Verification Statement

Client Name: Bluesource
Project Proponent: Shafer-Tuuk Farm, LLC
Project: Blue Source – Shafer-Tuuk Improved Forest Management Project (Project ID: ACR374)
Verification Body: SCS Global Services
2000 Powell Street, Suite 600
Emeryville, CA 94608
Lead Verifier: James Cwiklik
Submitted to: American Carbon Registry
Statement Date: 31 January 2019

The SCS Greenhouse Gas Verification Program has conducted a verification of the Blue Source – Shafer-Tuuk Improved Forest Management Project (ACR374) against the requirements of the American Carbon Registry (ACR) and the assessment criteria, as listed below, for the reporting period 30 March 2018 to 29 March 2019. SCS used documentation supplied by Blue Source as the basis for its evaluation. SCS performed the verification activities to a reasonable level of assurance and applied a materiality threshold of ±5%. The objectives of this assessment were to:

- Assess conformance of the Monitoring Report and supporting documentation to the requirements of the criteria;
- Evaluate reported net GHG emission reductions and removals;
- Evaluate whether the measurement and monitoring systems in place are capable of delivering high quality carbon stock measurements; and
- Verify the reported emissions reductions and removals for the second reporting period.

The verification was performed against the following criteria:

- American Carbon Registry (ACR) Standard, Version 5.0 (February 2018)
- ACR Validation and Verification Standard v1.1 (May 2018)
- ACR's IFM Methodology for Quantifying GHG Removals and Emission Reductions through Increased Forest Carbon Sequestration on Non-Federal U.S. Forestlands, Version 1.2 (December 2016)
- ISO 14064-3: 2006, Greenhouse Gases – Part 3: Specification with guidance for the validation and verification of GHG assertion

SCS Global Services has performed the verification to determine whether the Project Plan conforms to the requirements of the verification criteria. This assessment included review of the Project Plan, Monitoring Plan and supporting documents. This assessment was a desk review.

Based on the verification activities conducted, SCS Global Services has reached the conclusion, with a reasonable level of assurance, that the project has been designed and, for the reporting period from 30 March 2018 to 29 March 2019, implemented in accordance with the verification criteria. This statement attests that SCS can provide reasonable assurance that the above GHG assertion conforms to the requirements of the American Carbon Registry and the criteria listed above and is without material discrepancy. The audit team can confirm the following:

- The actual number of ERTs, 51,901 tCO_2e associated with the Monitoring Report has been verified. The 16% risk buffer deduction is 9,886 tCO_2e.

The following provides a summary of the ERT issuance by Vintage for the current Reporting Period with the Leakage and the Buffer deductions included:

Annual Emission Reduction in Metric Tons (tCO_2e)				
Reporting Period	**Vintage**	**Start Date**	**End Date**	**Net GHG Emission Reductions (tCO_2e)**
2	2018	30 March 2018	31 December 2018	39,539
2	2019	1 January 2018	29 March 2019	12,363

The following provides a summary of the ERT issuance by Vintage for the current Reporting Period with the Leakage deduction included and the Buffer deduction excluded (Buffer credits shown separately):

Annual Emission Reduction in Metric Tons (tCO_2e)					
Reporting Period	**Vintage**	**Start Date**	**End Date**	**Net GHG Emission Reductions (tCO_2e)**	**Quantity of Buffer Credits (tCO_2e)**
2	2018	30 March 2018	31 December 2018	47,070	7,531
2	2019	1 January 2018	29 March 2019	14,717	2,355

Note: final numbers are rounded for simplicity.

James Cwiklik, Lead Verifier — 31 January 2019
Date

Zane Haxtema, Technical Reviewer — 31 January 2019
Date

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