

# Code of Conduct

The Timber Trade Federation **Conduct Assurance Scheme**



# Contents

- 2 Timber Trade Federation Code of Conduct
- 5 Timber Trade Federation  
Hardwood Code of Practice
- 7 Timber Trade Federation  
Panel Products Code of Practice
- 9 Timber Trade Federation  
Softwood Code of Practice
- 11 Timber Trade Federation  
Environmental Code of Practice
- 12 Timber Trade Federation Complaints Procedures  
In Association with the Chartered Institute of Arbitrators

## Introduction

The Code of Conduct demonstrates the Timber Trade Federation's commitment to delivering quality and service. Our Members are committed to the highest standards of professionalism and integrity in the conduct of their business.

The Code of Conduct sets out the principles by which Members agree to behave. Members will not knowingly misrepresent facts or mislead any customer or supplier concerning any aspects of the goods and services they provide. They also agree to abide by specific codes of practice relevant to their business.

Our Members are committed to providing clear, responsive and user-friendly procedures in dealing with complaints should they arise. If this fails to deal with a given problem then a customer can initiate a complaints procedure. This operates in association with the Chartered Institute of Arbitrators and ensures a fully independent procedure for investigating any complaints lodged under the Code of Conduct.

This booklet sets out the Code in its entirety but should you require any further information then you can call 0207 389 0137.

