

NATURAL CAPITAL EXCHANGE (NCX)
HARVEST DEFERRAL SALE AGREEMENT

HOW TO READ THIS AGREEMENT

Thanks for your interest in selling Harvest Deferral Credits on the Natural Capital Exchange. Before reading this Agreement in detail, potential sellers may find it useful to take the following steps:

- Review and familiarize yourself with the NCX Platform (as defined in Section 1.2.C below) and the information and forms contained therein.
- Review Article 2, which summarizes major features of participation in the NCX program and terms of your Offer.
- For the following key provisions, refer to the relevant sections of the Agreement:

How NCX may accept your Offer	Section 1.1
Land sales or change of control	Sections 2.1.B and Section 8.2
Natural disturbance (fire, windthrow, etc.)	Sections 2.1.C and 7.1
Property access	Sections 2.1.D and 2.2.B
Ownership/control requirements	Sections 3.1.A and 3.3.A
Documentation of ownership / control	Section 2.1.E
Requirement to submit all owned/managed land	Section 3.1.B
Privacy	Section 2.1.F
Payment terms and failure to deliver	Section 2.2.C, Article 4, Sections 7.1 and 7.2
Results review process	Section 2.2.B
Lack of property encumbrance	Sections 3.1.C, 3.2.A, and 7.4

Refer to the NCX Platform for a description of the offer/acceptance process, examples of how the Offer can be completed, and how NCX will assess Seller performance under this Agreement.

This “How To Read” section is provided for the Seller’s information only. It forms no part of the Agreement and does not otherwise modify or affect the terms and conditions of the Agreement.

AGREEMENT

Subject to the terms and conditions of this Harvest Deferral Sale Agreement (this “**Agreement**”), _____ (“**Seller**”) offers (and, upon acceptance by NCX, agrees) to sell to Natural Capital Exchange Inc., a Delaware corporation (“**NCX**”) (collectively, the “**Parties**” and each a “**Party**”), and upon acceptance NCX agrees to buy from Seller, Harvest Deferral Credits (defined below) up to the quantity and at the prices specified in Seller’s Offer (defined below). This Agreement consists of the Offer (including exhibits) and Notice of Acceptance. Capitalized terms have the definitions below.

BACKGROUND

Seller and NCX desire, through this Agreement, to defer a certain amount of Timber Harvest within the Eligible Assessment Area in order to remove greenhouse gases from Earth’s atmosphere, as represented through the creation of Harvest Deferral Credits;

NCX provided Seller with an estimate of the quantity of Harvest Deferral Credits that Seller may sell during the Performance Period based on an assessment of the Timber available for Harvest on its property;

Seller, in this Agreement, is committing to defer the Harvest of a certain amount of harvestable Timber for one year (i.e., during the Performance Period) on property it controls;

NCX, by providing a Notice of Acceptance to Seller and thereby forming this Agreement, is committing to pay Seller for retaining such Timber;

This Agreement forms a binding contract between Seller and NCX that incorporates and is subject to Exhibits A and B, the terms specified in the Notice of Acceptance, and the other terms, disclaimers, and disclosures contained on the NCX Platform; and

Seller desires to sell to NCX, and NCX desires to purchase from Seller, the rights to make environmental claims about the greenhouse gases removed from the atmosphere and/or avoided greenhouse gas emissions to the atmosphere under this Agreement in order to create Harvest Deferral Credits;

The Parties therefore agree to be bound as follows:

DEFINITIONS

Note: the NCX Platform contains hypothetical examples and illustrations of many of these definitions.

“**Actual Deferrals**” means the quantity of deferrals actually achieved due to retention of Timber in the Eligible Assessment Area at the end of the Performance Period, as compared with the Contract Deferrals.

“**Agreement**” is defined in the preamble to this Agreement.

“**Assessment Area**” means timberland satisfying one of the following two conditions: it is either (i) all timberland property within the contiguous United States that is owned by a particular owner or set of beneficial owners; or (ii) all timberland property within the contiguous United States over which a single property manager has been given legal managing authority on behalf of a particular owner or set of beneficial owners. The Assessment Area for Seller under this Agreement is specified in Exhibit B.

“Assessment Area Information” is defined in Section 2.1.F.

“Business Day” means a day on which the United States of America Federal Reserve member banks are open for business, other than days listed as “NCX Observed Holidays” on the NCX Platform. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. Pacific Prevailing Time.

“Contract Deferrals” means the quantity of Harvest Deferral Credits that Seller agrees to create pursuant to this Agreement, as set forth in line “a” of Section 1.2.B, by retaining more Timber in the Eligible Assessment Area during the Performance Period than it would under business-as-usual conditions as determined by NCX.

“Contract Price” means the price (in U.S. dollars) per Harvest Deferral Credit that NCX agrees to pay Seller for a specific quantity of Harvest Deferral Credits, as set forth in line “b” of Section 1.2.B.

“Contract Value” means the value of the quantity of Harvest Deferral Credits offered in Seller’s Offer and accepted by NCX, multiplied by the Contract Price, as communicated to Seller in the Notice of Acceptance. The Contract Value is not a guarantee of payment, should Seller not perform its obligations under this Agreement.

“Credited Deferrals” means the quantity of Harvest Deferral Credits counted toward Seller’s obligations under this Agreement, for which NCX will incur an obligation to pay Seller, as determined in Section 2.2.A.

“Default” and **“Defaulting Party”** are defined in Section 7.1.

