

# Certification Evaluation Report

## *Roundtable on Sustainable Biomaterials*

### **PGF Biofuels Ltd.**

#### **SCS Certificate Code- SCS-RSB/PC-0004**

22<sup>nd</sup> Floor, 333 Main St, Winnipeg, NB, R3C 4E6  
Jonathan Patterson, Business Analyst  
[www.pgfbiofuels.com](http://www.pgfbiofuels.com)

CERTIFIED	EXPIRATION
15 November, 2015	14 November, 2017

DATE OF FIELD AUDIT
13 November, 2015
DATE OF LAST UPDATE
21 December, 2015

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## **FOREWORD**

SCS Global Services(SCS) is a certification body accredited by the Roundtable on Sustainable Biomaterials (RSB) to conduct evaluations of biofuel operators (RSB Registration No. 592). Under the RSB/SCS certification system, participating operators meeting international standards of biofuel production can be certified as “sustainable,” thereby permitting the Operators use of the RSB endorsement and logo in the marketplace subject to regular RSB/SCS oversight.

SCS deploys interdisciplinary teams of natural resource specialists and other experts all over the world to conduct evaluations of biofuel operations. SCS evaluation teams collect and analyze written materials, conduct interviews with Participating Operator’s staff and key stakeholders, and complete field and office audits of the operation(s) identified in the certification scope. Upon completion of the fact-finding phase of all evaluations, SCS teams determine compliance to the RSB Principles and Criteria.

Please Note: An RSB certificate itself does not constitute evidence that a particular product supplied by the certificate holder is certified to RSB standards. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required RSB claim is clearly stated on-product. For more information about the RSB, visit their website at [www.rsb.org](http://www.rsb.org).

### **Organization of the Report**

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Roundtable on Sustainable Biomaterials. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the Participating Operator, and the results of the evaluation. Section A will be posted on the RSB Participating Operators Database (<http://rsb.org/certification/participating-operators/>). Section B contains more detailed results and information for use by the Participating Operator.

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## SECTION A – PUBLIC SUMMARY

### 1.0 GENERAL INFORMATION

#### 1.1 Operator Information

##### 1.1.1 Name and Contact Information

Organization name	PGF Biofuels Ltd.		
Operator Number	1113		
Contact person	Jonathan Patterson		
Address	333 Main Street, 22 <sup>nd</sup> Floor, Winnipeg, MB, R3C 4E2	Telephone	(204) 956-2090 ext 232
		Fax	204.926.9572
		e-mail	<a href="mailto:jpatterson@pgfi.ca">jpatterson@pgfi.ca</a>
		Website	<a href="http://www.pgfbiofuels.com">www.pgfbiofuels.com</a>

##### 1.1.2 Additional Parties Involved

Organization name	Agrisoma Biosciences Inc.		
Contact person	Ken Mudry		
Local Address:	1978 Loudoun Road Winnipeg, MB R3S 1A4 Canada	Telephone	204-396-1203
		Fax	n/a
		e-mail	<a href="mailto:kmudry@agrisoma.com">kmudry@agrisoma.com</a>
HQ Address:	200 Rue Montcalm, Suite 300 Gatineau, J8Y 3B5 Québec Canada	Website	<a href="http://www.agrisoma.com">www.agrisoma.com</a>
		Nature of Involvement:	
Agrisoma Biosciences, Inc. has entered into a contractual business relationship with PGF Biofuels Ltd.			

#### 1.2 Scope of Certificate

Please choose one:	<input checked="" type="checkbox"/> RSB EU RED	<input type="checkbox"/> RSB Global
The scope assessment agrees with the scope under which the operator applied	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If no, please explain:		

Note: If the scope is different, please contact SCS.