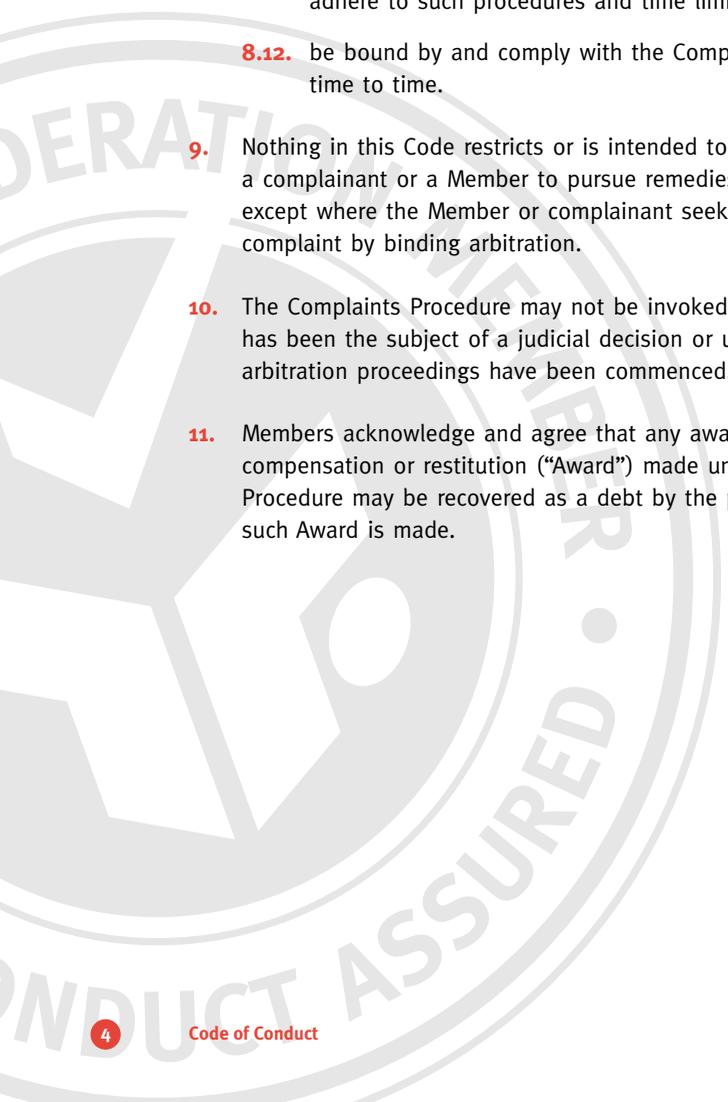


**Paul C Martin**  
**Director General**  
**Timber Trade Federation**  
25 April 2002

## Timber Trade Federation Code of Conduct

1. This Code of Conduct (“Code”) is intended to assist Members of the Federation to maintain and improve the standards of conduct within the industry by assuring all who deal with Members of the Federation that they are conducting their business with reputable organizations.
2. For the purposes of the Code the expression “Member” shall not include Affiliate or Associate Members as defined in the Articles of Association and bye-laws of the Federation.
3. Otherwise the Code shall be binding on all Members. In the case of existing Members they shall be deemed to have subscribed to the Code by continuing in membership for a period of three months after the coming into effect of the Code. Members joining after the coming into effect of the Code shall signify that they subscribe to the Code by signing the membership application form.
4. All Members shall additionally subscribe to the provisions of the Environmental Code of Practice and the Codes of Practice relevant to their business which currently comprise the:
  - 4.1. Hardwood Code of Practice
  - 4.2. Panel Products Code of Practice
  - 4.3. Softwood Code of Practice
5. It is not intended that the Code should in all cases indicate in precise terms particular action which should or should not be taken but sets out principles which Members are required to apply with good sense, honesty and integrity in the spirit of the Code.
6. Failure to observe the Code or the relevant Code of Practice could lead to the imposition upon the Member by the Federation of fines, suspension from membership or expulsion from the Federation in accordance with the Complaints Procedures of the Federation.

7. The Code and/or the Complaints Procedures may be amended from time to time with the approval of the membership at an Annual General Meeting.
8. Members shall:
  - 8.1. conduct their businesses lawfully and comply with all relevant legislation and trade fairly and responsibly;
  - 8.2. behave at all times with integrity and act responsibly and with care in the day-to-day conduct of their business;
  - 8.3. not knowingly misrepresent facts or mislead any customer or supplier concerning any aspect of the goods and services they provide;
  - 8.4. respect confidential information to which they may in the course of business become privy;
  - 8.5. provide adequate training and instruction to their employees and agents, bringing the contents and application of this Code and its principles to their attention and requiring such employees and agents to carry out their duties in accordance with the Code;
  - 8.6. follow and comply with any instruction or guidance note or advice (where applicable) issued by the Federation;
  - 8.7. make known and publicize the existence of the Code and where appropriate provide details of the Complaints Procedures;
  - 8.8. notify the Federation of any matter which might adversely affect the reputation of the industry or the Federation;
  - 8.9. co-operate fully and in a timely manner with any regulatory or statutory body and with the Federation in the investigation and determination of any complaint made and referred to such body or the Federation;

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- 8.10.** provide to all persons with whom the Member does business clear, accurate pre-contractual information and clear terms and conditions of supply including fair contract terms;
  - 8.11.** institute in the Member's organization clear, timely, responsive and user-friendly procedures for dealing with complaints and adhere to such procedures and time limits;
  - 8.12.** be bound by and comply with the Complaints Procedures from time to time.
- 9.** Nothing in this Code restricts or is intended to restrict the rights of a complainant or a Member to pursue remedies through the Courts except where the Member or complainant seeks resolution of the complaint by binding arbitration.
- 10.** The Complaints Procedure may not be invoked where the complaint has been the subject of a judicial decision or upon which judicial or arbitration proceedings have been commenced.
- 11.** Members acknowledge and agree that any award, fine, penalty, cost, compensation or restitution ("Award") made under the Complaints Procedure may be recovered as a debt by the party in whose favour such Award is made.

## Timber Trade Federation Hardwood Code of Practice

All Timber Trade Federation (TTF) Members dealing in hardwood and associated products are required to adopt and comply with this Code of Practice for use as a public and promotional document forming an integral part of the TTF Code of Conduct.

Its aim is to assist Members in the promotion of their company's efforts to correctly supply accurately marked and labelled products and to ensure the exposure of those known to be breaching the code as a result of wilful product mis-labelling or mis-marking.

This code will apply to all hardwood products of any dimension and is binding on all TTF Members dealing in such goods.