“Effective Date” is defined in Section 1.1.

“Eligibility Report” means the report identified as such and available to Seller on the NCX Platform that summarizes the results of NCX’s remote assessment of the Assessment Area and identifies Seller’s Maximum Harvest Deferral to inform Seller’s Offer.

“Eligible Assessment Area” means that portion of the Assessment Area meeting the eligibility criteria for inclusion (through this Agreement) in NCX’s carbon credit program, as determined by NCX in its sole discretion. Contract Deferrals must be achieved through reduced Timber Harvest in the Eligible Assessment Area. Information about Seller’s Eligible Assessment Area and the amount of Timber Harvest that Seller must defer for each Harvest Deferral Credit is available to Seller through the NCX Platform.

“Harvest” means the physical cutting, or cutting and removal, of trees or parts of trees from the Assessment Area.

“Harvest Deferral Credit” means a credit, denominated in whole numbers only, as determined by NCX in its sole discretion based on the Seller’s Eligible Assessment Area, which represents the deferral of Harvest of a certain amount of Timber in the Eligible Assessment Area during the Performance Period.

“Interest Rate” is equal to the Prime lending rate published under the heading “Money Rates” in the Wall Street Journal on the date of calculation.

“Maximum Harvest Deferral” means the maximum quantity of Harvest Deferral Credits that Seller may offer through Seller’s Offer to sell during the applicable Performance Period, as determined by NCX based on Seller’s information. Seller’s Maximum Harvest Deferral is available in Seller’s Eligibility Report. The Contract Deferrals must not exceed this Maximum Harvest Deferral.

“**NCX**” means Natural Capital Exchange Inc., as identified in this Agreement.

“**NCX Platform**” is defined Section 1.3.B.

“**Notice of Acceptance**” is defined in Section 1.1.

“**Offer**” means Seller’s offer, by signing this Agreement (but before any acceptance or rejection by NCX), to sell Harvest Deferral Credits to NCX in the quantities and at the prices specified in Section 1.2.B. Seller makes the Offer by using the NCX Platform to complete the information in Section 1.2 and Article 5 and to review, accept, and sign this Agreement.

“**Party**” and “**Parties**” are defined in the preamble to this Agreement.

“**Performance Period**” means the one (1) year period, starting on the upcoming January 1, April 1, July 1 or October 1, as specified by NCX in NCX’s Notice of Acceptance, which shall not be more than three calendar months after the Effective Date.

“**Seller**” means the entity or person identified as such in this Agreement and described in Section 1.2.A.

“**Timber**” means trees that can be cut and removed from a forest and are suitable for use as the raw material for items made of wood, such as lumber, plywood, paper, and other products.

“**Unharvested**” refers to Timber that has not been subject to Harvest or otherwise killed, destroyed, or removed from the Assessment Area.

ARTICLE 1

CONDITIONS OF SELLER’S PARTICIPATION

1.1 Acceptance of Offer; Effectiveness and Term of Agreement

This Agreement shall become effective and binding upon the Parties when NCX posts notice on the Seller’s account in the NCX Platform (the “**Notice of Acceptance**”) accepting Seller’s Offer and specifying the Contract Deferrals and the start date of the Performance Period. Posting of the Notice of Acceptance converts Seller’s Offer into the Agreement. The “**Effective Date**” is the date the NCX posts the Notice of Acceptance on the NCX Platform.

This Agreement shall remain in force and effect until the earliest of the dates when: (a) both Parties have satisfied all their obligations and liabilities under this Agreement, or (b) either Party provides written notice of termination of this Agreement; provided that, pursuant to Section 8.9, any obligations or liabilities that accrue under this Agreement prior to termination shall survive termination until satisfied or otherwise discharged.

1.2 Terms of Seller’s Offer

A. Seller information. The Seller and Seller’s authorized signatory (if any) are identified as follows, consistent with the information submitted through Seller’s account on the NCX Platform:

- a. Legal entity name, if applicable:
- b. First name of Seller (if an individual):
- c. Last name of Seller (if an individual):

- d. Seller's authorized signatory and title:

B. Seller's Offer. By submitting its Offer through the NCX Platform, Seller offers to defer sufficient Timber Harvest to generate Harvest Deferral Credits, and offers to sell such credits to NCX as follows:

- a. Quantity of Harvest Deferral Credits offered: _____
(becomes Contract Deferrals upon Notice of Acceptance)
- b. Offered price per Harvest Deferral Credit offered: \$ _____
(becomes the Contract Price upon Notice of Acceptance)
- c. Contract Value (*a* times *b*, if Offer accepted): \$ _____

1.3 Seller Acknowledgment

By submitting its Offer, Seller and any person signing this Agreement on Seller's behalf each acknowledge and agree as follows:

A. NCX has performed the following calculations on Seller's behalf: (a) an analysis of the Assessment Area, as set forth in Exhibit B, including a determination of the Eligible Assessment Area; and (b) a determination of the quantity of the Maximum Harvest Deferral in the Eligible Assessment Area during the Performance Period, as set forth in the Eligibility Report available to Seller through the NCX Platform. Except to the extent expressly provided in Section 3.2, NCX makes no representation or warranty as to any such analysis, determination, information, or metrics.

