

5.4 Ptarmigan Forestry & Carbon Consulting LLC

Verification Team Member Statement of Potential or Actual Conflicts of Interest

5.4.1 Impartiality

Ptarmigan Forestry & Carbon Consulting LLC (Ptarmigan) commits to act impartially in validation or verification activities. This document is a contractual agreement between all Ptarmigan staff, senior management, and subcontractors to ensure that each team member acts in an impartial manner. The intent of this document is to reveal any possible conflicts of interest or impartiality that may affect validation or verification work completed for a **Climate Registry/Climate Action Reserve** [select relevant organization] Member or Participant Member, and to document how Ptarmigan manages potential conflict of interest situations and risks to impartiality. All selected validation or verification team member qualifications will be submitted to the client for their pre-approval before any validation or verification work will be initiated.

5.4.2 Requirement to Submit a Statement of Conflicts of Interest

Before a Ptarmigan employee or subcontractor (lead verifier, verifier, validator, technical expert, internal peer reviewer; Verification Team Member) begins any validation or verification work for a **Climate Registry/Climate Action Reserve** Member or Participant Member, the Verification Team Member must submit to Ptarmigan a statement of any potential or actual conflicts of interest that may result from undertaking such validation or verification work. The statement shall include proposed steps that may be taken to avoid, mitigate or neutralize the potential or actual conflict of interest. The statement shall be signed by a representative of the **Climate Registry/Climate Action Reserve** Member or Participant Member for which the validation or verification work will be performed. The statement shall also refer to any appearance of conflict of interest that may arise even if this does not lead, in the opinion of the parties signing the statement, to a substantive conflict of interest. Ptarmigan's Greenhouse Forest Management Department (GHGFMD) evaluate statements of potential or actual conflicts of interest on a case-by-case basis and make recommendations on an appropriate course of action.

The Verification Team Member shall make full disclosure in writing to Ptarmigan immediately of any change in circumstances that may lead to the emergence of any conflict of interest in the provision of

validation or verification services to any Climate Registry/Climate Action Reserve Member or Potential Member for which it is currently providing such services. This disclosure shall include a description of actions taken or that will be taken to avoid, neutralize, or mitigate the actual or potential conflict of interest.

In addition, the Verification Team Member shall not validate or verify greenhouse gas (GHG) assertions from the same GHG project unless allowed by the applicable GHG program.

5.4.3 Circumstances that Present an Actual or Potential Conflict of Interest

Performance of the following services for a Climate Registry/Climate Action Reserve Member or Participant Member may result in a conflict of interest for a Verification Team Member wishing to provide validation or verification services to that Climate Registry/Climate Action Reserve Member or Participant Member:

- Designing, developing, implementing, or maintaining a GHG emissions inventory
- Designing or developing GHG information systems
- Developing GHG emissions factors or other GHG-related engineering analysis
- Designing energy efficiency, renewable energy, or other projects that explicitly identify GHG reductions as a benefit
- Preparing or producing GHG-related manuals, handbooks, or procedures specifically for the Climate Registry/Climate Action Reserve Member or Participant Member
- Appraisal services of carbon or GHG liabilities or assets
- Brokering in, advising on, or assisting in any way in carbon or GHG-related markets
- Management over health, environment and safety functions
- Legal and expert services unrelated to verification for Climate Registry/Climate Action Reserve purposes

Conflicts of interest may occur if, in the previous 3 years, the Verification Team Member, any related organizations such as parent or subsidiary companies or other organizations with which the Verification Team Member has a long-standing financial or legal relationship, provided any of the services listed above.

In addition, a Verification Team Member is not allowed to provide any of the services listed above for at least 1 year following the cessation of performance of verification services for the **Climate Registry/Climate Action Reserve** Member or Participant Member.

Other factors that may constitute a conflict of interest include, without limitation:

- If the Verification Team Member and the recipient of verification services share any board members or senior management.
- If there is a financial, functional or structural link (e.g. common ownership, contractual arrangement, or informal contract) between the Verification Team Member and the recipient of verification services, whether directly or through affiliated organizations (e.g. holding companies, parent companies, subsidiaries, formal partners, affiliates, etc.).
- If staff and senior management of the Verification Team Member are involved in any commercial, financial or other processes that might influence their judgment and render it not impartial or not objective.

5.4.4 Process for Evaluating Statement of Conflicts of Interest

The statement will be evaluated by the GHGFMD which will recommend a suitable course of action in response to any potential or actual conflicts identified. The GHGFMD may request additional information or a personal appearance in order to make its determination.

5.4.5 Procedure for Periodic Review

In addition to the steps mentioned above, Ptarmigan will conduct a periodic review once per year. On an individual project basis, Ptarmigan will either have an internal review by other lead verifiers (that have not conducted verification activities on the projects being reviewed) or contract an independent reviewer to go over operations to ensure impartiality is being achieved in all verification activities.

