OPEN STANDARD CARBON REMOVAL OFFTAKE AGREEMENT

(OSCAR)

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OPEN STANDARD CARBON REMOVAL OFFTAKE AGREEMENT

This Open Standard Carbon Removal Offtake Agreement (the "**Agreement**") is made as of [DATE] (the "**Effective Date**") by and between [SUPPLIER] (the "**Supplier**") and [BUYER] (the "**Buyer**"). Supplier and Buyer are herein individually referred to as a "**Party**" and collectively as the "**Parties**."

WHEREAS, Supplier has proposed to Buyer the operation of one or several projects intended to remove Greenhouse Gasses from the atmosphere, as further described in Exhibit A (*Project Description*) (collectively, the "**Project**");

WHEREAS, Supplier wishes to sell Credits representing Environmental Attributes associated with the removal and storage of Greenhouse Gasses, expressed in metric tons of CO_2e, Generated by the Project, and Buyer wishes to purchase Credits Generated by the Project from Supplier in accordance with the terms of this Agreement; and

WHEREAS, the Parties desire to enter into this Agreement in order to set forth their respective rights and obligations with respect to the transactions contemplated hereby;

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Article I. DEFINITIONS

Section 1.01 Definitions. Capitalized terms used in this Agreement and not otherwise defined in the main body of this Agreement shall have the meanings given to them in Schedule 1 (Definitions).

Article II. TERM

Section 2.01 Term. This Agreement shall be effective on and from the Effective Date and shall continue in effect until the later of the date that the Contract Credits for the final Contract Year identified in Exhibit B (Delivery Schedule) have been Delivered to Buyer and the date on which Supplier has received the [last] payment due under Section 4.01 (the "**Term**") unless terminated earlier pursuant to the terms hereof.

Article III. SALE AND PURCHASE OF CONTRACT CREDITS

Section 3.01 Transfer; Retirement. Supplier agrees to sell and (a) Transfer to Buyer, or (b) Retire on behalf of Buyer or Buyer's designee, as the context requires, the Contract Credits, as set out in the Delivery Schedule, and Buyer agrees to purchase the Contract Credits from Supplier, subject the terms and conditions of this Agreement.

Section 3.02 Covenants. Supplier shall not agree to, and shall not: (a) sell, deliver, Transfer, Retire or otherwise Encumber or dispose of any of the Contract Credits to or in favor of any third party, other than in accordance with this Agreement; or (b) enter into any arrangement

or agreement that prevents Buyer from exercising any of its rights pursuant to this Agreement in connection with any Contract Credits. Supplier shall not sell or attempt to sell any Credit or related Environmental Attribute in any manner that would result in double counting of (a) the Contract Credits; (b) other Environmental Attributes associated with removal or storage of greenhouse gasses, expressed (or that could be expressed) in metric tons of CO_2e; or (c) if applicable pursuant to the Carbon Standard Rules, biodiversity or ecosystem service benefits, community benefits, sustainable development outcomes, and/or protection or enhancement of the environment, in each case, attributable to the Project.

Section 3.03 Transfer of Mitigation Outcomes. The Contract Credits are intended for use by Buyer for voluntary purposes. Buyer agrees not to use or report the Contract Credits acquired from Supplier under this Agreement in a way that results in any signatory to the Paris Agreement or any other nation or other intergovernmental organization (*e.g.*, CORSIA), excluding the Host Country, to report or otherwise claim the right to such Contract Credits or the underlying removal for purposes of its Nationally Determined Contributions (as defined in the Paris Agreement) or comparable national or international climate targets.

Article IV. PRICE, PAYMENT OBLIGATIONS, TAXES

Section 4.01 Contract Credit Payment Obligation. With respect to each Contract Credit to be Delivered hereunder, Buyer will pay to Supplier the Unit Price by wire transfer of immediately available funds to an account designated by Supplier to Buyer in writing (the "**Supplier's Bank Account**"):[1]

[__] within [__] ([__]) days of such Contract Credit being Delivered.

[__] within [__] ([__]) days of Buyer receiving Supplier's invoice therefor.

[__] [within [__] ([__]) days of/upon] the [Effective Date/Fulfillment Due Date].

[__] no less than [__] ([__]) days prior to the Commercial Operations Date.

During each Contract Year, Buyer shall pay Supplier for all Contract Credits Delivered by Supplier to Buyer pursuant to the terms and subject to the conditions herein up to and including the Contract Quantity, regardless of Buyer's acceptance or use of such Contract Credits, unless Buyer is unable to accept or use such Contract Credits as the sole and direct result of Supplier's breach of this Agreement.

Section 4.02 Interest. Interest shall accrue on any payment for Contract Credits not timely remitted by Buyer to Supplier in accordance with Section 19.10.[2] Buyer may withhold any payment amount disputed in good faith. If such dispute is resolved so that Buyer owes withheld

[1] NTD: The Parties should identify or insert their desired Contract Credit payment mechanism.
[2] NTD: Reference to the interest clause in the Miscellaneous section.

amounts, Buyer shall also owe Supplier interest accrued on amounts owing, in accordance with Section 19.10,[3] from the date originally due until paid in full.