- 1.** No Member will deliberately misrepresent any hardwood product offered for sale in terms of species, quality, grade, dimension, measure, moisture content or any other aspect.
- 2.** Where appropriate, every effort will be made to ensure that products supplied will be correctly marked. Any pack or board markings where present must correctly and accurately represent the timber which they refer to in terms of species, quality, dimension and whether or not kiln dried.
- 3.** Where products are offered as made to BS or BS EN standards, or the recognized standards of producing nations, Members will ensure that all the specification requirements of these standards are adhered to. In instances where no contractual reference is made to any specified standard, or specific agreement between the parties, the dimensional tolerances for sawn and processed hardwood will be as per BS EN 1313, Part 2.
- 4.** The conversion to metric measure of hardwood purchased in imperial dimension for sale in the United Kingdom will take account of the requirements given in the National Hardwood Division Metrication Code.

5. No Member shall require any producer or seller to supply any product deliberately mis-marked or unmarked, which may give a false impression of the grade, origin, whether or not kiln dried, or structural grade of the goods in question.
6. No Member will alter or deface any manufacturer's product or packing marks with the intention of mis representing the product's grade or description.
7. Structural grade stamps where applied must comply with the marking requirements of BS 5756.
8. In cases where Members believe a breach of the Code of Practice has been committed as a result of product misrepresentation, or where any Member knowingly contravenes any part of the Code it is agreed that the allegation must be reported to the TTF via the TTF Code of Conduct Complaints Procedure, and where appropriate to legal or government authorities. Members will also co-operate fully in any subsequent investigation and any resulting disciplinary proceedings, and abide by its findings.
9. Members undertake to ensure that all relevant personnel employed by them will be conversant with and abide by the appropriate Codes of Practice and their implications.
10. Members undertake to carry out random consignment inspections in respect of both imported and locally purchased products in order to verify that all product markings and descriptions accord with the requirements of the Code of Practice.

## Timber Trade Federation Panel Products Code of Practice

All TTF Members dealing in panel products are required to adopt and comply with this Code of Practice for use as a public and promotional document forming an integral part of the TTF Code of Conduct.

Its aim is to assist Members in the promotion of their company's efforts to correctly supply accurately marked and labelled panel products and to ensure the exposure of those known to be breaching the code as a result of wilful product mis-labelling or mis-marking.

This code will apply to all wood-based panel products of any thickness and is binding on all TTF Members dealing in panel products.

- 1.** Every effort will be made to ensure that where practical, all panel products supplied will be correctly marked. Board and pack markings must include reference to correct glue type, visual grade by face quality, nominal board thickness and manufacturers mark. These requirements shall be incorporated in all supply contracts.
- 2.** Where products are offered as made to BS or BS EN standards, or the recognized standards of other producing nations, Members will seek to ensure that all the specification requirements of these standards are adhered to. For plywood products only, where no contractual reference is made to any of the above types of standards, nominal thickness tolerances and glue bond descriptions specified in BS EN 315 and BS 6566, Part 8, respectively (BS 6566 is an obsolete standard but is to-date without direct replacement) will still be recognized and adhered to.
- 3.** No Member shall require any manufacturer or shipper to supply any product in an unmarked or mis-marked condition.
- 4.** No Member will mis-describe any panel product offered for sale.

5. No Member will alter or deface any manufacturer's product or packing marks with the intention of misrepresenting the product's grade or description. Where Members receive goods that they have reason to believe have been altered or defaced they undertake to inform the National Panel Products Division ("NPPD") of the supplier involved via the TTF Code of Conduct Complaints Procedure.
6. In cases where Members believe a breach of the Code has been committed as a result of product misrepresentation it is agreed that this must be reported to the appropriate authorities. They also undertake to inform the TTF via the TTF Code of Conduct Complaints Procedure of the allegation and to co-operate in any subsequent investigation and any resulting disciplinary proceedings.
7. Members undertake to ensure that all relevant personnel employed by them will be conversant with and abide by the Code of Practice and its implications.
8. Members having ownership of stock undertake to carry out random consignment inspections in respect of both imported and locally purchased products in order to verify that all product markings and descriptions accord with the requirements of the Code of Practice.
9. Where Members knowingly contravene any part of the Code of Practice, the NPPD will invoke the TTF Code of Conduct Complaints Procedure. All Members agree to abide by the current TTF Code of Conduct Complaints Procedure.

## Timber Trade Federation Softwood Code of Practice

All TTF Members dealing in softwood and associated products are required to adopt and comply with this Code of Practice for use as a public and promotional document forming an integral part of the TTF Code of Conduct.

