



**Bureau Veritas Certification
North America, Inc.
SFI Forest Management Audit Report**

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PQC Code	E01E
Contract Number	US1850186

Certification Audit:		Re-Certification Audit:	X	Surveillance Audit:		Scope extension audit:	
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Audit Summary
<p align="center">Introduction</p> <p>This report summarizes the results of the renewal audit conducted on Catchmark Timber Trust’s SFI program for forest management operations. Richard Boitnott, Bureau Veritas Certification Lead Auditor, conducted the audit March 16 through March 20, 2015 at the Lumpkin Georgia central office and the South central and Coastal management units, and April 2nd through the 3rd in the Southwest management unit.</p> <p align="center">Audit Scope, Objectives and Process</p> <p>The scope of the audit is “management of forest lands”. The audit was conducted against the SFI 2015-2019 standard forest management edition. All applicable indicators within the forest management edition were covered during the audit. There was no substitution or modification of indicators. Specifically, two objectives of the SFI audit were to verify that the Program Participant’s SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor access website.</p> <p align="center">Audit Plan</p> <p>The audit consisted of a review of program documentation at the Lumpkin Georgia office on Tuesday, March 17. Field sites in the Coastal management unit were reviewed the afternoon of Monday, March 16, and in the South central management unit March 18 through noon, March 20. A field audit of the southwest region was conducted April 2 through noon, April 3. An audit plan was developed and is maintained on file by Bureau Veritas Certification.</p> <p align="center">Company Information</p> <p>Catchmark owns or manages approximately 390,000 acres of land in Georgia, Alabama, Florida, Texas and Louisiana. On-the-ground management is conducted by Forest Resource Consultants, Inc. (FRC) in Georgia, Alabama, and Florida, and by Universal Timber Services (UTS) in Texas and Louisiana. The company has expanded its ownership in the past year, moving into Florida, Texas</p>

and Louisiana, where it previously had no presence.

The properties consist primarily of loblolly pine uplands, with mixed pine-hardwood streamside management zones. Some true bottomland hardwood sites are also included in the ownership, and there are a few occurrences of longleaf pine on suitable sites. The upland sites are regenerated artificially, using chemical site preparation and planting. Hardwood types are regenerated naturally.

Multi-Site Requirements

Catchmark now operates a multi-site certification program due to purchases of additional property. The company has three sites as shown below. All sites conduct the same activity; forest management. Catchmark operates a centrally-controlled management system, with one person responsible for oversight of the SFI program. An internal audit program is in place to ensure conformance of each site with the company's SFI procedures.

Multi-Site	X	Group Certification	
Sites		Sites Audited During this Event	
South Central management unit		X	
Coastal management unit		X	
Southwest management unit		X	

Audit Results

The document review focused on changes in the company's SFI program to incorporate the new and revised requirements of the SFI 2015-2019 standard. Catchmark did an excellent job of modifying its procedures and system documentation to meet the requirements of the new standard. The field audit consisted of a review of 16 harvest tracts and 10 regeneration/chemical site preparation tracts.

Objective 1-Forest Management Planning: Catchmark continues to operate a forest management planning system that contains all the requirements of Objective 1. The newly acquired properties have been included in the forest management plan. A stand-level inventory system is in place. Volume is grown using a growth and yield model. A harvest schedule is run annually, taking into account removals, growth, and updated inventory information. A GIS is in place, which includes soil mapping. Biodiversity at landscape scales is documented through the company's landscape assessment program found in Objective 4. Catchmark also tracks percentage of its ownership in various cover types and age classes. Consideration of non-timber issues has consisted of the inclusion of 135,000 acres of land in Georgia into a 15 year conservation agreement. A review of actual harvest levels versus projected from 2008 through 2014 indicates the company's harvest rates are consistent with its long-term plan. A summary of projected growth provides evidence the long-term plan is sustainable. According to the plan, total inventory is projected to increase over the next 10 year period.

Catchmark practices conversion on a very limited basis. It has developed a review process for the conversion it does conduct that meets the requirements of the standard.