B. Seller has reviewed, familiarized itself with, and accepts the terms and conditions of this Agreement and the NCX offer/acceptance process and related data, terms, disclaimers, and disclosures contained on the NCX website platform (www.NCX.com) relating to the sale of Harvest Deferral Credits (the "**NCX Platform**"). Seller's Offer and this Agreement incorporate such terms, disclaimers, and disclosures by reference. *NCX encourages Seller to consult with its own legal counsel regarding the terms and conditions of this Agreement before submitting the Offer.*

C. Seller may withdraw or modify its Offer through the NCX Portal at any time prior to the weekly matching event, which occurs at 10:00 a.m. Pacific Prevailing Time on every Thursday that is a Business Day, when the NCX Platform will lock the Offer and the offers of other NCX program participants while NCX determines which offers, if any, to accept. Any such modification will operate as the simultaneous withdrawal of this Offer and making of a new offer by Seller. If Seller's Offer is accepted it will become the Agreement. If the Offer is not accepted during a weekly matching event, any changes to the Offer will not be reflected in the NCX Platform until the following week.

D. The overall NCX program includes performance periods that run simultaneously, generally beginning once per quarter. However, Seller shall not offer to sell NCX Harvest Deferral Credits generated in, and shall not be eligible to participate in, any NCX performance period that overlaps with any part of the Performance Period under this Agreement, which begins on the date specified by NCX in its Notice of Acceptance. After the expiration of the Performance Period, Seller must request a new assessment through the NCX Platform to participate in any subsequent NCX program cycle.

1.4 No Recording of Agreement

Neither Party shall, nor shall it cause or permit any affiliate, representative, agent, contractor, or other third party acting on its behalf to, file, register, or record this Agreement or any notice or memorandum of this

Agreement or its terms in the public records of any jurisdiction. Any failure to comply with this Section 1.4 by filing, registering, or recording or attempting to file, register, or record this Agreement or any notice or memorandum of its terms shall be a material breach of this Agreement and shall not operate to bind either Party or otherwise bind or affect title to the Assessment Area or any other real property. The breaching Party shall immediately take steps to remove such filing, registration, or recording from the public record.

ARTICLE 2 OBLIGATIONS

2.1 Seller's Obligations

Seller agrees to take the following actions:

A. *Retention of Timber to achieve Harvest Deferral Credits.* Seller shall take commercially reasonable steps to ensure that sufficient Timber remains Unharvested within the Eligible Assessment Area at the end of the Performance Period to achieve Harvest Deferral Credits equal to the Contract Deferrals. During the Performance Period, Seller shall not sell or agree to sell any remaining Harvest Deferral Credits derived from the Assessment Area that are not being sold to NCX pursuant to this Agreement. Pursuant to Section 1.3.D, Seller understands that it may not simultaneously participate or offer to sell Harvest Deferral Credits to NCX in any other NCX performance period that overlaps with the Performance Period of this Agreement.

B. *Effect of change in ownership or control.* There shall be no change to either Party's rights or obligations under this Agreement as a result of any additional real property outside the Assessment Area coming under Seller's ownership or control during the Performance Period. If, at any time during the Performance Period, any portion of the real property in the Assessment Area is no longer under Seller's ownership or control (as applicable) for any reason, then:

1. None of Seller's obligations under this Agreement are required to, or shall, become obligations on the successor in interest to such real property.
2. Seller shall promptly notify NCX of the change and specify the affected area(s) of the Assessment Area.
3. There shall be no change in the Contract Deferrals or Eligible Assessment Area as a result of the change in Seller's ownership or control. Seller shall remain obligated to NCX for generating the Contract Deferrals within the Eligible Assessment Area. (This could include, for example, Seller assuring continued deferral of Timber Harvest on the transferred property through separate contract with Seller's successor in interest in the transferred property.)

C. *Effect of failure to retain sufficient Timber.* If, for any reason, whether or not within Seller's anticipation or control, Seller does not retain sufficient Unharvested Timber in the Eligible Assessment Area to achieve the Contract Deferrals during the Performance Period, NCX's payment obligation under this Agreement shall be reduced as stated in Section 2.2.C. For avoidance of doubt, natural disturbance (such as fire or windthrow) and other Timber losses not reasonably within the Seller's control are considered the same as intentional Harvest for the purposes of this Section 2.1.C, but not for the purpose of determining Default under Section 7.1. See Section 7.1 for further information regarding Default.

D. *Grant of access.* Seller grants NCX and its affiliates, representatives, agents, and contractors, including third-party verifiers engaged on NCX's behalf and potential buyers of carbon credits from NCX, a revocable license beginning on the Effective Date and lasting until the date one hundred and twenty (120)

days after the Performance Period ends, to, upon reasonable notice to Seller, access any part of the Assessment Area to conduct investigations and measurements reasonably related to evaluating Harvest Deferral Credits or Seller's performance pursuant to this Agreement. In connection with this grant of access, Seller shall facilitate access to the Assessment Area by responding with reasonable promptness to communications on the matter and by providing pertinent information such as access codes, gate locations, and the like. NCX shall ensure that all third parties that access Seller's property pursuant to this grant of access have sufficient insurance coverage. NCX shall indemnify, defend, and hold Seller harmless from and against any and all liabilities, damages, costs, or expenses resulting from a claim, suit or proceeding which relate to the access granted under this Section 2.1.D, *except* to the extent that such claim, suit, or proceeding results from the gross negligence or willful misconduct of Seller. If Seller revokes the license or interferes with access at any time prior to NCX's payment under Section 2.2.C, NCX may reduce or eliminate the Credited Deferrals and the amount of any payment due to Seller by an amount reasonably reflecting the uncertainty in Actual Deferrals resulting from the lack of access.