Its aim is to assist Members in the promotion of their company's efforts to correctly supply accurately marked and labelled products and to ensure the exposure of those known to be breaching the code as a result of wilful product mis-labelling or mis-marking.

This code will apply to all softwood products of any dimension and is binding to all TTF Members dealing in such goods.

1. Every effort will be made to ensure that products supplied will be correctly marked. Pack markings must correctly and accurately represent the timber which they contain, in terms of quality, dimension or structural grade. End stamps where they are applied should reflect the shippers normal published marking scheme.
2. Structural grade stamps where applied must comply with the marking requirements of BS EN 518 for Visual Grading and BS EN 519 for Machine Grading. This should include the application of a Wet or Dry mark to correctly represent the moisture content at the time when the Strength Grading took place and the stamp was applied. These requirements shall be incorporated in all supply contracts.
3. Where products are offered as made to BS or BS EN standards, or the recognized standards of other producing nations, Members will ensure that all the specification requirements of these standards are adhered to. In instances where no contractual reference is made to any specified standard, or specific agreement between the parties, the dimensional tolerances of the product will be as per BS EN 336 for Structural Softwood, BS EN 1313, Part 1, for Sawn and Processed Softwoods, and BS 1297 for Tongued and Grooved Softwood Flooring. Furthermore, where preservative treatments are required, Members shall adhere to the guidance provided within BS 1282 for the choice, use and application of wood preservatives.

4. No Member shall require any producer or seller to supply any product deliberately mis-marked or unmarked, which may give a false impression of the grade, structural grade or origin of the goods in question.
5. No Member will mis-describe any softwood product offered for sale, in terms of dimension, quality or structural grade. This includes where structural timber is supplied that all reasonable efforts are made to identify constructional end uses and to ensure in such circumstances the material supplied complies with the moisture content requirements laid down in BS 5268, Part 2.
6. No Member will alter or deface any manufacturer's product or packing marks with the intention of misrepresenting the product's grade or description. Where Members receive goods that they have reason to believe have been altered or defaced they undertake to inform the National Softwood Division ("NSD") of the supplier involved via the TTF Code of Conduct Complaints Procedure.
7. In cases where Members believe a breach of the Code has been committed as a result of product misrepresentation it is agreed that this must be reported to the appropriate government or legal authorities. They also undertake to inform the TTF via the TTF Code of Conduct Complaints Procedure of the allegation, and to co-operate fully in any subsequent investigation and any resulting complaints proceedings.
8. Members undertake to ensure that all relevant personnel employed by them will be conversant with and abide by the appropriate Codes of Practice and their implications.
9. Members having ownership of stock undertake to carry out random consignment inspections in respect of both imported and locally purchased products in order to verify that all product markings and descriptions accord with the requirements of the Code of Practice.
10. Where Members knowingly contravene any part of the Code of Practice, the NSD will invoke the TTF Code of Conduct Complaints Procedure. All Members agree to abide by the current TTF Code of Conduct Complaints Procedure.

## Timber Trade Federation Environmental Code of Practice

All TTF Members are required to adopt and comply with this Code of Practice for use as a public and promotional document forming an integral part of the TTF Code of Conduct. Its aim is to provide a generic set of commitments to ensure that companies are taking all possible steps to minimize their impact on the environment and source their timber and timber products responsibly.

This code is binding on all TTF Members.

1. Members are committed to sourcing their timber and timber products from legal and well-managed forests. Members unreservedly condemn illegal logging practices and commit themselves to working with suppliers and other stakeholders towards their complete elimination.
2. Members recognize that the independent certification of forests and the process chain is the most useful tool in providing assurances that the timber they deal in comes from legal and well-managed forests.
3. Members will avoid misleading and unsubstantiated claims in relation to wood products supplies.
4. Members will make every reasonable effort to minimize the environmental impact of company activities in other ways including:
  - by ensuring the efficient use of energy
  - minimizing waste and utilizing residues
5. Members undertake to ensure that all relevant personnel employed by them will be conversant with and abide by the Code of Practice and its implications.
6. Where Members knowingly contravene any part of the Code of Practice, the TTF will invoke the Code of Conduct Complaints Procedure and Members agree to abide by the current TTF Code of Conduct Complaints Procedure.