SITE INFORMATION	
Site Type	<input checked="" type="checkbox"/> Agriculture <input type="checkbox"/> Forestry
	<input type="checkbox"/> Biomass Production <input type="checkbox"/> Other:
Feedstock Produced:	
Current Land Use	Prior Land Use

<input type="checkbox"/> Biomass Production	<input type="checkbox"/> Biomass Production																																																
<input checked="" type="checkbox"/> Agriculture	<input checked="" type="checkbox"/> Agriculture																																																
<input type="checkbox"/> Other:	<input type="checkbox"/> Other:																																																
<b>Current Employment on Site</b>	<b>Prior Employment on Site</b>																																																
<input type="checkbox"/> Negligible	<input type="checkbox"/> Negligible																																																
<input type="checkbox"/> Local Average	<input type="checkbox"/> Local Average																																																
<input type="checkbox"/> Above Local Average	<input type="checkbox"/> Above Local Average																																																
<input checked="" type="checkbox"/> Full	<input checked="" type="checkbox"/> Full																																																
<b>Owned/Controlled By:</b>	Family farms																																																
<b>Location/City:</b>	Western North Dakota and Eastern Montana																																																
<b>Geographic location:</b>	<table border="1"> <thead> <tr> <th>Farm/Entity</th> <th>Location (Lat. – Long.)</th> <th>Area (ha)</th> <th>Area Planted (ha)</th> </tr> </thead> <tbody> <tr> <td>Aaron &amp; Eric Friesz</td> <td>46°32'54.48"N - 101°57'20.94"W</td> <td>2024.29</td> <td>97.17</td> </tr> <tr> <td>Brad Sparks</td> <td>48°52'42.67"N - 103°26'12.24"W</td> <td>1700</td> <td>259.11</td> </tr> <tr> <td>Brad Sparks &amp; Dave Hokenson</td> <td>48°52'42.67"N - 103°26'12.24"W</td> <td>1700</td> <td>172.06</td> </tr> <tr> <td>Chickwheat Inc.</td> <td>48°16'23.17"N - 105°57'27.56"W</td> <td>3036.44</td> <td>109.31</td> </tr> <tr> <td>Darrell Erhardt</td> <td>46°27'32.63"N - 101°14'19.17"W</td> <td>3562.75</td> <td>202.43</td> </tr> <tr> <td>Delmar Dietz</td> <td>46°14'6.24"N - 102° 0'35.82"W</td> <td>1600</td> <td>16.19</td> </tr> <tr> <td>Donald Knox</td> <td>48°20'36.54"N - 103° 8'47.28"W</td> <td>2024.29</td> <td>113.36</td> </tr> <tr> <td>Hove Family Farms Inc.</td> <td>47°25'7.84"N - 105°35'16.26"W</td> <td>1214.57</td> <td>32.39</td> </tr> <tr> <td>Miller Bros Land Company Inc.</td> <td>48°16'41.77"N - 106°33'22.29"W</td> <td>4858.30</td> <td>259.11</td> </tr> <tr> <td>Smithburg Brothers Inc.</td> <td>48°53'9.37"N - 103° 2'54.78"W</td> <td>1680</td> <td>331.98</td> </tr> <tr> <td>Wesley Frederick</td> <td>46°26'57.00"N - 101°19'15.35"W</td> <td>510</td> <td>40.49</td> </tr> </tbody> </table>	Farm/Entity	Location (Lat. – Long.)	Area (ha)	Area Planted (ha)	Aaron & Eric Friesz	46°32'54.48"N - 101°57'20.94"W	2024.29	97.17	Brad Sparks	48°52'42.67"N - 103°26'12.24"W	1700	259.11	Brad Sparks & Dave Hokenson	48°52'42.67"N - 103°26'12.24"W	1700	172.06	Chickwheat Inc.	48°16'23.17"N - 105°57'27.56"W	3036.44	109.31	Darrell Erhardt	46°27'32.63"N - 101°14'19.17"W	3562.75	202.43	Delmar Dietz	46°14'6.24"N - 102° 0'35.82"W	1600	16.19	Donald Knox	48°20'36.54"N - 103° 8'47.28"W	2024.29	113.36	Hove Family Farms Inc.	47°25'7.84"N - 105°35'16.26"W	1214.57	32.39	Miller Bros Land Company Inc.	48°16'41.77"N - 106°33'22.29"W	4858.30	259.11	Smithburg Brothers Inc.	48°53'9.37"N - 103° 2'54.78"W	1680	331.98	Wesley Frederick	46°26'57.00"N - 101°19'15.35"W	510	40.49
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<b>Total Area (ha)</b>	23,910.65																																																
<b>Total Planted Area (ha)</b>	1633.60																																																
<b>Annual Feedstock Production Volume</b> (please specify unit of measurement)	To be determined when production has been brought to elevators.																																																