5.4.6 Procedure for Maintaining Financial Impartiality

Ptarmigan will maintain financial impartiality in conducting validation and verification procedures by ensuring as an ongoing process that its sources of income will not be from one consulting activity or client. Ptarmigan currently does expert witness declarations, consulting to natural resource managers (development of growth and yield models to predict forest plantation growth), and scientific analysis to predict future vegetation distribution as a result of climate change. Ptarmigan works for private, public,

and non-profit organizations. Ptarmigan will, as an ongoing process, maintain this diversity of clientele. In the case where verification and validation becomes our main source of income we commit to maintaining diverse clients from multiple groups and organizations in both forest industry and conservation to maintain this financial impartiality.

5.4.7 Contractor Commitment to Follow Ptarmigan Policies

Ptarmigan requires all contracted validators and verifiers to commit themselves to comply with applicable policies and procedures of Ptarmigan. Applicable procedures are Ptarmigan’s commitment to confidentiality and independence from commercial and other interests. All contracted validators and verifiers are required to notify Ptarmigan of any existing or prior relationship to the client, responsible party or both.

Verification Team Member Name: _____

Mailing Address: _____

Climate Registry/Climate Action Reserve
Member or Participant Member Requesting
Verification: _____

Project Name: _____

Project Type: _____

Instructions:

1. Please print out and complete this form.
2. On a separate sheet, please answer the questions (overleaf).
3. Any other papers attached as evidence should be clearly numbered and indexed and attached behind your answer to the questions below.

Please Note:

All information submitted to Ptarmigan Forestry & Carbon Consulting LLC is strictly confidential.

All questions relating to any Verification Team Member, Climate Registry/Climate Action Reserve Member or Participant Member shall include reference to any other organization with which such Verification Team Member, Climate Registry/Climate Action Reserve Member or Participant Member has a financial, functional or structural link (e.g. common ownership, shared staff and management, contractual arrangement, or informal contract) such as a holding company, parent organization, subsidiary, formal partner or affiliate.

A Verification Team Member shall be responsible for identification of any form of conflict of interest it may face, even if that type of conflict of interest is not specified in this document.

Ptarmigan Conflict of Interest Questionnaire

Please respond to all questions.

1. Have you provided certification, validation or verification services for the above-named **Climate Registry/Climate Action Reserve** Member or Participant Member in connection with The **Climate Registry/Climate Action Reserve** or any other GHG trading, registry or other system during the previous three years? If yes, list the years and nature of the validation or verification services provided.
2. Have you provided any non-validation or verification services of any nature for this **Climate Registry/Climate Action Reserve** Member or Participant Member during the previous three years? Are there any plans or contracts for your organization to continue to provide such services on an ongoing basis or in the future? If yes, what was the nature of the work performed? When was it performed? What was the scale of the work performed in dollars and/or percentage of your organization's revenue?
3. Identify all potential sources of conflict of interest that may arise if you perform validation or verification services for the above-named **Climate Registry/Climate Action Reserve** Member or Participant Member. If the potential conflict of interest may arise indirectly through an affiliated organization, please describe the nature of that link.
4. Are there particular reasons why this work should be considered sensitive, highly visible or subject to special scrutiny (e.g., press coverage, special Congressional interest, prior controversy, etc.)?

I, _____, hereby warrant the truthfulness of the answers to all questions on this form and the attached statement and documentation and to any other questions that may be asked by Ptarmigan Forestry & Carbon Consulting LLC or its designated representatives. I agree to maintain the accuracy and completeness of the information contained in this form and the attached statement and documentation.

I undertake to immediately notify Ptarmigan Forestry & Carbon Consulting LLC in writing about any material change in any information contained in this form and the attached statement and documentation.

I authorize Ptarmigan Forestry & Carbon Consulting LLC or its designated representatives to obtain information from sources that they deem appropriate in order to adequately evaluate and process this form and the attached statement and documentation and to ensure the integrity and effective operation of **The Climate Registry/Climate Action Reserve** in the future.

I understand that failure to provide full and accurate information may result in the delay or rendering invalid of any decision made in response to the information contained in this form and the attached statement and documentation.

Signed and accepted by duly authorized representatives of:

Ptarmigan Forestry & Carbon Consulting LLC
Verification Team Member (employee or
subcontractor)

Ptarmigan Forestry & Carbon Consulting LLC Lead
Verifier or Company Representative

Signature

Signature

Print Name

Print Name

Title

Title

Date

Date

<input type="checkbox"/>
<input type="checkbox"/>

Completed Ptarmigan Forestry & Carbon Consulting LLC Conflict of Interest Questionnaire.

Additional materials attached as evidence, clearly numbered and indexed.

We hereby affirm that we have reviewed the information presented on the preceding pages of this Statement of Potential or Actual Conflicts of Interest; signed and accepted by duly authorized representatives of:

[Insert client name] (Client)

Signature

Print Name

Title

Date