Section 4.03 Verification and Registry Payment Obligations. From and after the [Commercial Operations Date / Effective Date][4] and for so long as Supplier is Delivering Contract Credits to Buyer in accordance with this Agreement, Supplier shall perform, or cause to be performed, any verification or inspection of the Project and any reporting data in connection with the Project, as required by Applicable Law, the Registry, and the Carbon Standard Rules. In doing so, Supplier shall coordinate with and accommodate requirements and reasonable requests by the Registry and the Verification Contractor (all costs related to the foregoing collectively, the "**Verification and Registry Costs**"). [Supplier/Buyer][5] shall be responsible for the timely payment in full of all Verification and Registry Costs directly to the Person to whom due.

Section 4.04 Taxes. Supplier shall pay or cause to be paid all taxes and fees, including any sales, use, or value added taxes, imposed by any Government Agency on or with respect to the Contract Credits Delivered ("**Governmental Charges**") to the extent accruing prior to or imposed upon the Delivery of Contract Credits to Buyer. Buyer shall pay to Supplier any such Governmental Charges that Supplier has a legal obligation to collect from Buyer (subject to Buyer's documented exemption therefrom) if such amounts are identified in the invoices rendered to Buyer hereunder for Contract Credits Delivered. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Contract Credits Delivered to the extent accruing after Delivery of the Contract Credits to Buyer. If either Party remits or pays Governmental Charges that are the other Party's responsibility hereunder, such other Party shall promptly reimburse the paying Party therefor (or, if such paying Party is Buyer, Buyer may, at its option, deduct the amount of any such Governmental Charges from subsequent sums due to Supplier under this Agreement). Supplier will provide Buyer with any forms, documents, or certifications reasonably required by Buyer to satisfy any information reporting or withholding tax obligations of Buyer with respect to any payments under this Agreement.

Article V. TITLE TRANSFER AND DELIVERY

Section 5.01 Title Transfer and Delivery. Upon payment by Buyer of the Unit Price for the relevant Contract Credits in accordance with Section 4.01, title to the Contract Credits shall transfer from Supplier to Buyer with good legal and beneficial title, free and clear of any Encumbrances and with full title guarantee on the Fulfillment Due Date. Supplier shall effect such transfer by, and such Contract Credits shall be deemed Delivered only when:

(a) for a Transfer Transaction, Supplier Transfers the Contract Credits to Buyer's Registry Account; or

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[3] NTD: Reference to the interest clause in the Miscellaneous section.
[4] NTD: Select the appropriate option based on whether COD occurred prior to the Effective Date
[5] NTD: To be aligned with the last option in Exhibit B.

(b) for a Retirement Transaction, Supplier Retires the Contract Credits, designating Buyer or, at Buyer's option, Buyer's designee as beneficiary of such Retired Contract Credits.

Section 5.02 U.S. Bankruptcy and Commodity Matters. Where either Party is carrying on business, or is registered or domiciled in the United States of America: Each Party intends that (a) this Agreement and each Transaction hereunder meets the criteria for the exclusion from the definition of "swap" set forth in 7 U.S.C. §1a(47)(B)(ii) and (b) the Transactions contemplated hereunder (whether a Transfer Transaction or a Retirement Transaction) be physically settled. Neither Party may elect for cash-settlement in lieu of Transfer or Retirement. Each Party further intends that (x) this Agreement and all transactions hereunder constitute a single integrated "forward contract" under the U.S. Bankruptcy Code, 11 U.S.C. §101(25); (y) this Agreement constitutes a "master netting agreement" within the meaning of the U.S. Bankruptcy Code; and (z) the remedies identified in this Agreement are "contractual rights" as provided for in 11 U.S.C. §556.

Article VI. PROJECT MRV PLAN; PROJECT VALIDATION AND VERIFICATION; MONITORING, REPORTING AND VERIFICATION OF CONTRACT CREDITS

Section 6.01 Preparation, Implementation and Maintenance of Project MRV Plan; Amendments to Project MRV Plan. Supplier shall prepare, implement and maintain a monitoring, reporting and verification plan for the Project in accordance with Prudent Industry Practices, the Carbon Standard Rules and the requirements of the Registry (the "**Project MRV Plan**"). Upon request by Buyer, Supplier shall submit the Project MRV Plan, and any proposed amendments to the Project MRV Plan, to Buyer for Buyer's review.

Section 6.02 Validation of Project. Supplier shall take all actions necessary to ensure validation of the Project by the Verification Contractor, including the preparation and issuance of validation reports by the Verification Contractor, all in accordance with the requirements of the Project MRV Plan, the Carbon Standard Rules and the Registry.

Section 6.03 Project Status Reports. By the end of each calendar quarter after the Effective Date, Supplier shall provide a progress report to Buyer in a form reasonably acceptable to Buyer with respect to the Project (each, a "**Project Status Report**"). Each Project Status Report shall include: (a) prior to the Commercial Operations Date, an overview of the progress of the Project, including the status and anticipated timing of development, construction, testing, and the Commercial Operations Date; (b) information regarding any material Approvals obtained or denied; (c) an evaluation of Supplier's and the Project's compliance with Applicable Law, Approvals and this Agreement; (d) the status of any bond, insurance, or other financial security required by any Governmental Agency with respect to the Project; (e) an estimated month-by-month Delivery plan, including anticipated Delivery dates and corresponding amounts of Contract Credits to be Delivered on such dates for the next twelve (12) months; and (f) any other information that is material to the Project or Generation of Credits or that Buyer reasonably requests.