INDUSTRIAL FACILITIES	
<b>Name</b>	Paterson Grain – owned and contract elevators: 1. Grain elevator – PG, Swift Current, SK 2. Grain elevator – PG, Assiniboia, SK 3. Grain elevator – PG, Kilarney, MB 4. Grain elevator – PG, Morris, MB 5. Grain elevator – PG, Long Plain, Gleichen, AB 6. Grain elevator – PG, Dunmore, AB 7. Grain elevator – PG, Indian Head, SK 8. Grain elevator – PG, Winnipeg, MB 9. Grain elevator – PG, Binscarth, MB 10. Grain elevator – Ray Farmers’ Union, Ray, ND
<b>Type</b>	<input type="checkbox"/> Agriculture Milling and/or Fermentation <input type="checkbox"/> Vegetable oil Extraction <input type="checkbox"/> Biofuel Production and/or Distribution <input checked="" type="checkbox"/> Storage or Distribution <input type="checkbox"/> Other: please explain here
Location/City	See list above.
Geographic location ( <i>Latitude &amp; Longitude</i> )	1. 50°17'28.63"N - 107°45'31.01"W 2. 49°38'7.80"N - 105°58'43.77"W 3. 49°10'56.75"N - 99°39'2.17"W 4. 49°20'30.09"N - 97°22'25.89"W 5. 50°51'29.21"N - 113° 0'52.84"W 6. 49°58'41.92"N - 110°32'18.21"W 7. 50°31'39.84"N - 103°39'47.84"W 8. 49°57'53.55"N - 97°18'37.00"W 9. 50°51'29.21"N - 113° 0'52.84"W 10. 48°20'32.94"N - 103° 9'43.03"W
Number of processing steps	1
<b>Annual throughput of previous 12 months</b>	
Feedstock Input (Metric Ton)	TBD
Final/Primary Product Output (Metric Ton)	TBD
Intermediate/by-product Output (Metric Ton)	TBD (dockage)
% output yield compared to input material ( total input/total output)	
<b>Description of Production/Processing Activities:</b>	
Storage	

## 1.3 Standards Used

### 1.3.1 Applicable RSB-Accredited Standards

Title	Version	Date of Finalization
RSB-STD-11-001-01-001 Consolidated RSB EU RED Principles & Criteria	2.1	May 2011
RSB-STD-11-001-20-001 EU RED Chain of Custody	3.4	May 2015
RSB-STD-11-001-30-001 EU RED Participating Operators	3.1	May 2015
RSB-STD-11-001-60-001 version EU RED Standard for Risk Management	3.1	May 2015
RSB-PRO-11-001-50-001 version 3.1 EU RED Procedure on communication and claims	3.1	May 2015
RSB-STD-11-001 Standard for EU market access	2.6	May 2015
All standards employed are available on the websites of the Roundtable on Sustainable Biomaterials ( <a href="http://rsb.org/sustainability/rsb-sustainability-standards/">http://rsb.org/sustainability/rsb-sustainability-standards/</a> ). Standards are also available, upon request, from SCS Global Services ( <a href="http://www.scsglobalservices.com/">http://www.scsglobalservices.com/</a> ).		

