

Audit Report

Earthworks Systems Manufacturing Site A

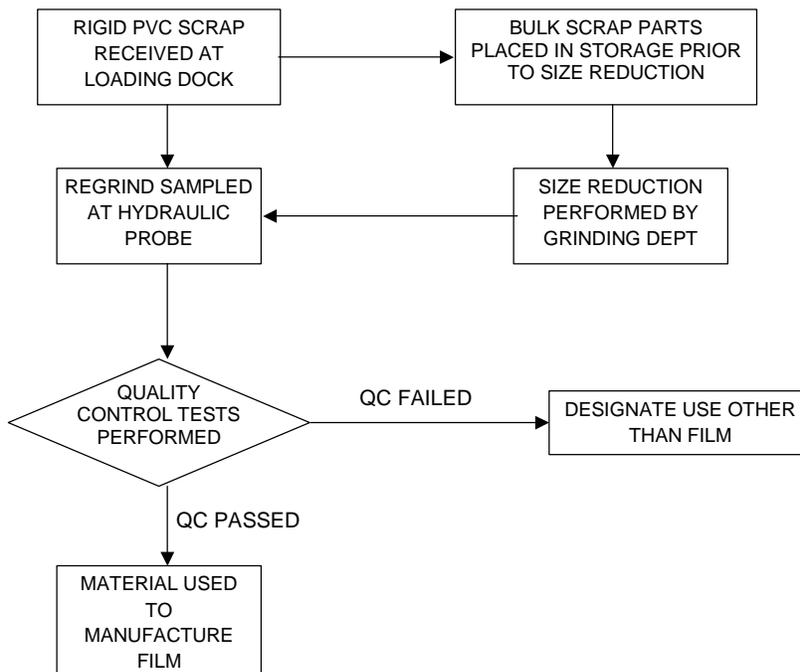
At the request of the customer, Earthworks Systems, Q-Card performed an on-site audit at their manufacturing site A on April 21, 2009. After a thorough audit of their manufacturing processes and records, Q-Card has determined that Earthworks is proven to use 100% recycled PVC as the primary material in the manufacturing process of PVC card stock.

Visual Inspection of Manufacturing Processes

Q-Card employees Terry Schindler and Jon Reitz conducted the audit. The facilities materials manager, who has over 14 years experience in the recycled PVC industry, conducted the plant tour at Earthworks manufacturing site A.

The audit revealed how incoming materials are identified and, when required, “reground” for use. The audit also identified how the company stages material for use in their products, how quality control defines whether the “regrind” material is suitable for the customer specified product, and how the end product is manufactured. The following flow chart demonstrates the flow of material through the manufacturing process.

RIGID PVC FILM RAW MATERIAL FLOW CHART



Visual Inspection of Records

The second part of the audit established traceability of the paper trail from order entry of materials through all of the manufacturing steps leading to final product. Q-Card examined two previous orders completed by Earthworks Systems for PVC sheets at factory A. Q-Card found that the primary component PVC was fed from several different supply sources during every one-day shift. Q-Card found that all of the sources of recycled PVC were traceable by smart serial numbers. The serial numbers identify the primary material “regrind” with descriptors of the PVC characteristics and the supply source. Q-Card determined that all the necessary documentation needed to verify traceability of materials from supply through production of the end product were present and accurate.

Q-CARD holds in depth findings obtained from the Earthworks audit some findings of which are sensitive to the proprietary processes used in the production of 100% recycled PVC sheets. The findings held by Q-CARD indisputably supports that Earthworks PVC sheet product is made using 100% recycled PVC.

Summary

Based on the evidence that Q-CARD retains on file for a period of two years from the audit release completed on April 29, 2009, Q-CARD will attest there are not virgin PVC products used in the production of PVC sheets allowing Earthworks to claim their product is produced using (regrind) PVC and no virgin PVC.

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