		12/12/18
XXXX		XXXX		12/15/18
XXXX		XXXX		12/15/18
XXXX		XXXX		4/30/02
XXXX		XXXX		5/5/05
XXXX		XXXX		4/16/04
XXXX		XXXX		05/05/05
XXXX		XXXX		12/12/18
XXXX		XXXX		12/15/18
XXXX		XXXX		07/02/08

XXXX		XXXX		12/18/18
XXXX		XXXX		07/02/08
XXXX		XXXX		4/30/02
XXXX		XXXX		04/30/02
XXXX		XXXXX		04/16/04
XXXX		XXXX		6/22/07
XXXX		XXXX		4/16/04
XXXX		XXXX		12/12/18
XXXX		XXXX		05/28/10
XXXX		XXXX		12/18/18
XXXX		XXXX		5/14/10
XXXX		XXXX		12/18/18