## 2.0 EVALUATION PLANNING & PROCESS

### 2.1 Documentation Submitted by Operator

Application form for PO # 1113	Environment & Social Management Plan
Self evaluation (submission 465)	Grower surveys
Self Risk Assessment (submission 538)	Recommended Chemical Storage Practices
PGF Biofuels Ltd.'s Approved Herbicide List for Brassica Carinata	Recommended Practices for Elevators that handle Brassica Carinata
Paterson Grain Health & Safety Management System manual	Paterson Grain Safe Work Procedures and Practices
Carinata internal processing map	

### 2.2 Audit Type and Determination

The following table summarizes the audit types for RSB Audits:

	Low risk class	Medium risk class	High risk class
Certificate validity	2 years	2 years (pending successful surveillance audit)	1 year
Main audit	Every 2 years	Every 2 years	Every year
Surveillance audit	-	Every year	-

## 2.3 Audit Team

### 2.3.1 Determination of Audit Team

- Desk audits shall always be conducted by at minimum one (1) international lead auditor. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.
- Field audits shall always be led by one (1) international lead auditor.
- The lead auditor appointed shall include at minimum one (1) local auditor in the audit team. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.
- For field audits of participating operators in High Risk class shall always the lead auditor appointed shall appoint at minimum
  - one (1) local auditor and
  - one (1) technical expert on social issues to evaluate compliance with social requirements and the risk of non-compliance due to social issues and
  - one (1) technical expert on environmental issues to evaluate compliance with environmental requirements and the risk of noncompliance due to environmental issues.
  - The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.

### 2.3.2 Audit Team

<b>Auditor Name:</b>	John Shideler	<b>Auditor role:</b>	Lead Auditor
<b>Qualifications:</b> Mr. John Shideler is an environmental professional with 17 years' experience auditing management systems and greenhouse gas assertions for a number of accredited certification bodies. He is currently certified as a greenhouse gas lead verifier by the California Air Resources Board. He is an experienced ISO 14001/OHSAS 18001 lead auditor and previously held lead auditor certification for auditing Responsible Care management systems for members and partners in the chemical manufacturing industry. As a US expert, he has contributed to the writing of several greenhouse gas standards (ISO 14064-3, ISO 14065, ISO 14066, ISO 14067, and ISO 14069). He is the current chair of ISO Technical Committee 207 Subcommittee 4 on Environmental Performance Evaluation, and serves as ISO TC207 liaison to ISO Project Committee 248 which is writing ISO 13065, Sustainability criteria for bioenergy. He earned a PhD degree in history at the University of California, Berkeley. As a high-school student, Mr. Shideler successfully completed a year-long elective class in Agriculture.			

## 2.4 Evaluation Schedule and Extent of Audit

### 2.4.1 Determination of Extent of Audit

Total number of subsidiaries, branch offices, affiliated entities, external third parties contracted or	1 head office, 1 cooperating biotechnology office, 10 grain elevators, 0 crush/processing
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otherwise engaged, operational structures, sites, facilities, processing and production units, and supply chain structures	contracted plants, 11 contracted growers, and 0 seed growers.
Participating Operator Risk Class	Medium
Disputes or prior Non-compliances	One major noncompliance (previously closed) and three minor noncompliances (two previously closed, one closed this audit).
Changes in scope since last evaluation	Addition of farms in western North Dakota and eastern Montana, addition of one contracted elevator in western North Dakota, and addition of eight additional Paterson Grain elevators in Alberta, Manitoba, and Saskatchewan.  Deletion from scope of contracted farmers in Saskatchewan.
Total number of compliance claims	0. First harvest (2013) was crushed and sold as non-certified oil.

#### 2.4.2 Evaluation Itinerary and Activities

<b>Date: 2015-11-09</b>	
<b>Operation(s)/ sites visited</b>	<b>Activities/ notes</b>
Farm of Wesley Frederick, Flasher, ND	<ul style="list-style-type: none"> <li>- Review soil type, condition, moisture, soil carbon</li> <li>- Conservation practices and erosion controls</li> <li>- Application of fertilizers and pesticides</li> <li>- Water resource management</li> <li>- State or federally protected areas or endangered species</li> <li>- Energy use and associated calculations and record keeping</li> <li>- Management of hired personnel</li> <li>- Driving tour of farm</li> </ul>
Farm of Delmar Dietz, New Leipzig, ND	<ul style="list-style-type: none"> <li>- Review soil type, condition, moisture, soil carbon</li> <li>- Conservation practices and erosion controls</li> <li>- Application of fertilizers and pesticides</li> <li>- Water resource management</li> <li>- State or federally protected areas or endangered species</li> <li>- Crop residue burning practices</li> <li>- Energy use and associated calculations and record keeping</li> <li>- Management of hired personnel</li> <li>- Driving tour of farm</li> </ul>
<b>Date: 2015-11-10</b>	
<b>Operation(s)/ sites visited</b>	<b>Activities/ notes</b>