E. Evidence of ownership or control. Within fifteen (15) Business Days of any request from NCX, Seller shall deliver to NCX in electronic format evidence of Seller's ownership or control of the land and/or Timber in the Assessment Area, as relevant and as defined in Section 3.1. This evidence shall be in the form of a recent (i) title insurance report, (ii) date down endorsement to an existing title policy or title report as to vesting, (iii) attorney's title opinion as to vesting, (iv) update to such a title opinion, (v) copy of the most recent deed, (vi) copy of the county tax assessor's property record card, (vii) a land title search showing the registered owner of the land and any reservations to the title, or (viii) other evidence of ownership or control commonly relied on by buyers in the area, any of which must be acceptable to NCX in its reasonable, good faith determination. Any such evidence that covers other real property in addition to the land and/or Timber in the Assessment Area shall be acceptable for purposes of this paragraph.

F. Use and disclosure of information. Seller irrevocably consents and agrees to NCX's collection, storage, use, and disclosure of information relating to the Assessment Area (the "**Assessment Area Information**") with respect to all activities in furtherance of this Agreement to the extent reasonably needed or appropriate to support the issuance, certification, verification, or marketing to prospective buyers of carbon credits derived from the Actual Deferrals generated under this Agreement. Seller further irrevocably consents and agrees to NCX's storage and use of the Assessment Area Information for its internal business purposes, such as, but not limited to, improving remote sensing models to support the development of ecosystem services markets, regardless of whether or not such storage and use is in furtherance of this Agreement and regardless of whether that storage and use occurs before or after the termination of this Agreement. All Assessment Area Information collected by NCX belongs to and is owned exclusively by NCX and NCX's use thereof is not restricted in any way by this Agreement, except that NCX will not disclose identifiable Assessment Area Information except for its internal business purposes as described above. This Section 2.1.F is effective notwithstanding anything in this Agreement to the contrary. The Parties' rights and obligations with respect to storage, use, disclosure, and ownership of Assessment Area Information shall survive following the full performance or termination of this Agreement pursuant to Section 1.1. NCX's current privacy policy is posted on the NCX Platform, but is subject to change by posting of a revised policy to the NCX Platform.

G. Federal tax information reporting by Seller. If Seller does not own/manage all of the Assessment Area, Seller shall timely report on IRS Form(s) 1099-MISC amounts paid to any (other) owner/manager of the Assessment Area, pursuant to Treasury Regulation section 1.6041-1(e)(1) or (e)(4).

2.2 NCX Obligations

A. Determination of Actual Deferrals and Credited Deferrals. Within sixty (60) days after the end of the Performance Period, NCX shall use remote sensing and analysis and/or field measurement to determine

Seller's Actual Deferrals, the resulting Credited Deferrals, and the amount to be paid to Seller under Section 2.2.C. If the Actual Deferrals are less than or equal to zero, the Credited Deferrals shall be zero. If the Actual Deferrals are greater than zero, the Credited Deferrals shall be the lesser of (i) the Actual Deferrals, or (ii) 110% of the Contract Deferrals. The methods and data used for these determinations shall be consistent in all material respects with those used to determine Seller's Maximum Harvest Deferral. NCX shall notify Seller of the results of these determinations.

B. Review of determination. If Seller believes the Actual Deferrals should be adjusted, then:

1. Seller shall, within fourteen (14) days after receiving notice of its Actual Deferrals, communicate to NCX the reasons for the proposed adjustment, along with any supporting information.
2. NCX shall promptly review any such information provided by Seller, and shall correspond with Seller as necessary to seek further information or clarification.
3. NCX shall provide Seller with an explanation for its agreement or disagreement with the Seller's proposed adjustment or any portion thereof; if NCX agrees to some or all of the Seller's proposed adjustment, NCX shall promptly prepare a new written statement of the Actual Deferrals and Credited Deferrals and provide it to Seller. If Seller and NCX agree to performance of a field cruise in order to resolve any disagreement with respect to Actual Deferrals, such field cruise shall be performed by a field cruise consultant mutually acceptable to the Parties and shall be jointly commissioned by the Parties, but the Party whose position on Actual Deferrals is further from the Actual Deferrals as determined by such field cruise shall bear the entire cost of the field cruise.
4. By proposing an adjustment under this Section 2.2.B, Seller automatically extends (a) the grant of access provided under Section 2.1.D and (b) any deadline for payment as provided in Article 4 until the earlier of (i) the completion of this review process (including any field cruise) as evidenced by NCX's determination of the amount of adjustment, if any, or (ii) the date one (1) year after the Performance Period ends.

C. Payment to Seller. NCX shall pay Seller for all Credited Deferrals in an amount calculated as follows:

1. If the Credited Deferrals are between 95% and 110% of the Contract Deferrals, NCX's payment obligation shall be the Contract Price multiplied by the Credited Deferrals.
2. If the Credited Deferrals are less than 95% of the Contract Deferrals, NCX's payment obligation shall be the Contract Price multiplied by the Contract Deferrals multiplied by an adjustment factor. The adjustment factor shall be equal to 95% reduced by 2% for each whole percentage point by which the Credited Deferrals is less than 95% of the Contract Deferrals, but in no event shall the payment obligation be less than zero.
3. For example, if the Credited Deferrals are 94% of the Contract Deferrals, the payment amount shall be 93% of the Contract Value; if the Credited Deferrals are 90% of the Contract Deferrals, the payment amount shall be 85% of the Contract Value; and if the Credited Deferrals fall below 47% of the Contract Deferrals, no payment will be made.