Section 6.04 Monitoring, Verification and Reporting of Contract Credits and Replacement Credits. Supplier shall take all actions necessary to ensure the monitoring, verification, and reporting of all Contract Credits and all Replacement Credits by the Verification Contractor, and

to ensure the issuance of Project monitoring verification reports by the Verification Contractor, all in accordance with the requirements of the Project MRV Plan, the Carbon Standard Rules and the Registry.

Section 6.05 Buyer Monitoring and Audit Rights. Supplier shall permit Buyer and its designated representatives and agents to monitor and audit the Project no more than once per year during the Durability Monitoring Period, for the purpose of verifying Supplier's compliance with this Agreement during the Durability Monitoring Period. All monitoring and auditing activities under this Section 6.05 shall be conducted in such a manner as not to unreasonably interfere with Supplier's normal operations and shall be subject to Article XIV (*Confidentiality).*

Article VII. CARBON CREDIT SHORTFALLS

Section 7.01 Generation Shortfall.

(a) If the Project Generates fewer Credits in a given Contract Year than the Annual Credit Target (the difference between the Annual Credit Target and the number of Credits Generated during such Contract Year, a "**Generation Shortfall**"), Supplier shall Deliver to Buyer its Proportionate Share of the Credits Generated in such Contract Year (the difference between Buyer's Proportionate Share and the Contract Quantity during such Contract Year, the "**Generation Shortfall Amount**").

(b) In the event of a Generation Shortfall, Supplier shall, at its election (and after expiry of a grace period of [twenty (20) Business Days]) either (i) Deliver a number of Contract Credits equal to the Generation Shortfall Amount to Buyer by [[ ], 20[ ][6] / [the date that is [ ] ([ ]) [days] / [months] / [years] from the last day of the Contract Year in which the Generation Shortfall arose], (ii) increase the Contract Quantity for [each of] the next [[ ] ([ ])] Contract Year[s] by [a pro rata share of] the Generation Shortfall Amount or (iii) Deliver, at Supplier's cost, Replacement Credits in a quantity equal to the Generation Shortfall Amount that are acceptable to Buyer, in its reasonable discretion, provided, however, that Buyer shall not refuse to accept Replacement Credits which are Generated using the same technology and methods as the Project used in Generating the Credits being replaced and which are recorded in the Registry pursuant to the same Carbon Standard Rules, by [__] (such Credits as may be Delivered pursuant to clauses (i), (ii), or (iii), the "**Generation Shortfall Makeup**").[7]

Section 7.02 Delivery Shortfall. For each Contract Year in which Supplier fails to Deliver at least the Contract Quantity to Buyer for any reason other than a Generation Shortfall (a **"Delivery Shortfall"** and the difference between such Contract Quantity and the number of Credits Delivered during such Contract Year, the "**Delivery Shortfall Amount**"), at [Buyer's] / [Supplier's] option, either (a) Supplier shall Deliver a number of Credits equal to the Delivery

[6] NTD: This option may be selected if Buyer requires Credits by a certain date, *e.g.*, if Buyer is purchasing Credits to meet carbon reduction goals by a certain date.
[7] NTD: Parties should consider whether to use one remedy or a combination of them.

Shortfall Amount to Buyer by [[__], 20[__]][8] / [the date that is [__] ([__]) [days] / [months] / [years] from the last day of such Contract Year], (b) the Contract Quantity for [each of] the next [[__] ([__])] Contract Year[s] will be increased by [a pro rata share of] the Delivery Shortfall Amount, or (c) Supplier shall Deliver Replacement Credits equal to the Delivery Shortfall Amount that are acceptable to Buyer, in its reasonable discretion, at Supplier's cost, by [__] (such Credits as may be delivered pursuant to clauses (a), (b), or (c), the "**Delivery Shortfall Makeup**").[9] [If Supplier fails to Deliver the Delivery Shortfall Makeup by such date, Buyer may, at its option, decrease the Unit Price due with respect to each Credit or Replacement Credit subsequently Delivered by [__] percent ([__]%) until Supplier has Delivered the Delivery Shortfall Makeup (and such percentage will be doubled on each anniversary of the date the Delivery Shortfall first arose until the Delivery Shortfall Makeup is Delivered).]

Article VIII. REPRESENTATIONS AND WARRANTIES

Section 8.01 Mutual Representations and Warranties as of the Effective Date. Each Party represents and warrants to the other in each of the following terms as of the Effective Date:

(a) it is validly existing and is duly incorporated or organized under the laws of its jurisdiction of incorporation or organization and, if relevant under such laws, in good standing;

(b) it has the legal right and full power and authority to enter into and perform this Agreement and any other document relating to this Agreement that it is required by this Agreement to deliver and to perform;

(c) the execution by the Party of its obligations under this Agreement and any other document relating to this Agreement that it is required by this Agreement to execute, and the performance of its obligations under them, will not: (i) result in a breach of any provision of its organizational documents; (ii) result in a breach of, or constitute a default under, any agreement, license or other instrument to which it is a party or by which it is bound; or (iii) result in a breach of any existing order, judgment or decree of any court, Government Agency or regulatory body by which it is bound;

(d) this Agreement constitutes valid and binding obligations on the Party, in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights generally and subject to general equitable principles;

(e) it has taken all corporate action required by it to authorize it to enter into and to perform this Agreement and any other document relating to this Agreement that it is required by this Agreement to deliver and to perform;

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[8] NTD: This option may be selected if Buyer requires Credits by a certain date, *e.g.*, if Buyer is purchasing Credits to meet carbon reduction goals by a certain date.
[9] NTD: Parties should consider whether to use one remedy or a combination of them.