Farmers' Union grain elevator in Ray, ND	<ul style="list-style-type: none"> <li>- Tour of facility</li> <li>- Licensed and bonded</li> <li>- Scale tickets and conversion</li> <li>- Monthly reports to the ND Public Service Commission</li> <li>- Calibration of scales and measures</li> </ul>
Farm of Sparks & Hokanson in Crosby, ND	<ul style="list-style-type: none"> <li>- Review soil type, condition, moisture, soil carbon</li> <li>- Conservation practices and erosion controls</li> <li>- Application of fertilizers and pesticides</li> <li>- Water resource management</li> <li>- State or federally protected areas or endangered species</li> <li>- Energy use and associated calculations and record keeping</li> <li>- Management of hired personnel</li> <li>- Driving tour of farm</li> </ul>
<b>Date: 2015-11-11</b>	
<b>Operation(s)/ sites visited</b>	<b>Activities/ notes</b>
Farm of Smithburg Brothers in Columbus, ND	<ul style="list-style-type: none"> <li>- Review soil type, condition, moisture, soil carbon</li> <li>- Conservation practices and erosion controls</li> <li>- Application of fertilizers and pesticides</li> <li>- Water resource management</li> <li>- State or federally protected areas or endangered species</li> <li>- Energy use and associated calculations and record keeping</li> <li>- Management of hired personnel</li> <li>- Site visit</li> </ul>
<b>Date: 2015-11-12</b>	
<b>Operation(s)/ sites visited</b>	<b>Activities/ notes</b>
Paterson Grain elevator in Kilarney, MB	<ul style="list-style-type: none"> <li>- Tour of facility</li> <li>- Licensed and bonded</li> <li>- Scale tickets and conversion</li> <li>- Regulatory reports to the Manitoba authorities</li> <li>- Calibration of scales and measures</li> </ul>
<b>Date: 2015-11-13</b>	
<b>Operation(s)/ sites visited</b>	<b>Activities/ notes</b>
HQ of Paterson Global Foods, Winnipeg MB	<ul style="list-style-type: none"> <li>- Review PGF management system elements</li> <li>- Review adherence to principles and criteria</li> <li>- Review ESMP</li> <li>- Review process for calculating GHG data</li> <li>- Review contracts and chain of custody</li> <li>- Communication of claims</li> </ul>

**2.5 Evaluation of Management System**

**2.5.1 Methodology and Strategies Employed**

SCS deploys interdisciplinary teams with expertise in agriculture, ecology, forestry, social sciences, natural resource economics, and other relevant fields to assess an Operator’s compliance to RSB standards and policies. Evaluation methods include document and record review, implementing sampling strategies to visit a broad number of site and facility types, observation of implementation of management plans and policies, and stakeholder analysis. When there is more than one team member, team members may review parts of the standards based on their background and expertise. On the

final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant site observations, stakeholder comments, and reviewed documents and records. Where consensus between team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section.

The SCS audit team held an opening meeting on November 8, 2015, in Bismarck, ND, with Jonathan Patterson, Business Analyst from Paterson Global Foods and with Garrett Groves, US Agronomy Manager from Agrisoma Biosciences, Inc. Site visits of the operations of four growers and one grain elevator in North Dakota, and one grain elevator in Manitoba were conducted over the next four days. On Friday November 13, 2013, the audit team met with Paterson Global Foods personnel at their headquarters office in Winnipeg, MB, to complete the gathering of evidence of conformity with requirements and to hold a closing meeting.

