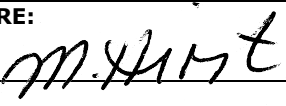



OFFSET VERIFICATION STATEMENT				
<i>OPR Staff Use Only</i>	Date Statement Received:	OPR Tracking Number:	Date Statement Reviewed:	<i>OPR Staff Use Only</i>
PART I. OFFSET PROJECT INFORMATION				
Offset Project Name: Finite Carbon - The Forestland Group Highlands IFM		OPR Project ID#: ACR248	ARB Project ID# (if known): CAFR5198	
OPO Name: Heartwood Forestland Fund IV, Limited Partnership		APD Name (if applicable): NA		
Reporting Period Start Date: 6/24/2015	Reporting Period End Date: 3/23/2016	Final OPDR's Total GHG Reductions: 2,952,619		
PART II. VERIFICATION INFORMATION				
Verification Body (VB) Name: S&A Carbon, LLC			VB ID Number: H2-15-019	
1. Does this Offset Verification Statement attest that the submitted Offset Project Data Report is reasonably assured of being free of offset material misstatement?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2. Does this Offset Verification Statement attest that the submitted Offset Project Data Report is reasonably assured of being in conformance with the quantification, monitoring, and metering requirements of the Cap-and-Trade Regulation?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
3. Does this Offset Verification Statement attest that the submitted Offset Project is reasonably assured of being in conformance with all other requirements of the Cap & Trade Regulation and in compliance with all local, regional, and national regulatory requirements?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4. As a result of the three attestations above, what is the Final Offset Verification Statement? (see table in attached instructions) (Note: Qualified Positive is not allowed for U.S. Forest projects.)			<input checked="" type="checkbox"/> Positive <input type="checkbox"/> Qualified Positive <input type="checkbox"/> Adverse	
5. Qualifying Statement (required for Qualified Positive or Adverse Offset Verification Statements): NA				
Part III. ATTESTATIONS AND SIGNATURES				
Part III.A Lead Verifier				
As the lead verifier for this offset verification, I certify under penalty of perjury under the laws of the State of California that the offset verification team has carried out all offset verification services as required by sections 95977.1, 95977.2, and the applicable Compliance Offset Protocol and the findings are true, accurate, and complete and have been independently reviewed by an independent reviewer as required under sections 95977.1(b)(3)(R)(1.) through 95977.1(b)(3)(R)(3.).				
SIGNATURE: <i>Bill Stack</i>		PRINTED NAME: Bill Stack		
TITLE: Lead Verifier		DATE: September 1, 2016		

Part III.B Independent Reviewer	
As the independent reviewer, I certify under penalty of perjury under the laws of the State of California that I have conducted an independent review of the offset verification services and findings on behalf of the verification body as required by this article and that the findings are true, accurate, and complete.	
SIGNATURE: 	PRINTED NAME: Michelle Hirst
TITLE: Independent Reviewer	DATE: September 1, 2016
Part III.C Verification Body Officer	
I concur with the verification opinion rendered in this Offset Verification Statement, and I certify that I am duly authorized to represent and legally bind the Offset Verification Body on all matters related to this form.	
SIGNATURE: 	PRINTED NAME: Kyle Silon
TITLE: Approver	DATE: September 1, 2016

Background for Offset Verification Statement

Section 95977.1(b)(3)(R) of the Cap-and-Trade Regulation requires an offset verification body to issue an Offset Verification Statement for any Offset Project Data Report for which it has provided offset verification services. The offset verification body must provide the Offset Verification Statement to both the Offset Project Registry and the Offset Project Operator or Authorized Project Designee contracting the offset verification services. This form is designed to help offset verification bodies fulfill the requirements of Section 95977.1(b)(3)(R).

Where to Submit Information Contained in This Form

Please complete the information on the form using your computer. Then either add an electronic signature to the form or print, sign, and scan the form. The completed and signed information and all supporting documentation should be submitted to the appropriate Offset Project Registry.

This form is also available from the ARB website at:

<http://www.arb.ca.gov/cc/capandtrade/offsets/forms/forms.htm>

A copy of the Offset Verification Statement must be provided also to the Offset Project Operator or Authorized Project Designee.