(f) it has entered into this Agreement after a full opportunity to review its terms and conditions, has a full understanding of those terms and conditions and of their risks, and is capable of assuming those risks;

(g) there are no bankruptcy, liquidation, insolvency or similar proceedings pending or being contemplated by it or, to its knowledge, threatened against it;

(h) so far as it is aware, there is no investigation, disciplinary proceeding or inquiry by, or order, decree, decision or judgment of, any court, tribunal, arbitrator, Government Agency or regulatory body outstanding or anticipated against it or any Person for whose acts or defaults it may be vicariously liable which has had or may have a material adverse effect upon the legality, validity or enforceability against it of this Agreement or its ability to perform its obligations under this Agreement;

(i) it has not received any written notice during the past twelve (12) months from any court, tribunal, arbitrator, Government Agency or regulatory body with respect to a violation or failure to comply with any Applicable Laws or requiring it to take or omit any action which in any case has had or may have a material adverse effect upon the legality, validity or enforceability against it of this Agreement or its ability to perform its obligations under this Agreement; and

(j) the execution and delivery of this Agreement does not materially conflict with any of, or require the consent of any Person under, any loan or security agreement, or other material agreement, to which it is a party.

Section 8.02 Supplier Representations and Warranties. Other than with respect to the representations and warranties in Sections 8.02(a), 8.02(g) and 8.02(h) which are made as at each Fulfillment Due Date only, Supplier represents and warrants to Buyer as at the Effective Date and each Fulfillment Due Date:

(a) the Project has been validated and registered in accordance with the Carbon Standard Rules;

(b) the Project has been or is being developed, constructed, operated and maintained (as the context requires) in compliance with all Applicable Laws;

(c) there is no credible risk of human rights impacts in relation to the Project, including any modern slavery, or any infringement of or concerns with the protection of human rights arising out of the Project;

(d) the removal, limitation, reduction, avoidance, sequestration or mitigation (as the case may be) of GHGs Generated by the Project has been verified by a Verification Contractor in accordance with the Carbon Standard Rules;

(e) it holds, or otherwise has the contractual rights to sell, all right, title, and interest in the Contract Credits to be Delivered hereunder without Encumbrance;

(f) other than as contemplated by this Agreement, it has not sold, transferred, assigned, licensed, disposed of, granted or otherwise created any interest or Encumbrance in the Contract Credits or in the right to claim the Environmental Attributes represented by the Contract Credits (except, in either case, any liens, collateral assignments, mortgages, or pledges permitted by this Agreement and released before or concurrently with transfer to Buyer of title to such Contract Credits pursuant to Section 5.01);

(g) as of Buyer's payment in accordance with Section 4.01, Buyer will receive good title to the relevant Contract Credits free of any Encumbrances in favor of any Person created by, or connected to, Supplier;

(h) at the time of Delivery, all licenses, consents and Required Authorizations that are required to have been obtained by it with respect to this Agreement will have been obtained and will be in full force and effect, and all conditions of any such consents will have been complied with;

(i) all information, data and records provided by it to Buyer and its nominees, in connection with this Agreement are true, accurate and not misleading in any material respects; and

(j) there are no material social or environmental risks or issues in relation to the Project, including, for the avoidance of doubt, negative impacts on the rights of indigenous peoples and local communities in and adjacent to the Project area, or any other risks or issues in respect of the Project which might reasonably result in any negative reputational impact on Buyer (or Buyer's designee, as applicable) as a result of the purchase and proper reliance of the Contract Credits.

Section 8.03 [U.S. Specific Representations and Warranties. Where either Party is carrying on business, registered or domiciled in the United States of America, each Party represents and warrants to the other Party that, as of the Effective Date and each Fulfillment Due Date, it (a) is a producer, processor, commercial user or consumer of, or a merchant handling the Contract Credits; (b) is entering into any Transaction solely for purposes related to its business; and (c) intends to take or make physical delivery of the Contracts Credits, whether by Retirement or Transfer, to settle any Transaction.]

Article IX. PUBLIC ANNOUNCEMENTS; MARKETING MATERIALS; LICENSES; BOOKS AND RECORDS

Section 9.01 Public Announcements.

(a) Unless otherwise required by Applicable Laws, no Party shall make any public announcements or issue any press release in respect of this Agreement or the transactions contemplated hereby without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned, delayed or denied), and the Parties shall cooperate as to the timing and contents of any public announcements or press releases.