**2.5.2 Capacity of the participating operator to implement its management systems**

The audit team sampled four of eleven Montana and North Dakota growers who were contracted to deliver carinata seed to the Farmers’ Union elevator in Ray, ND. Each was interviewed to collect information about conformity with RSB principles and criteria, and driving tours of each of the four farms were conducted. The audit team found the agricultural practices to be consistent with RSB requirements and the expectations of Paterson Global Foods as stipulated in contracts executed with each grower.

Paterson Global Foods’ ISO 9001–based management system was assessed and found to be appropriate for the operations conducted at PGF-owned elevators and at the company headquarters. PGF’s subsidiary Paterson Grain, which managed nine elevators in the provinces of Alberta, Saskatchewan and Manitoba, was certified to the ISO 22000:2005 Food Safety Management System by NSF-ISR (Certificate C0036086-FS4, valid through 26 May 2016). Specific management responsibilities were undertaken by specialized personnel, including a business analyst who at the time of the audit had primary responsibility for managing PGF’s RSB certification. PGF headquarters occupied three floors of office space in Winnipeg, MB, and provided marketing, management, logistics, and business services to the operating units of the parent company.

**2.5.3 Evaluation of RSB compliance claims and use of RSB trademarks**

Type (compliance claim, trademark use)	Description	Findings
PGF has not made compliance claims or used RSB trademarks since its initial certification.	To date the harvested product has been sold only as non-RSB-certified product.	N/A

## 2.6 Stakeholder Consultation Process

In accordance with SCS and RSB protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. The primary purpose of such consultation is to solicit input from affected parties as to the strengths and weaknesses of the Participating Operator’s management system and operations, relative to the standard, and the nature of the interaction between the company and the surrounding communities.

Principal stakeholder groups are identified based upon the certification scope of the participating operator.

Stakeholder consultation activities are organized according to the requirements of the RSB. The table below summarizes the major comments received from stakeholders and the assessment team’s response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

### 2.6.1 Summary of Stakeholder Comments and Responses from the Team, Where Applicable

Stakeholder Comments	SCS Response
<b>Economic Concerns</b>	
Growers in North Dakota are interested in growing carinata seed in crop rotations assuming an economically favorable price.	The four farmers sampled during this re-certification audit had planted varying amounts of carinata, and had achieved good to excellent yields.
<b>Social Concerns</b>	
No social concerns were raised.	
<b>Environmental Concerns</b>	
Lack of herbicides labeled specifically for carinata seed.	Growers reported using Round-Up, Aim, Mustang Max, and Select for pesticide and weed control.

## 3.0 RISK ASSESSMENT RESULTS

SCS Risk Assessment Results	Deviations from Operator Risk Assessment Results	Risk Factor Difference
Medium	None	None

Due to the results of the Risk Assessment, the evaluation did not need to be rescheduled.

## 4.0 RESULTS OF THE EVALUATION

### 4.1 Equivalence between the Audit Team Evaluation and the Operator Self Evaluation

Principle/ Subject Area	Summary of Audit Team Findings	Comparison to Operator Self Evaluation (Equivalence)	Added Risk (Yes/No)
<b>P1: Legality</b>	In compliance	In agreement	
<b>P2: Planning, Monitoring &amp; Continuous Improvement</b>	In compliance where applicable	In agreement	
<b>P3: Greenhouse Gases</b>	In compliance	In agreement	
<b>P4: Human and Labor Rights</b>	In compliance	(PGF to re-do 4a)	
<b>P5: Rural &amp; Local Development</b>	Not applicable	In agreement	
<b>P6: Food Security</b>	Not applicable	In agreement	
<b>P7: Conservation</b>	In compliance	In agreement (PGF to re-do 7c. & 7d.)	
<b>P8: Soil</b>	In compliance	PGF to re-do.	
<b>P9: Water</b>	In compliance with deviation noted as a minor nonconformity	PGF to re-do.	
<b>P10: Air</b>	In compliance	PGF to re-do	
<b>P11: Technology</b>	Only applicable for 11d: In compliance	PGF to re-do 11d	
<b>P12: Land Rights</b>	In compliance (for 12a); 12b is N/A	PGF to re-do	
<b>FINAL RISK CLASS</b>	Medium		High