# Timber Trade Federation Complaints Procedures In Association with the Chartered Institute of Arbitrators

## 1. General Application

- 1.1 The following provisions and procedures shall apply to all complaints made by complainants whether as customers or traders under the Code.

## 2. Members' Internal Procedure

- 2.1 Members shall institute a complaints procedure as provided in paragraph 8.11 of the Code and shall:
  - 2.1.1 deal promptly and at an appropriate level with complaints;
  - 2.1.2 advise customers on enquiry that they have a complaints procedure and provide appropriate advice to customers on how to make a complaint;
  - 2.1.3 what further measures or procedures are available to such complainant if the customer is not satisfied with the way in which the complaint has been dealt with by the Member.

## 3. Federation Procedures

- 3.1 Upon receipt by the Federation of a complaint the Federation shall in the first instance refer the complaint to the Chief Executive Officer of the Member for consideration.
- 3.2 If the complaint is not resolved to the complainant's satisfaction then the Federation shall endeavour to conciliate between the complainant and the Member with the aim of restoring communication between the complainant and the Member.
- 3.3 Where the complaint cannot be resolved by conciliation the Federation shall appoint a suitably qualified independent investigator to prepare a factual report based on the evidence of both parties.
- 3.4 If the complainant is a person, firm or company engaged in the timber trade or is a Member then they will lodge a deposit of £500 with the Federation prior to the investigation commencing. Such deposit shall be refundable only where a breach of the Code is subsequently adjudged to have occurred. No deposit shall be required in respect of complaints made by Consumers (a "Consumer" meaning a customer who enters in

to an agreement for supply of products or services with a Member other than for business purposes).

- 3.5** The Member and the complainant shall co-operate with the investigator and shall without limitation and in a timely manner provide such evidence as is in their possession or under their control to the investigator.

#### **4. The Investigator's Report**

- 4.1** The investigator shall as soon as practicable and in any event within 28 days or such longer period as the complainant and the Member may agree submit a written report on evidence gathered by him/her to the Compliance Panel.

#### **5. The Compliance Panel**

- 5.1** The Compliance Panel shall comprise an independent Arbitrator appointed by the President or a Vice-President of the Chartered Institute of Arbitrators ("CI Arb").
- 5.2** The CI Arb may appoint a substitute Arbitrator, in the event of the Arbitrator resigning, dying or otherwise becoming incapacitated, or for any reason being unable to attend competently and/or expeditiously to his duties.
- 5.3** Once appointed the Arbitrator will communicate with or issue directions to the Parties direct. Correspondence with the Arbitrator must be copied to all Parties.

#### **6. Powers of the Arbitrator**

- 6.1** The Arbitrator shall have the jurisdiction and power to direct the arbitration in terms of Section 34 of the Arbitration Act, 1996. The Arbitrator shall also have the power to:
  - 6.1.1** allow submission of further evidence;
  - 6.1.2** order the Parties to produce goods, documents or property for inspection;

- 6.1.3** conduct such enquiries as may appear to the Arbitrator to be desirable;
  - 6.1.4** receive and take into account any oral or written evidence as the Arbitrator shall decide to be relevant;
  - 6.1.5** appoint an expert to report on specific issues or take legal advice;
  - 6.1.6** award interest whether or not claimed;
  - 6.1.7** continue with the arbitration if either Party fails to comply with these Rules or with the Arbitrator's directions, or if either Party fails to attend any meeting or inspection ordered by the Arbitrator but only after giving that Party written notice;
  - 6.1.8** terminate the arbitration if the Arbitrator considers the case to be incapable of resolution under the procedure;
  - 6.1.9** if the Parties settle their dispute prior to a decision they must immediately inform the CIArb in writing of the terms of the settlement and the Arbitrator shall record them in a Consent Award enforceable under the Arbitration Act, 1996.
- 6.2** In addition to the powers conferred by these Rules, the Arbitrator shall have the widest discretion permitted by law to resolve the dispute in relation to a possible breach of the TTF Code of Ethical Practice in a fair, just, speedy, economical and final manner in accordance with natural justice.