(b) Notwithstanding the provisions of Section 9.01(a), either Party will, upon notice to but without the approval of the other Party, be permitted to issue or make any such public announcement, press release or statement if the issuance or making of such public announcement,

press release or statement is required to comply with Applicable Laws, legal proceedings or rules and regulations of any stock exchange having jurisdiction over such Party or in connection with the financial statements of such Party or any of its Affiliates.

Section 9.02 Marketing Materials. At Buyer's reasonable request and to the extent possible, taking into account the legitimate interests of Supplier and Article XIV (*Confidentiality*), Supplier shall provide Buyer with marketing materials related to the Project associated with each Transaction, including images, stories, monitoring results, and impact reports.

Section 9.03 License to Project-related Material. Supplier grants Buyer a non-exclusive, unlimited, and perpetual right to use all photos, illustrations and videos relating to the Project to the extent that (i) they are made available to Buyer by Supplier (collectively, "**Materials**") for commercial and marketing purposes; and (ii) Supplier has given its prior written consent to such use of the Material.

Section 9.04 Books and Records. Supplier shall maintain copies of the information and documents provided to the Carbon Standard Body and the Registry Administrator. Upon reasonable advance notice, Supplier shall provide Buyer with access to such information and documents. All access pursuant to this Section 9.04 shall be conducted in such a manner as not to interfere unreasonably with the normal operations of Supplier and shall be subject to Article XIV (*Confidentiality*).

Article X. ENVIRONMENTAL AND SAFETY MATTERS; REPUTATIONAL MATTERS; PUBLIC ANNOUNCEMENTS

Section 10.01 Supplier Disclosure Obligations with Respect to Environmental and Safety Matters; Reputational Issues. Supplier will notify Buyer within three (3) Business Days after any of the following (each a "**Reputational Event**"):

(a) Supplier obtaining knowledge of any violation of any Environmental Laws arising out of the construction or operation of the Project, Environmental and Safety Noncompliance at the Project, claims or actions relating to any of the same by any Government Agency having jurisdiction over the Project Site, or the existence of any past or present enforcement, legal, or regulatory action or proceeding relating to such alleged Environmental and Safety Noncompliance or alleged presence of Hazardous Materials at the Project (and in any such event Supplier will take prompt action to correct, or, if Supplier in good faith believes that such claims or allegations are not meritorious, dispute, such Environmental and Safety Noncompliance in accordance with applicable Environmental Laws or directive of Government Agency);

(b) Supplier obtaining knowledge of (i) any Project-related corrective actions or remedial obligations under any applicable Environmental Law or any settlement, court order, administrative or judicial order, or judgment arising under any applicable Environmental Law with respect to the Project or (ii) any pending grievance or redress procedures under the Carbon Standard Rules to address Project-related complaints;

(c) Supplier receiving any approval or entering into any document, written arrangement or agreement related to material impacts of the Project (other than agreements with

consultants hired to complete environmental assessments related to the Project) requiring remediation or mitigation of such material impacts under any Applicable Law (including any applicable Environmental Law);

(d) Supplier obtaining knowledge of any actual or known opposition to the Project; or

(e) Supplier obtaining knowledge of any press reports or third-party complaints that could be expected to bring negative attention to the Project or have a material adverse effect on the Project's reputation.

Section 10.02 Coordination. Supplier shall respond to Reputational Events in accordance with Prudent Industry Practices to mitigate any material harm to the Project or its reputation and notify Buyer promptly of any action taken in such respect, provided that (a) if requested by Buyer, Supplier will coordinate with Buyer in good faith with respect to any such action; and (b) any public announcements regarding Reputational Events are subject to Section 9.01.

Article XI. EVENTS OF DEFAULT; TERMINATION; REMEDIES; FORCE MAJEURE AND CHANGE IN LAW

Section 11.01 Events of Default. Each of the following events shall constitute an "**Event of Default**" under this Agreement:

(a) Buyer's failure to make any required payment not disputed in good faith when due under this Agreement, if such failure is not remedied within thirty (30) days after its receipt of written notice thereof from Supplier ("**Payment Failure**").

(b) [Supplier's failure to achieve Commercial Operation by the Commercial Operations Target Date ("**COD Failure**") (for which failure no cure will be permitted, absent the Parties' written agreement otherwise).][10]

(c) Supplier's failure to Deliver any Contract Quantity of Credits ("**Contract Quantity Failure**"), if such failure is not cured in accordance with Section 7.01(b) (in the case of a Generation Shortfall) or Section 7.02 (in the case of a Delivery Shortfall).

(d) Supplier's failure to Deliver the Generation Shortfall Makeup if Generation Shortfalls greater in aggregate than [twenty-five] percent ([25]%) of the Total Contract Quantity exist ("**Generation Shortfall Failure**") (for which failure no cure will be permitted, absent the Parties' written agreement otherwise).

(e) Supplier's failure to Deliver the Delivery Shortfall Makeup if Delivery Shortfalls greater in aggregate than [twenty-five] percent ([25]%) of the Total Contract Quantity exist

[10] NTD: Retain this language if the Project has not achieved commercial operations by the Effective Date.

("**Delivery Shortfall Failure**") (for which failure no cure will be permitted, absent the Parties' written agreement otherwise).