### 4.2 Process of Determining Compliance

#### 4.2.1 Structure of Standard and Degrees of Non-Compliance

RSB-accredited biofuel standards consist of a three-level hierarchy: principle, the criteria that correspond to that principle, and then the performance indicators that elaborate each criterion. Consistent with SCS Sustainable Biofuels Program evaluation protocols, the team collectively determines whether or not the subject operation is in compliance with every applicable indicator of the relevant sustainable biofuel standard. Each non-compliance must be evaluated to determine whether it constitutes a major or minor noncompliance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an

operation is in noncompliance. The team therefore must use their collective judgment to assess each criterion and determine if the Operator is in compliance. If the Operator is determined to be in non-compliance at the criterion level, then at least one of the applicable indicators must be in major non-compliance.

#### 4.2.2 Interpretations of Major and Minor Non-compliances

*Major Non-compliances*, either alone or in combination with non-compliances of other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant RSB Criterion. These non-compliances must be resolved or closed out before a certificate can be awarded. If Major NCs arise after an operation is certified, the timeframe for correcting these non-compliances is typically no more than three months. Certification is contingent on the certified FME’s response to the NCs within the stipulated time frame.

*Minor Non-compliances* are typically limited in scale or can be characterized as an unusual lapse in the system. Most minor NCs are the result of a nonconformance at the indicator-level. Non-compliances must be closed out within a specified time period of award of the certificate.

#### 4.2.3 Major Non-compliances

<input checked="" type="checkbox"/>	No major NCs were issued to the Operator during the evaluation. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation, which have all been closed to the satisfaction of the audit team and meet the requirements of the standards. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation and the Operator has not yet satisfactorily closed all major NCs.

#### 4.2.4 Non-compliances and Current Status

Summary of Non-compliances and Current Status				
Non-compliance Number	Type of Non-compliance	Relevant RSB Standard & Indicator No.	Summary of Finding and Evidence Collected	Status of Non-compliance (Open/Closed)
2015-01	Minor	11-001-30-001 v3.1	Self-evaluation of risk management was not accurately completed (see paragraph 2.7 and questions A.2 and C.1 in Annex I)	Closed
2015-02	Minor	11-001-30-001 v3.1	Details of operations were not updated as required (not all details of operation sites, individuals and supply chain structures where RSB-compliant)	Open

			products were produced were updated as required by paragraph 2.8).	
2015-03	Minor	11-001-01-001 v2.1	ESMP did not address principles 7, 8, 10, and 11, and only partially addressed principle 9. For principle 9, the ESMP did not include a water management plan, and for principle 10, the ESMP did not include an air emissions plan.	Open
2015-04	Minor	11-001-20-001 v3.4	Information required by paragraph F.2.2 (quantity of incoming material) was not available at time of audit.	Open

## 5.0 CERTIFICATION DECISION

Certification Recommendation		
<b>Operator be awarded RSB certification subject to the minor non-compliances stated in Section 4.2.5.</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
The SCS evaluation team makes the above recommendation for certification based on the full and proper execution of the SCS Responsible Biofuels Program evaluation protocols. If certification is recommended, the Operator has satisfactorily demonstrated the following without exception:		
Operator has addressed any Major NC(s) assigned during the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Operator has demonstrated that their system of management is capable of ensuring that all of the requirements of the applicable standards are met over the sites and facilities covered by the scope of the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Operator has demonstrated that the described system of management is being implemented consistently over the sites and facilities covered by the scope of the certificate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Comments and/or details of any issue which was difficult and/or impossible to evaluate:		
<b>To be completed by Certification Decision-Making Entity</b>	<b>Certification decision by:</b>	Neil Mendenhall
	<b>Date of decision:</b> For initial or continued certification	12/21/15
	<b>Surveillance/ Recertification schedule:</b>	Annual
	Notes:	

### Sub Certificate Codes (if applicable)

Legal Entity/Operational Site	Sub-Certificate Code
NA	