



**Bureau Veritas Certification
North America, Inc.
SFI and/or PEFC Audit Report**

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PEC Code:	E01E

Contract Number:	US 0457405	Certification Audit:		Re-Certification Audit:	X	Surveillance: (Indicate visit # or Pre- Assessment)	
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Audit Summary

This report summarizes the results of the renewal audit conducted on Rayonier's SFI program for forest management operations. Richard Boitnott, Bureau Veritas Certification lead auditor, conducted the document review on 3/23/2009, and field audit in Resource Units 2 and 3 in Georgia and Florida on 3/24-27/2009, while Brian Callaghan conducted a field audit in Resource Unit 7 in New York on 3/11-12/2009. Mr. Boitnott served as lead auditor throughout the audit process.

The objective of the audit was to verify the conformance of Rayonier's SFI program against the SFIS 2005-2009 edition. SFI Objectives 1 through 7, and 9 through 13 applicable to a forest management operation were covered. An audit plan was developed and is maintained on file by Bureau Veritas Certification. Specifically, two objectives of the SFI audit were to:

1. 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
2. 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.

Rayonier owns and manages land in Georgia, Florida, Alabama, Texas, Oklahoma, Louisiana, Arkansas, and New York. Its central office is in Fernandina Beach, Florida. Field operations are divided into seven resource units, which were considered sites for the purpose of site sampling.

The New York audit began on 3/11/2009 in the Tupper Lake office of the consulting firm that manages the property. Mr. Brian Callaghan conducted the New York audit. The timing of the audit in Resource Unit 7 was to avoid the wet season, when access is difficult and no activities are conducted on the land. SFI Objectives 1, 2, 3, 10, and 11 were covered. Four harvest sites were visited during the field audit. The auditor observed that the company is doing a commendable job of focusing its timber management on improving stand conditions and forest health. The New York audit was closed mid-day on 3/12/2009. Results are shown on a separate SF61 audit matrix.

The Fernandina audit began with an opening meeting on 3/23/2009 conducted by Mr. Richard Boitnott, Bureau Veritas Certification Lead Auditor. Document review of Rayonier's SFI program was then conducted throughout the day. It was determined the company's SFI program continues to meet the intent of the SFI standard. Two opportunities for improvement were issued related to its SFI management system, which are listed below.

The field audit began in Resource Unit 3 on 3/24/2009 and continued through mid-day on 3/25. The field audit of Resource Unit 2 was conducted from mid-day on 3/25 through 3/26. Interviews with the forest resource center and follow-up documentation were conducted on 3/27.

Seven regeneration and nine harvest sites were visited during the field audit of Resource Units 2 and 3. In addition, a G1 plant site and an inactive red-cockaded woodpecker site (federally listed endangered species) were visited. Most of Resource Units 2 and 3 consists of flatwoods, so risk of soil erosion and stream sedimentation was very low. The soils are generally productive, and heavy vegetative growth can present competition problems for target pine species. However, the company has done a good job of minimizing chemical use, applying just enough to reduce competition. In addition, it has done an excellent job of implementing wildlife habitat objectives into its harvest planning process. A considerable portion of the landbase is retained as isolated wetlands, ponds, and hardwood sites. While timber harvesting is practiced in many of these areas, they are not managed intensively as pine plantations. In general, the field visits provided evidence the company has effectively implemented its SFI program in the way it conducts its on-the-ground management activities.

The findings made by Bureau Veritas Certification as a result of this renewal audit are listed below:

Previous non-conformances:

No non-conformances were issued during the previous audit.

Non-Conformances:

No non-conformances were issued during this audit.

Opportunities for Improvement:

Two opportunities for improvement were issued. These should be considered in light of how they may effect conformance in the future.

1. PM 4.1 Ind. 5: Consider developing a more defined program that describes the way the organization uses its assessment of forest types and habitats in making management decisions.
2. PM 10.1 Ind. 3: Consider developing a more defined program to identify training requirements

Notable Practices:

Five notable practices were observed. These are separated by those found in Resource Unit 7 and those in Resource Units 2 and 3.