(f) Supplier's material breach of any provision of this Agreement (other than a COD Failure, or Contract Quantity Failure) ("**Supplier Breach**"), which breach (if curable) is not cured within thirty (30) days after Supplier's receipt of written notice thereof from Buyer.

(g) Buyer's material breach of any provision of this Agreement ("**Buyer Breach**"), which breach (if curable) is not cured within thirty (30) days after its receipt of written notice thereof from Supplier.

(h) Either Party becoming the subject of a receivership, foreclosure, dissolution, insolvency, or bankruptcy proceeding under any Applicable Law, making a general assignment of its assets for the benefit of its creditors, or having an administrator, trustee, receiver, conservator, or similar official appointed with respect to it or a material portion of its assets, in any case that is not dismissed, vacated, or stayed within sixty (60) days of being instituted (an "**Insolvency Event**").

Section 11.02 Financing Party Accommodation. Supplier shall provide to Buyer the name and notice address of any Person extending credit to Supplier or any Affiliate of Supplier in connection with the Project (each, a "**Supplier Lender**"). If Buyer believes a default or breach by Supplier has occurred hereunder, Buyer shall deliver written notice of such default or breach to Supplier in accordance with this Agreement and Buyer and Supplier shall consult in good faith regarding notification of any Supplier Lender. Upon such consultation, either Party may provide each Supplier Lender with a copy of the written notice of default or breach delivered to Supplier. Any Supplier Lender may, but will not be obligated to, exercise any cure rights accorded to Supplier herein, subject to the terms and conditions hereof, for the benefit of Supplier; provided, that the right of Supplier to have any Event of Default cured by any Supplier Lender shall be the right of Supplier only, and nothing in this Section 11.02 shall be construed as making any Supplier Lender a third-party beneficiary of this Section.

Section 11.03 Termination. If an Event of Default has occurred and is continuing with respect to a Party (the "**Defaulting Party**"), the other Party (the "**Non-Defaulting Party**") may, in its sole discretion, give Notice to the Defaulting Party designating a day no earlier than the day such Notice is effective as an early termination date ("**Early Termination Date**").

Section 11.04 Remedies. On the Early Termination Date and except as set forth in this Section 11.04 and Section 19.18[11], all obligations due on or after the Early Termination Date under this Agreement shall be terminated. If an Early Termination Date has been designated, the Non-Defaulting Party shall have the following rights and remedies with respect to the following events, and such rights and remedies will be the exclusive rights and remedies with respect to the corresponding Event of Default:

[11] NTD: Reference to the survival clause in the Miscellaneous section.

(a) In the case of a Payment Failure, Buyer shall, upon the Early Termination Date, pay to Supplier an amount equal to (i) (A) if Supplier has sold the Credits or Environmental Attributes Buyer failed to purchase to a third party, the amount, if any, by which the Unit Price per each Credit or Environmental Attribute not purchased exceeds the price paid to Supplier therefor by an unaffiliated third party on a spot-market basis, or (B) if Supplier has not sold the Credits or Environmental Attributes Buyer failed to purchase to a third party, the Unit Price; multiplied by (ii) the number of Credits or Environmental Attributes Buyer failed to purchase.

(b) In the case of a Contract Quantity Failure (including a Generation Shortfall Failure or a Delivery Shortfall Failure), Supplier shall (i) offer Replacement Credits or other Environmental Attributes to Buyer that are acceptable to Buyer, in its reasonable discretion, at Supplier's cost, or (ii) if such Replacement Credits or Environmental Attributes are not available or are not reasonably acceptable to Buyer, pay to Buyer the amount by which the Unit Price per each Credit or Environmental Attribute not delivered is less than the average spot-market price for a Replacement Credit or Environmental Attribute on the Early Termination Date. Buyer shall not refuse to accept Replacement Credits or other Environmental Attributes which are Generated using the same technology and methods as the Project used (or, in the case of a Generation Shortfall, would have used) in Generating the Credits being replaced and which are recorded in the Registry pursuant to the Carbon Standard Rules.

(c) In the case of a Supplier Breach of any obligation regarding the validity, value, or transferability of Contract Credits, Supplier shall (i) offer Replacement Credits or other Environmental Attributes to Buyer that are acceptable to Buyer, in its reasonable discretion, or (ii) if such Replacement Credits or Environmental Attributes are not available or are not acceptable to Buyer, in its reasonable discretion, reimburse Buyer for the Unit Price paid in respect of any Credits Delivered that are not valid, fail to accurately represent the identity, volume, and CO_2e of Greenhouse Gasses removed by the Project, fail to comply in all material respects with the terms of this Agreement, including the requirements of the Carbon Standard Rules, are subject to colorable third party claims, or otherwise do not convey to Buyer all right, title, and interest in and to such Credits, free and clear of any liens or Encumbrances, together with any related fine, fee, or penalty incurred by Buyer. The remedies in this Section 11.04(e) apply to a failure by Supplier to comply with the terms of this Agreement, including the requirements of the Carbon Standard Rules, which failure results in or contributes to the release of previously removed and stored CO_2e back into the atmosphere.