For the Parties' reference, Exhibit A contains a graphical depiction of payment terms.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1. Seller's Representations and Warranties

Seller represents and warrants as follows:

A. Control. Seller owns fee title to land within the Assessment Area or is the authorized representative of the fee title owner(s) of the land within the Assessment Area. Seller has the right, without the consent of any third party (including, in the case of an authorized representative of the legal owner(s) of the land, without any further permission or consent from the legal owner(s)), to (i) Harvest, or defer the Harvest of, the Timber on all land within the Assessment Area, and (ii) sell to NCX all environmental attributes and rights to make environmental claims related to such Harvest or deferred Harvest as more fully described in Section 3.1.D. The person signing this Agreement on behalf of Seller has full legal capacity and authority to enter into and deliver this Agreement. Where Seller is acting as an authorized representative of the legal owner(s) of land within the Assessment Area, Seller has all legal authority, consents, and permission necessary to act on behalf of the legal owner(s), execute this Agreement, and perform all of the obligations under this Agreement on behalf of the legal owner(s) and will provide NCX with evidence of such legal authority and permission on request.

B. Assessment Area. Seller's Assessment Area, as it is described in Exhibit B and used by NCX in its determination of Seller's Harvest Deferral Credits, satisfies one of the following two conditions: it is either (i) all timberland property within the contiguous United States that is owned by a particular owner or set of beneficial owners; or (ii) all timberland property within the contiguous United States over which a single property manager has been given legal managing authority on behalf of a particular owner or set of beneficial owners. All information provided by Seller to NCX related to the Assessment Area and Seller's interests therein is true and correct in all material respects.

C. No encumbrances on land. There are no encumbrances on any of the land within the Eligible Assessment Area that would impair or limit Seller's ability to Harvest Timber on such land other than (i) constraints within the municipality, county, state, and/or country in which such land is located, (ii) applicable state and federal environmental law and regulations, or (iii) limitations on the volumes or rates of Timber Harvest allowed within the Eligible Assessment Area which Seller has specifically disclosed to NCX or to NCX approved affiliates prior to NCX calculating Seller's Maximum Harvest Deferral. None of the Timber in the Eligible Assessment Area is subject to a contract, nor shall Seller enter into any such contract during the Performance Period, which gives any third party the right to purchase or Harvest Timber from the Eligible Assessment Area in quantities that would impair or restrict Seller from performing its obligations under this Agreement.

D. No encumbrance of environmental attributes. Seller holds full and exclusive legal and equitable title and rights, free and clear of all encumbrances, to any and all Harvest Deferral Credits resulting from Seller's deferral of Timber Harvest during the Performance Period. Seller has not made, and will not make, any claim regarding carbon dioxide removals, environmental benefits, or any similar or related claim with respect to the deferral of Timber Harvest in the Eligible Assessment Area upon which Seller bases its Offer and sale of Harvest Deferral Credits. Seller has not assigned or conveyed the right or authorized any other entity, whether expressly or by implication, and whether formally or informally, to make any such environmental claim. Seller is not aware of any action, information, or circumstance that would interfere with the ability of NCX to make legitimate claims of carbon dioxide removal and other environmental benefits on the basis of Seller's deferred Harvest contemplated in its Offer or this Agreement. To the extent that any third party ever held, or may have held, a lien against or interest in such Harvest Deferral Credits

or associated right to make environmental claims, Seller has obtained a valid and binding release of such lien or interest.

E. Material accuracy. Seller is not aware of any material inaccuracy or omission in (a) the description of the Assessment Area or Eligible Assessment Area on Exhibit B hereto; or (b) the Eligibility Report for Seller, including Seller's Maximum Harvest Deferral. Seller will promptly notify NCX upon becoming aware of any such inaccuracy or omission. Section 1.2.A accurately states the information about Seller, and Section 1.2.B accurately states Seller's Offer, as submitted through Seller's account on the NCX Platform.

F. Activity-shifting leakage. None of Seller or its affiliates, representatives, agents, or contractors will authorize, direct, or advocate (including by or through a property manager) that any timberland property outside of the Assessment Area be managed in such a way as to intentionally modify or increase Timber Harvest during the Performance Period for the purpose of counteracting or otherwise offsetting Seller's commitments in this Agreement to defer Timber Harvest within the Assessment Area.

G. Merchantable Timber. The Maximum Harvest Deferral represents merchantable Timber that may actually be Harvested during the Performance Period. Seller only sells Harvest Deferral Credits in connection with Timber that the Seller would otherwise actually consider Harvesting during the Performance Period.

H. Signer authorization. Seller and the person signing this Agreement on behalf of Seller each represent and warrant to NCX that such person is duly authorized to do so on behalf of Seller.

3.2. NCX Representations and Warranties

NCX represents and warrants as follows:

A. No encumbrance of real property. To the best of NCX's knowledge and understanding, nothing in the Agreement is intended to, or shall, constitute an encumbrance of any real property, nor shall any obligations run with the land or (except as provided in Section 8.2) be binding on Seller's successors or assigns. NCX shall not seek to enforce any remedy hereunder against any real property, unless and only to the extent that such remedy is available to an unsecured creditor.