Detailed Instructions for Offset Verification Statement

The information should be submitted by the lead verifier of the offset verification team providing offset verification services. This form is protected with restricted editing to facilitate completing the form. If the applicant wishes to unprotect the form, the password is "form".

Part I. Offset Project Information:

- Enter the name of the offset project for which offset verification services were performed.
- Provide the offset project's identification number as issued by the Offset Project Registry with which the offset project is listed. If you know the ARB project ID number, please also provide it.
- Enter the names of the Offset Project Operator (OPO) and, if applicable, the Authorized Project Designee (APD) for the offset project.
- Indicate the start and end dates of the Reporting Period for the Offset Project Data Report being verified.
- Provide the total number of GHG reductions and/or removal enhancements reported in the *final* Offset Project Data Report (OPDR) being verified. For an OPDR with multiple versions, this assists OPR and ARB staff with matching the OVS to the corresponding final OPDR.

Part II. Verification Information:

- Enter the name of the offset verification body providing offset verification services.
- Also provide the verification body's identification number assigned by ARB. That is the number of the Executive Order issued by ARB's Executive Officer accrediting the offset verification body.
- Check the appropriate box indicating whether the Offset Project Data Report is reasonably assured of being free of offset material misstatement.
- Check the appropriate box indicating whether the Offset Project Data Report is reasonably assured of being in conformance with quantification, monitoring, and metering requirements of the Cap-and-Trade Regulation and the applicable Compliance Offset Protocol.
- Check the appropriate box indicating whether the offset project is in conformance with all other provisions of the Cap-and-Trade Regulation and applicable Compliance Offset Protocol, excluding quantification, monitoring, and metering requirements. And that the offset project is in compliance with all local, regional, and national requirements related to the operation of the offset project as specified in Section 3, Eligibility Rules, of the applicable Compliance Offset Protocol.
- Check the appropriate box indicating whether the Offset Verification Statement is Positive, Qualified Positive, or Adverse. A Qualified Positive Offset Verification Statement may not be issued to an offset project using the Compliance Offset Protocol U.S. Forest Projects. The charts below illustrate the appropriate outcome of the Offset Verification Statement based on project type and Part IV checkboxes selected.

Projects developed under the Livestock, ODS, or Urban Forestry Compliance Offset Protocols

	Free of Offset Material Misstatement?	Conforms to All Quantification, Monitoring, and Metering Requirements?	Conforms to All Other Regulatory Requirements and Complies with Local, Regional and National Requirements?	Offset Verification Statement
Case 1	Yes	Yes	Yes	Positive
Case 2	Yes	No	Yes	Qualified Positive
Case 3	Yes	Yes	No	Adverse
Case 4	Yes	No	No	Adverse
Case 5	No	Yes	Yes	Adverse
Case 6	No	No	Yes	Adverse
Case 7	No	Yes	No	Adverse
Case 8	No	No	No	Adverse

Projects developed under U.S. Forest Projects Compliance Offset Protocol

	Free of Offset Material Misstatement?	Conforms to All Quantification, Monitoring, and Metering Requirements?	Conforms to All Other Regulatory Requirements and Complies with Local, Regional and National Requirements?	Offset Verification Statement
Case 1	Yes	Yes	Yes	Positive
Case 2	Yes	No	Yes	Adverse
Case 3	Yes	Yes	No	Adverse
Case 4	Yes	No	No	Adverse
Case 5	No	Yes	Yes	Adverse
Case 6	No	No	Yes	Adverse
Case 7	No	Yes	No	Adverse
Case 8	No	No	No	Adverse

- As appropriate, provide a qualifying statement. A qualifying statement is required for any offset project receiving a Qualified Positive Offset Verification Statement or an Adverse Offset Verification Statement.

Part III. Attestations and Signatures:

- Both the lead verifier of the offset verification team and the independent reviewer of the team must provide the required attestations in Part III.A and Part III.B to complete the Offset Verification Statement.
- An officer with the authority to represent and legally bind the Offset Verification should sign the statement in Part III.C. This officer may be, but does not have to be, either the lead verifier or the independent reviewer.
- The lead verifier, independent reviewer, and verification body officer should provide their signature, printed name, organization title, and date signed.