(d) In the case of any failure or breach by either Party (an Insolvency Event shall not be deemed to be a failure or breach) which exists beyond the applicable notice and cure period (if any) and for which a specific remedy is not explicitly provided herein, the Non-Defaulting Party shall, upon and subject to termination of this Agreement, notify the Defaulting Party in writing of the amount of the Termination Payment and whether the Termination Payment is due to or from the Defaulting Party. If the Termination Payment is a positive number, it shall be payable by the Defaulting Party to the Non-Defaulting Party within thirty (30) Business Days after the effective date of such notice. If the Termination Payment is a negative number, it shall be deemed to be zero.

Section 11.05 No-Fault Termination Event.

(a) The occurrence of any of the following events shall constitute a "**No-Fault Termination Event**":

(i) a Force Majeure Event having occurred and continuing, as a result of which the Affected Party has been for a continuous period of twelve (12) months, and continues to be, unable to perform its material obligations under this Agreement;

(ii) a Change in Law having occurred with respect to this Agreement or the Project, as a result of which the Affected Party has been for a continuous period of twelve (12) months, and continues to be, unable to perform its material obligations under this Agreement;

(iii) [any increase in Verification and Registry Costs causes the Unit Price applicable to any Contract Year to [increase/decrease] by an amount equal to at least thirty percent (30%) of the Unit Price applicable to the prior Contract Year;][12]

(iv) so long as no Generation Shortfall Failure has occurred as defined in Section 11.01(d), the occurrence of a Generation Shortfall greater than twenty-five (25%) of the Total Contract Quantity (for such failure no cure will be permitted unless the Parties agree otherwise in writing); or

(v) Commercial Operation has not occurred by the Commercial Operations Target Date due to circumstances outside the control of either Party.

(b) Upon the occurrence of a No-Fault Termination Event, either Party shall be entitled to terminate this Agreement by not more than twenty (20) Business Days written notice to the other Party specifying the applicable No-Fault Termination Event and designating a day not earlier than the day upon which such Notice becomes effective as the termination date. Upon such termination, the obligations of both Parties under this Agreement shall cease, except for any rights, obligations and liabilities accruing prior to the date of such termination.

Section 11.06 Force Majeure Events and Change in Law.

(a) If a Force Majeure Event or Change in Law occurs, each Party shall, promptly upon becoming aware of it, use all reasonable efforts to notify the other Party in writing of the Force Majeure Event or Change in Law. To the extent available, that Party should also provide details of the Force Majeure Event or Change in Law, the likely duration of such events or circumstances, and their consequences on the Parties' obligations under this Agreement. If a Force Majeure Event or Change in Law has occurred and is continuing, an Affected Party shall not be in breach of this Agreement, nor be liable for failure or delay in performing its obligations under this Agreement, in each case, to the extent reasonably caused by the Force Majeure Event or Change in Law.

[12] NTD: May be deleted if the Unit Price is exclusive of such costs, as selected in last option selected in Exhibit B.

(b) After delivery of a Notice in accordance with Section 11.06(a), the Affected Party shall (to the extent possible) keep the other Party informed of material developments relating to the Force Majeure Event or Change in Law.

(c) The Affected Party shall use reasonable efforts to continue to perform its obligations under this Agreement and to minimize the adverse effects of the Force Majeure Event or Change in Law.

(d) The Affected Party shall notify the other Party of the steps it proposes to take to minimize the effects of such Force Majeure Event or Change in Law, including any reasonable alternative means for the performance of its obligations under this Agreement. The other Party shall use reasonable efforts to cooperate in taking such steps, if and to the extent that it is not prejudiced by doing so.

(e) The obligations of the Party that is not the Affected Party shall be suspended to the same extent as those of the Affected Party.

Article XII. INDEMNIFICATION

Section 12.01 Supplier Indemnification. Supplier shall indemnify, defend, and hold harmless Buyer, its Affiliates, their respective successors and assigns, and the respective officers, directors, owners, employees, contractors, representatives, and agents of the foregoing (collectively, "**Buyer Indemnified Parties**") with respect to all third-party claims, losses, liabilities, obligations, damages, fines, judgments, settlements, fees, penalties, costs, interest, and expenses (including reasonable attorneys' and consultants' fees and expenses) (collectively, "**Losses**") suffered or incurred by Buyer Indemnified Parties, or any of them, to the extent resulting from (a) the negligence, willful misconduct, or breach of any Applicable Law by Supplier or any Affiliate of Supplier or their respective agents, (b) Supplier's breach of this Agreement existing beyond any applicable notice and cure period, (c) any recapture, disallowance, disqualification, decertification, repayment, forfeiture, recovery, inability to claim, or other reduction of any Carbon Credits Delivered (except to the extent caused by the negligence, willful misconduct, breach hereof, of breach of Applicable Law by Buyer, its Affiliate, or their respective agents), (d) environmental impacts, personal injury, or property damage related to the Project (except to the extent caused by the negligence, willful misconduct, breach hereof, or breach of Applicable Law by Buyer, its Affiliate, or their respective agents), or (e) the ownership, financing, or operation of the Project.

Section 12.02 Buyer Indemnification. Buyer shall indemnify, defend, and hold harmless Supplier, its Affiliates, their respective successors and assigns, and the respective officers, directors, owners, employees, contractors, representatives, and agents of the foregoing (collectively, "**Supplier Indemnified Parties**") with respect to all Losses suffered or incurred by Supplier Indemnified Parties, or any of them, to the extent resulting from (a) the negligence, willful misconduct, or breach of any Applicable Law by Buyer or any Affiliate of Buyer or their respective agents, or (b) Buyer's breach of Article XIV (*Confidentiality*).