B. Information provided to Seller. At the time NCX provided Seller any spatial data or information related to Seller's Harvest Deferral Credits, NCX was unaware of any material error or omission in such information. Any such information provided by NCX with respect to its determination of Harvest Deferral Credits was for Seller's information only, and any reliance by Seller on such information is at Seller's sole risk.

3.3. Mutual Representations and Warranties

Seller, by submitting the Offer, and NCX, by giving the Notice of Acceptance, each represent and warrant to the other as follows:

A. Authority. (i) Such Party is a person or legal entity duly formed and validly existing and in good standing under the laws of the state in which it is formed or incorporated, (ii) it has the full power and authority to execute, deliver, and perform this Agreement and to carry out the transactions contemplated hereby, (iii) its execution, delivery, and carrying out of the transactions contemplated herein have been duly authorized by all requisite entity action, and this Agreement has been duly executed and delivered by such Party and constitutes a legal, valid, and binding obligation of such Party, enforceable against it in

accordance with the terms hereof, except to the extent that enforceability may be limited by bankruptcy or other similar laws generally affecting creditors' rights generally or by equitable principles, (iv) no authorization, consent, notice to, or registration or filing with any governmental authority or third party is required for the execution, delivery and performance by such Party hereof, (v) none of the execution, delivery, and performance by such Party hereof conflicts with or will result in a breach or violation of any law, contract, agreement, order, or instrument to which such Party is a party or is bound, (vi) there are no proceedings by or before any court or governmental authority, now pending or (to such Party's knowledge) threatened, that if adversely determined could have a material adverse effect on such Party's ability to perform its obligations hereunder, (vii) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and does understand and accept the terms, conditions, and risks of this Agreement.

B. No further representations or warranties. Neither Party makes any representation or warranty to the other beyond those expressly stated in this Article 3.

ARTICLE 4 BILLING AND PAYMENT

NCX shall pay any amount due under Section 2.2.C within thirty (30) days of NCX's confirmation of the Actual Deferrals and Credited Deferrals pursuant to Section 2.2, unless the payment period is extended as provided therein. NCX shall have no obligation to pay for any purported deferrals of Timber Harvest by Seller exceeding the Credited Deferrals. All payments shall be made to Seller by check, ACH deposit, or in other immediately available funds in US Dollars. NCX shall have discretion to determine the payment agent for payments under this Agreement from time to time by notice to Seller. As of the Effective Date and until such time as NCX changes the payment agent by notice to Seller, the payment agent is Tipalti. So long as Tipalti is the payment agent hereunder, the Parties agree to comply with Tipalti's [privacy policy](#) and [terms and conditions](#) and acknowledge that Tipalti may unilaterally change such conditions from time to time in as provided therein. If NCX in its sole discretion changes payment agents, Seller may be required to agree to revised terms and conditions with the newly designated payment agent prior to NCX's issuance of payment for any amounts due under this Agreement.

ARTICLE 5 NOTICES

All notices, requests, demands, offers, and other communications required or permitted to be made hereunder will be in writing and delivered to receiving Party through the NCX Platform and/or by delivery to the applicable email address and contact person specified in the NCX Platform. Notices posted on or through the NCX Platform will be effective when posted. Notices by email will be effective when sent to the email address provided by Seller. Either Party may change its address or contact person for notices by giving at least ten (10) days' notice of such change consistent with this Article. As of the Effective Date, the contact persons specified in the NCX Platform are as follows:

For NCX: landowners@ncx.com

For Seller:

ARTICLE 6

GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement is governed by and construed in accordance with the laws of the State of New York without regard to its conflict of laws principles. Any claim, controversy or dispute arising under or relating to this Agreement that the Parties are unable to resolve themselves will be settled by binding arbitration in New York, New York, administered by JAMS in accordance with its then-current Comprehensive Arbitration Rules and Procedures, as modified or supplemented hereby, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. In the event of any suit, arbitration, or other proceeding between the Parties with respect to this Agreement or any of the transactions contemplated hereby or subject matter hereof, the prevailing Party will, in addition to such other relief as the court or arbitrator may award, be entitled to recover reasonable attorneys' fees and costs.

ARTICLE 7

EVENTS OF DEFAULT AND REMEDIES

7.1. Default

"Default" means, with respect to a Party (a **"Defaulting Party"**), the occurrence of any of the following:

- (a) the failure to make, when due, any payment required pursuant hereto if such failure is not remedied within five (5) Business Days after written notice of such failure is provided by the non-Defaulting Party;
- (b) any representation or warranty made by such Party herein is or becomes false or misleading in any material respect, and such Party does not cure the underlying facts so as to make such representation and warranty correct and not misleading within five (5) Business Days after written notice of such failure is provided by the non-Defaulting Party;
- (c) any bankruptcy, receivership, or insolvency petition or action is filed by or against such Party;
or
- (d) such Party fails to perform or violates any other material covenant or obligation set forth herein if such failure or violation is not remedied within ten (10) Business Days after written notice of such failure is provided by the non-Defaulting Party.

Seller's failure to retain Unharvested Timber in the Eligible Assessment Area sufficient to generate the Contract Deferrals shall not constitute a Default (although it may still result in reduction or elimination of any payment by NCX pursuant to Section 2.2.C), *provided that* (a) such failure was for reasons not reasonably within Seller's control, or (b) the Credited Deferrals are greater than 90% of Contract Deferrals.