## **7. Arbitration Procedure**

- 7.1** The arbitration will proceed on the basis of written argument only, and will contain the evidence and submissions previously gathered by the independent investigator.
- 7.2** Each party will be given the opportunity to comment upon the evidence and submissions in writing, but under no circumstances is the case to be re-opened by the Arbitrator.
- 7.3** The Arbitrator will make a decision with reasons after considering all submissions and evidence.
- 7.4** Unless otherwise directed, any amount awarded shall be paid within 21 days of dispatch of the decision to the Parties. Such payments shall be made directly to the Party entitled to receive it.

**7.5** The Arbitrator is not liable for anything done or omitted in the discharge or purported discharge of his functions as Arbitrator unless the act or omission is shown to have been in bad faith.

## **8. Decisions**

**8.1** Any Decision will be in writing, dated and signed by the Arbitrator, and will contain sufficient reasons to show why the Arbitrator has reached the decisions contained in it, unless the Parties otherwise agree or the Decision is by consent. The Arbitrator will have 42 days from the receipt of all relevant case papers to determine the dispute.

**8.2** In cases where the dispute concerns an order for restitution, an application for compensation or the payment of costs, the decision will be binding on the parties at the sole discretion of the Arbitrator.

**8.3** Where the dispute relates to a proposed expulsion from the Federation or a fine to be levied by the Federation upon their Member, the Arbitrator's function is to recommend appropriate action to the Federation, but in such circumstances the Arbitrator does not have the authority to order payment of a fine or expulsion from the Federation.

## **9. Costs**

**9.1** The Arbitrator in his Decision will deal with the costs of the arbitration, which will cover the Arbitrator's fees and expenses, and the legal or other costs of the Parties.

**9.2** The costs of the arbitration as far as the Institute and the Arbitrator are concerned, are in accordance with the table below. In addition, the Arbitrator in his Decision will deal with the Parties' own costs:

### **Institute**

Institute's fees and expenses of £250 + VAT are payable by the Party commencing the arbitration and must be sent with the application for arbitration

### **Arbitrator**

Subject to Article 9.3, the loser is responsible for the Arbitrator's fees, which are set at £90 per hour, plus VAT (if applicable)

**9.3** The general principle is that the losing Party will pay costs, although the Arbitrator has an overriding discretion to decide whether or not to apportion the costs of the arbitration in some other manner. In any exercise of his discretion the Arbitrator will have regard to all the material circumstances, including such of the following as may be relevant:

**9.3.1** Which (if any) of the issues raised in the arbitration has led to the incurring of substantial costs and which Party succeeded in respect of such issues;

**9.3.2** Whether any claim which succeeded was unreasonably exaggerated;

**9.3.3** The conduct of the Party which succeeded with any claim(s) and any concession(s) made by the other Party;

**9.3.4** The degree of success of each Party;

**9.3.5** Any admissible evidence of any offer or settlement or compromise made by any Party.

## **10. General**

**10.1** The Arbitrator will establish and record the addresses, telephone and fax numbers and e-mail addresses of each Party and their respective representatives.

**10.2** Periods of time will be reckoned as provided in Section 78 of the Act.

**10.3** The Parties will inform the Arbitrator promptly of any agreed settlement or compromise, and Section 51 of the Act will then apply thereto.

**10.4** The Parties will inform the Arbitrator promptly of any proposed application to the court and will provide him with copies of all documentation intended to be used in any such application.

**10.5** Where not expressly addressed by the contract, the national law will apply unless the Parties otherwise agree.

**10.6** Neither the Institute nor the Arbitrator can enter into any correspondence regarding an Award issued under this Scheme.

**10.7** Neither the Institute nor the Arbitrator shall be liable to any Party for any act or omission in connection with the arbitration conducted under these Rules.



## **Timber Trade Federation**

Clareville House  
26/27 Oxendon Street  
London SW1Y 4EL

Telephone: 020 7839 1891  
Fax: 020 7930 0094  
email: [tff@tff.co.uk](mailto:tff@tff.co.uk)  
web: [www.tff.co.uk](http://www.tff.co.uk)