Objective 2-Forest Health and Productivity: Planting summaries provided evidence Catchmark is conducting artificial regeneration within two growing seasons after harvest, and natural regeneration within five.

Chemical applications were well done. Rates were well below label maximums, and the rates and types of chemicals used were typical for the types of competing vegetation in the region. Catchmark continues to do a very good job of keeping herbicide applications within the target area, with

virtually no drift into off-target areas observed during the audit. Soil maps are available for the newly acquired property. Soil productivity was very well protected, with virtually no rutting or compaction observed during the audit.

Objective 3-Protection and Maintenance of Water Resources: Compliance with Georgia, Alabama and Texas BMPs was observed on all harvest and regeneration sites with the exception noted below. Streamside management zones were well established, and road and skid trail construction and stabilization ensured protection of soil productivity and water quality. Stream crossings were removed and approaches stabilized.

Road work had recently been conducted on one harvest tract reviewed during the audit in the South central management unit. Two turnouts were placed directly into an SMZ on an ephemeral drain. Sediment was deposited directly into water flowing in the ephemeral stream. A minor non-conformance was issued due to this lapse in the company's program to implement BMPs and protect water quality.

Objective 4-Conservation of Biological Diversity: Catchmark has identified potential T&E species and FECVs that could occur on its newly acquired properties. These properties were purchased from another SFI certified company, who provided this information to Catchmark. No T&E species or FECVs are known to occur on the new property. Catchmark developed a process to screen state wildlife action plans to determine significant species of concern that could be impacted by its operations. It identified two such species in Georgia, and developed management guidelines to protect these species where they are known to occur. The company's excellent effort to address this new requirement in the standard warranted the issuance of a notable practice.

The company continues to do a very good job of providing both dispersed and clumped retention in its clearcut areas. This was particularly notable in the southwest management unit, where UTS has only recently begun managing the Catchmark property purchased in Texas and Louisiana under the company's SFI program. It was obvious UTS has made a considerable effort to leave stand-level elements on clearcuts. Catchmark continues to utilize its landscape assessment program to monitor forest cover type and age classes on larger blocks of property. The Texas and Louisiana properties are highly fragmented, but the landscape assessment program was applied to one larger tract. The assessment was used to balance scheduled harvest units to prevent a large portion of the tract from consisting only of early successional habitat.

Objective 5-Management of Visual Quality and Recreational Benefits: The company's reported average clearcut size for 2014 was 66 acres. There was little need for specific aesthetic considerations on harvest sites reviewed during the audit, as all were in relatively remote areas, offering little exposure to the public. Compliance with the company's green-up policy was observed on all clearcuts.

Objective 6-Protection of Special Sites: Special sites have been identified on Catchmark property. Management plans are in place for all designated special sites.

Objective 7-Efficient Use of Fiber Resources: Utilization was acceptable on all harvest units observed during the audit.

Objective 8: Recognize and Respect Indigenous People's Rights: Catchmark has a documented policy to respect the rights of indigenous peoples. There are no known rights or claims of any indigenous peoples on Catchmark property. The company has a process to respond to public inquiries, including those that may come from any concerns expressed by indigenous peoples.

Objective 9-Legal and Regulatory Compliance: Catchmark has access to applicable regulatory requirements. Its system to achieve compliance consists of a pre-harvest prescription process that identifies water quality requirements, and possible locations of T&E species. Contract language is in place to require compliance. Monitoring is conducted to further ensure compliance. No adverse regulatory actions are in evidence. Two BMP inspection reports have been conducted in the past year, both providing evidence Catchmark is complying with regulatory requirements.

Objective 10-Forestry Research, Science and Technology: The company demonstrated evidence it is involved in research efforts applicable to its landbase. Contributions are documented in management review meeting minutes. Its membership in the SICs in Georgia, Alabama, Texas and Louisiana includes the development of biodiversity conservation information for family forest landowners. The company also gathers information on BMP implementation in the states in which it operates. Catchmark has access to information on the potential impacts of climate change on forest health and wildlife habitat.