7.2. Remedies

In the event of a Default, the non-Defaulting Party shall have the right, but not the obligation, to terminate this Agreement by providing written notice to the Defaulting Party. If Seller is the Defaulting Party, NCX shall have the right to exclude Seller from participating in any subsequent transactions with NCX or under NCX's carbon credit program and/or from accessing and using the NCX Platform for a period of three (3) years. If NCX is the Defaulting Party, Seller shall have the right to pursue any and all remedies available under applicable law, except as limited by this Agreement.

7.3 Limitation on Damages

In no event will either Party be liable to the other under this Agreement for any consequential, incidental (except for its reasonable costs and attorneys' fees pursuant to this Article 8), punitive, exemplary, or indirect damages in tort, contract, or otherwise.

7.4 No Recourse Against Real Property

No obligation of Seller hereunder shall be secured by or deemed to create any right or interest in real property in the Assessment Area, and no remedy shall be available to NCX if its availability or exercise would constitute an encumbrance on such real property.

7.5 No Specific Performance

Neither Party shall be liable for specific performance of any obligation under this Agreement, and each party expressly and irrevocably waives its right to seek or support specific performance as a remedy for any breach.

ARTICLE 8 STANDARD PROVISIONS

8.1 Additional Documents

Each Party, upon the reasonable request of the other Party, shall perform any further acts and execute and deliver such documents as may be reasonably necessary to carry out the intent and purpose of this Agreement.

8.2 Assignment

Neither Party shall assign this Agreement, in whole or in part, without the other's written consent; except that a Party may, without consent, (i) pledge, encumber, or assign this Agreement or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements; (ii) assign this Agreement to an affiliate if the affiliate's creditworthiness is equal to or higher than that of the assigning Party; or (iii) assign this Agreement to any person or entity succeeding to all or substantially all of the assets of the assigning Party whose creditworthiness is equal to or higher than that of the assigning Party; *provided*, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions of this Agreement and reasonable prior notice of such assignment shall be given to the other Party. Notwithstanding the foregoing, if Seller is an individual person, then upon such person's death, the rights and obligations of Seller under this Agreement shall automatically pass to and be binding upon such deceased person's successor(s) in interest, whether heir(s), personal representative(s), executor(s), administrator(s), or other applicable legal representative(s), and such successor(s) in interest shall then be deemed to be the Seller. All of the rights, benefits, liabilities, and obligations of the Parties shall inure to the benefit of and be binding upon their respective permitted successors and permitted assigns. A Party's consent to any assignment shall not constitute or imply consent to any subsequent assignment. Any assignment of rights and/or obligations under this Agreement shall be subject to the limitations and conditions as set forth in this Section 8.2.

8.3 Audit and Inspection

Seller shall maintain adequate records to assist NCX in meeting any reporting or registration requirements associated with the deferred Timber Harvest contemplated by this Agreement. Seller shall provide such

records upon reasonable notice from NCX. If any such examination reveals material inaccuracy in any statement, the Parties shall make the necessary adjustments promptly, and amounts discovered to be so due shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid.

8.4 Electronic Delivery

NCX will deliver this Agreement to Seller through the NCX Platform and/or by email promptly upon NCX's posting of the Notice of Acceptance on the NCX Platform. Such electronically delivered copy hereof shall constitute an original instrument.

8.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof, and supersedes all previous communications, representations, or contracts, either written or oral, that purport to describe or embody the subject matter hereof. There are no oral understandings, terms, or conditions and neither Party has relied upon any representation, express or implied, not contained in this Agreement.

8.6 Exhibits

Exhibits A and B attached hereto are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties.

8.7 No Third-Party Beneficiaries

There are no intended third-party beneficiaries hereof, and this Agreement should not be construed to create or confer any right or interest in or to, or to grant any remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation, or undertaking established herein.

8.8 Severability

Any part hereof that is or becomes invalid, illegal, or unenforceable may be severed from the remainder hereof, and to the extent possible, the Parties will use reasonable efforts to replace any such part with provisions that preserve their original intent.

8.9 Survival Rights

This Agreement will continue in effect after termination to the extent necessary to allow either Party to fulfill or enforce its respective rights or obligations that that have accrued under this Agreement prior to such termination.

8.10 Waiver, Amendment

None of the terms or conditions of this Agreement may be amended or waived except in writing and signed by the Parties. The Parties agree that no waiver, amendment, or modification of this Agreement will be established by conduct, custom, or course of dealing. The failure of a Party to require performance of any provision of this Agreement will not limit such Party's right to seek such performance at a later time. Similarly, a Party's waiver of its rights with respect to any Default or any other matter arising in connection with this Agreement will not be considered a waiver with respect to any subsequent Default or matter.

8.11 Change in Law

If any statutes, rules, regulations, permits, or authorizations are enacted, amended, granted, or revoked which have the effect of changing the transfer and sale procedure set forth in this Agreement so that the implementation of this Agreement becomes impossible or impracticable, or otherwise revokes or eliminates any credible and recognized greenhouse gas reduction verification methodology upon which NCX is relying for the creation and sale of carbon credits derived from the Actual Deferrals generated under this Agreement, the Parties agree to negotiate in good faith to amend this Agreement to conform with such new statutes, regulations, or rules in order to maintain the original intent of the Parties under this Agreement.

8.12 Forward Contract

The Parties acknowledge and agree that this Agreement constitutes a “forward contract” within the meaning of the U.S. Bankruptcy Code, and NCX and Seller are “forward contract merchants” within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor.

