

NEPCon LegalSource™ Certification

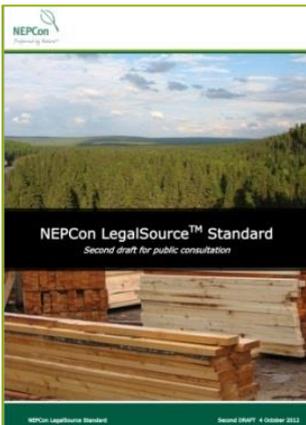
Service information

LegalSource evaluation involves third-party assessment of due diligence procedures established to manage the risk of sourcing illegal forest products. The assessment is carried out against our rigorous LegalSource Standard which has been developed to be aligned with regulations that are in place in some of the world's leading timber markets: the EU Timber Regulation, the US Lacey Act and the Australian Illegal Logging Prohibition Act.

LegalSource pre-assessment or certification

The purpose of the evaluation varies according to the organisation's needs. Our two-pronged evaluation service consists of pre-assessment and full assessment. The pre-assessment is normally the first choice for organisations that primarily want to use the evaluation in order to identify gaps in their current system/procedures. For companies that wish to have their due diligence certified by a third party, we recommend LegalSource certification as the best solution. A company may start its due diligence process with a pre-assessment and then move on to full assessment and certification at a later stage.

When are we ready for LegalSource certification?



In order to qualify for LegalSource certification, organisations need to have a quality system for sourcing or producing forest products in place. They must also have adequate information about their supply chains, enabling them to conduct risk assessments and identify potential risk of receiving illegal material. In case of risk, mitigation measures need to be implemented.

The LegalSource Standard sets out the requirements relevant to companies seeking LegalSource certification. The standard can also be used in conjunction with NEPCon generic standards for multi-site and group certification as well as Chain of Custody (where applicable).

The LegalSource standard is available at <http://www.nepcon.org/certify-your-due-diligence>

Does LegalSource certification require us to use the LegalSource Due Diligence System?

No. Any due diligence system that meets all the requirements of the LegalSource Standard can form the basis for achieving LegalSource certification.

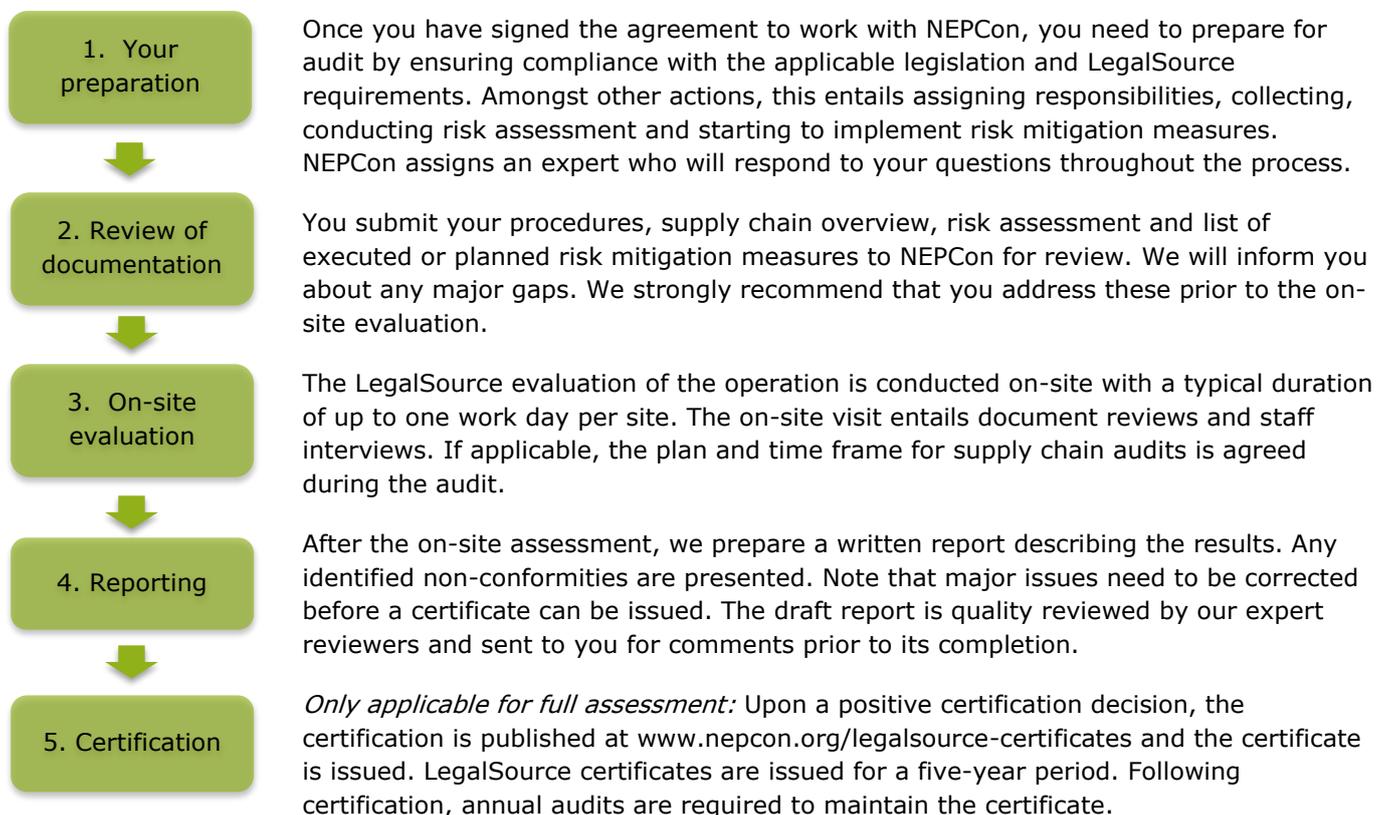
Does certification guarantee our compliance with legal frameworks?

No. LegalSource certification helps reduce the risk that your company is found to be in violation of legal requirements for timber product sourcing that may apply to your business, such as those that apply in the EU, the US and Australia; however, the ultimate responsibility for legal compliance rests solely with your organisation.

Can we use NEPCon as a Monitoring Organisation under the EU Timber Regulation?

A LegalSource certificate is a prerequisite for organisations using NEPCon as their Monitoring Organisation for providing due diligence systems and regular evaluations under the EU Timber Regulation. NEPCon is currently recognised as a Monitoring Organisation for the EUTR. We can act as a Monitoring Organisation for any organisation within EU member states and European Free Trade Area (EFTA) countries.

The evaluation process



What about confidentiality?

The confidentiality of your information is secured and our staff is bound by strict confidentiality requirements. However, public Summaries of LegalSource certificates are made available at <http://www.nepcon.org/legalsource-certificates>

Access to LegalSource claims

For material covered by LegalSource certification, companies may use the "LegalSource™ Certified" claim. Claims can be used business to business on sales and transportation documents. On-product labelling is not permitted. You may make public claims about your LegalSource certified status. Any public usage of LegalSource claims needs to be pre-approved by NEPCon.

How do I maintain my certificate?

You need to comply with the certification requirements to remain certified. This is verified through annual audits. If non-conformities are identified, you must take effective action to address these. Non-conformities are graded as major or minor. Minor issues are commonly verified during the next annual audit; if they have been insufficiently addressed, they are upgraded to major. Major non-conformities must be addressed within maximum three months, thus requiring an additional audit. Failure to address major non-conformities will lead to suspension of your certificate and require you to refrain from making any LegalSource claims. A suspended certificate can be reinstated once the issues have been properly addressed. This is verified through an audit.