Objective 11-Training and Education: Catchmark has a training program in place. Training records verified employees have received training as required, including the employees of UTS. Catchmark requires all contractors to have at least one person on-site who has completed SIC sponsored logger training. This requirement is a part of the logging contract. The logger training programs in Texas, Louisiana, Florida, Georgia and Alabama have continuing education requirements.

Objective 12-Community Involvement and Landowner Outreach: Catchmark is a member of the SICs in Georgia and Alabama. It has joined the Louisiana and Texas forestry associations, although it is just now becoming involved in the SICs. The company is not a member of the Florida SIC since its ownership in that state is quite small. Membership in the SICs includes the distribution of landowner education materials, which contains information on the conservation of biological diversity. Catchmark demonstrated involvement in a number of public educational activities. It has a process to respond to public inquiries or complaints. The company has received no reports of inconsistent practices.

Objective 13: Public Land Management Responsibilities: N/A-Catchmark does not have public land management responsibilities.

Objective 14-Communications and Public Reporting: The company had posted its 2014 surveillance audit report on the SFI, Inc. website as required for public review. The 2014 SFI annual progress report had been submitted in a timely manner.

Objective 15-Management Review: Catchmark has a management review process in place. The company has historically done a good job of recording meeting minutes. Management review minutes verified the meeting is held annually as required by the SFI Standard.

Findings

Previous non-conformances:

No non-conformances were issued during the previous audit.

Non-conformances:

One minor non-conformance was issued against Objective 3. The SF02 nonconformity report is shown below.

Opportunities for Improvement:

No opportunities for improvement were issued.

Notable Practices:

One notable practice was identified.

1. PM 4.1, Ind. 5: Catchmark has done an excellent job of identifying species of concern that could be impacted by its operations. The company filtered the list of species of concern identified in the state wildlife action plan. It identified two species; one plant and one animal. Catchmark then developed simple but adequate management guidelines for both species

Logo/label use:

Catchmark uses the SFI logo on its website for promotional purposes. Approval is documented. The company does not use the BVC logo.

SFI reporting:

The 2014 surveillance audit report was found on the SFI website as required for public review.

Conclusions

Results of the audit indicate Catchmark has developed a program that meets the requirements of the SFIS 2015-2019 Forest Management Edition, and is continuing to effectively implement its SFI program, with the exception of one minor non-conformance. Catchmark developed an acceptable corrective action plan for the non-conformance. The non-conformance was cleared prior to the audit of the Southwest management unit, since the non-conformance was identified during the audit of the South central management unit. The lead auditor issued a recommendation for certification to the SFI 2015-2019 Forest Management standard at the closing meeting.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: 3/16/2015 (SE and Coastal) 4/2/2015 (Southwest)				To: 3/20//2015 (SE and Coastal) 4/3/2015 (Southwest)			
Number of SF02's Raised:			Major:		0		Minor:		1
Is a follow up visit required:		Yes		No	X	Date(s) of follow up visit:			
Follow-up visit remarks:									
Team Leader Recommendation:									
Corrective Action Plan(s) Accepted		Yes	X	No		N/A		Date:	3/23/2015
Proceed to/Continue Certification		Yes	X	No		N/A		Date:	4/3/2015
All NCR's Closed		Yes		No		N/A	X	Date:	
Standard audit conducted against:									
1)	SFIS 2015-2019 FM Edition			3)					
2)				4)					
Team Leader (1):		Team Members (2,3,4...)							
Richard Boitnott; CF, EMS(LA)		2)							
		3)							
		4)							
		5)							
Scope of Supply: (scope statement must be verified and appear in the space below)									
<i>Management of Forest Lands</i>									
Accreditation's		ANAB							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date	First surveillance should start prior to April 3, 2016								
Audit Report Distribution									
Bureau Veritas Certification: Melani Potts-melani.potts@us.bureauveritas.com									
Catchmark: Don Warden-don.warden@catchmark.com									

Clause	Audit Report
Opening Meeting	Participants: Dusty Warren, Ike Vinson, Tim Gahl, Brian Absher, Don Warden Discussions: <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Tim Gahl, Brian Absher, Don Warden. Jeff Kellam, John Rasor Discussions: <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Nonconformances - 1 ➤ Date for next audit. ➤ Reporting protocol and timing