8.13 Relationship of the Parties

The relationship of the Parties under this Agreement is that of buyer and seller. The Parties specifically state their intention that this Agreement is not intended to create any agency relationship or a partnership or any other co-owned enterprise unless specifically agreed to by the Parties in a separate written instrument. Except as specifically provided herein, each Party shall continue to have the right to contract independent of the other Party with individuals and entities. Each Party shall be responsible for its own operating expenses and personnel expenses.

8.14 Indemnification and Hold Harmless

NCX agrees to indemnify, defend, and hold Seller harmless from any claims of third parties related to the sale of carbon credits created by or on behalf of NCX and derived from the Actual Deferrals generated under this Agreement, except any claims resulting from Seller’s negligence, misrepresentation, fraud, or any other Seller breach of this Agreement.

[signature on the following page]

Seller, by signing below, and NCX, by giving the Notice of Acceptance, agree to the terms of this Agreement.

Seller
 Signed: _____ By*: _____ Title*: _____
Date:

**Note: If the signatory on this Agreement for Seller is not the Seller or one of Seller's corporate Officers or Directors, then the signer's Title should be "Authorized Representative of [name of Seller]". In that case, (i) Seller shall provide NCX with reasonable evidence, upon request, confirming that such signatory is so authorized and (ii) NCX recommends that the person signing the Agreement confirm with legal counsel that he/she has the legal authority to sign and deliver it on behalf of Seller.*

Exhibit A

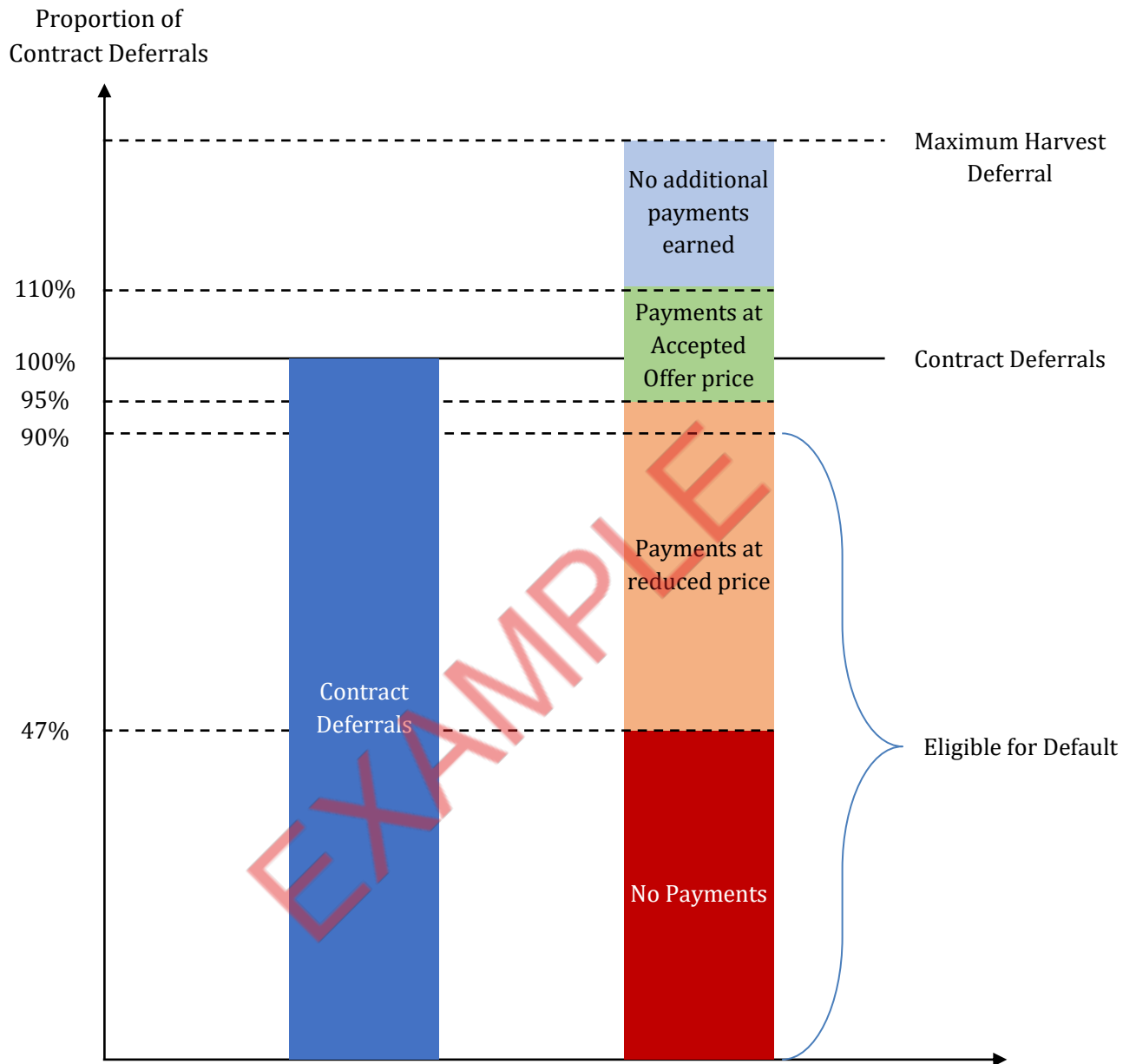


Exhibit B

INFORMATION ABOUT SELLER'S PROPERTY AND MAP OF ASSESSMENT AREA

Address or location of Seller's property: _____

Total acreage: _____

Property map:

EXAMPLE