Resource Unit 7 (New York)

1. PM 2.3 Ind. 5: Rayonier's silvicultural focus on stand improvement shows a commitment to both improving forest health and a sustainable forest management plan.
2. PM 11.1 Ind. 3: Rayonier's efforts in public consultation in order to gain support for a 900 acre salvage cut in the Adirondack State Park has improved public perception of forestry, improved forest health and exhibits a determination to meet or exceed regulatory requirements.

Resource Units 2 and 3

1. PM 4.1 Ind. 3: Rayonier's efforts to work with conservation groups and engage in management practices to encourage the continued existence and propagation of a G1 species (the Hairy Rattleweed) are commendable, going beyond just identification and protection.
2. PM 4.1 Ind. 4: Rayonier has done an excellent job of incorporating stand-level wildlife habitat elements in its harvesting operations, particularly on hardwood harvests.
3. PM 4.1 Ind. 7: Rayonier has done an excellent job of communicating nonnative exotic species issues throughout the organization, identifying locations of such species, and coordinating control efforts.

Logo/Label Use:

Rayonier does not use the Bureau Veritas Certification logo.

Public Notification

A review of the SFI, Inc. website provided evidence the previous audit of Rayonier's SFI land management program has been posted as required.

Conclusion:

A closing meeting was held on 3/27/2009, where the results of the audit were reviewed. Since no non-conformances were issued, the lead auditor issued a recommendation for renewed certification to the SFIS 2005-2009 edition.

Surveillance audits:

Surveillance audits are conducted annually. Rayonier's next surveillance should be conducted in March 2010 in Resource Units 4 and 5 in Georgia and Alabama. A surveillance audit schedule has been developed to identify the objectives to be covered during the next audit. The SF17 surveillance audit schedule is maintained on file by Bureau Veritas Certification.

PLEASE SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:										
Stage 1 Audit Dates:	From: 3/23/2009				To: 3/23/2009					
Stage 2, Renewal or Surveillance Audit Dates:	From: RU 7: 3/11/2009 RU 2/3: 3/24/2009				To: RU 7: 3/12/2009 RU 2/3: 3/27/2009					
Number of SF02's Raised:				Major:	0		Minor:	0		
Is a follow up visit required:	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Date(s) of follow up visit:					
Follow-up visit remarks:										
Team Leader Recommendation:										
All NCR's now cleared:	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Proceed to/Continue Certification	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	
Date:	3/27/2009									
Standard(s) audit conducted against:										
1)	SFIS 2005-2010			3)						
2)				4)						
Team Leader (1):			Team Members (2,3,4...)							
Richard Boitnott; RF, CF, EMS(LA)			2) Brian Callaghan							
			3)							
			4)							
			5)							
Scope of Supply: (scope statement must be verified and appear in the space below)										
Timber and non-timber forest management activities on approximately 1.8 million acres on Rayonier Forest Resources, L.P. Holdings in the following states as managed by East Forest Resources; Florida, Georgia, Alabama, Texas, Oklahoma, Louisiana, Arkansas and New York.										
Accreditation's:	ANSI (CoC Only)			ANAB						
Number of Certificates:										
Audit Report Distribution										
Rayonier: Debi Barrett (debi.barrett@rayonier.com)										
BVC: Kim Woodruff (kim.woodruff@us.bureauveritas.com)										

Clause	Audit Report
Opening Meeting	<p>Participants: Dan Roach, Debi Barrett, Sandy Gorse, Rhett Rogers</p> <p>Discussions:</p> <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	<p>Participants: Debi Barrett, Sandy Gorse, Rhett Rogers, Larry Davis, Billy Geier, Mike Conlon, Dan Hilldenbrand, Ricky Vanderveen, Bob McDonald, Bill Simpson</p> <p>Discussions:</p> <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 - 0 ➤ Date for next audit. ➤ Reporting protocol and timing