Article XIII. LIMITATION OF LIABILITIES

Section 13.01 Limitation of Liability. OTHER THAN WITH RESPECT TO ITS INDEMNITY OBLIGATIONS ARISING IN RELATION TO THIRD-PARTY CLAIMS AND IN THE CASE OF INTENTIONAL FRAUD, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE, IN NO EVENT WILL (A) EITHER PARTY BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, PUNITIVE, SPECULATIVE, EXEMPLARY, OR SPECIAL DAMAGES (INCLUDING LOSS OF BUSINESS PROFITS, WHETHER CHARACTERIZED AS DIRECT OR INDIRECT DAMAGES AND WITHOUT REGARD TO WHETHER A PARTY HAS BEEN MADE AWARE OF THE POSSIBILITY OF SUCH DAMAGES) HEREUNDER; (B) SUPPLIER'S LIABILITY TO BUYER FOR BREACH OF THIS AGREEMENT EXCEED (I) PRIOR TO THE COD, [__] PERCENT ([__]%) OF THE TOTAL VALUE FOR ALL CONTRACT YEARS SET FORTH IN EXHIBIT B AND (II) FROM AND AFTER THE COD, THE TOTAL VALUE FOR ALL CONTRACT YEARS SET FORTH IN EXHIBIT B; OR (C) BUYER'S LIABILITY TO SUPPLIER FOR BREACH OF THIS AGREEMENT EXCEED (X) IN THE CASE OF A PAYMENT FAILURE, THE AMOUNT OF ANY SUCH REQUIRED PAYMENT NOT YET MADE AND NOT SUBJECT TO GOOD FAITH DISPUTE OR OFFSET OR (Y) IN THE CASE OF ANY OTHER BUYER BREACH (I) PRIOR TO THE COD, [__] DOLLARS ([$[__]) AND (II) FROM AND AFTER THE COD, THE PORTION OF THE TOTAL CONTRACT VALUE FOR ALL CONTRACT YEARS THAT HAS NOT BEEN PAID TO SUPPLIER AS OF THE DATE OF SUCH BREACH FOR THE REMAINDER OF THE TERM.

Section 13.02 Reliance. Each Party acknowledges and agrees that the Parties entered into this Agreement in reliance upon the limitations of liability set forth in this Article XIII, that the same reflect an allocation of risk between the Parties (including the risk that a contract remedy may fail of its essential purpose and cause consequential loss), and that the same form an essential basis of the bargain between the Parties.

Article XIV. CONFIDENTIALITY

Section 14.01 Confidentiality. Subject to Section 14.02, each Party shall treat as strictly confidential and not disclose or use any information received or obtained as a result of entering into this Agreement or any document which relates to: (a) the existence and the provisions of this Agreement; (b) the negotiations relating to this Agreement; or (c) information relating to the business, financial, or other affairs (including future plans and targets) of the other Party or its Affiliates.

Section 14.02 Exceptions. Notwithstanding Section 14.01, nothing in this Agreement shall prohibit the disclosure or use of any information if and to the extent that: (a) such disclosure or use is required to give full effect to the rights or obligations of a Party under this Agreement, including without limitation compliance with the Carbon Standard Rules; (b) such information is or becomes publicly available other than as a result of a breach of this Agreement; (c) such disclosure or use relates to the Materials (including the Materials themselves); (d) the other Party has provided its prior written consent to such disclosure or use; (e) such information is independently developed by a Party after the Effective Date; (f) such disclosure or use is, in the reasonable judgment of the disclosing Party, required or advisable to comply with Applicable Law, the rules or requirements of any Government Agency, regulatory body, or any stock exchange on which the shares of either

Party or any of its Affiliates are listed (including, without limitation, as part of any actual or potential offering, placement, or sale of securities of such Party or its Affiliates), or with any bona fide internal policies or ordinary business practices of the disclosing Party, including disclosures to investors; (g) such disclosure or use is required in connection with any judicial, administrative, or arbitral proceedings arising out of or relating to this Agreement or any related transaction document; (h) such disclosure is made to any tax authority in connection with the tax affairs of the disclosing Party; or (i) such disclosure is made to the professional advisers of either Party or its Affiliates, provided that such advisers are bound by confidentiality obligations consistent with those set forth in Section 14.01 as if they were parties to this Agreement.

Provided, however, that prior to any disclosure or use of information pursuant to this Section 14.02, to the extent permitted or required by Applicable Law, the disclosing Party shall promptly notify the other Party of such requirement in order to afford the other Party a reasonable opportunity to contest such disclosure or use, or to agree upon the timing, form, and content of such disclosure or use.

Section 14.03 Effects of Termination. On the termination of this Agreement, the Party that has received information protected by this Article XIV shall, on receipt of a written demand from the Party that provided the information, promptly: (a) return or destroy any written records of such information in its possession and control (without keeping any copies) to the Party which provided the information; (b) destroy all analyses, compilations, notes, studies, memoranda or other documents prepared by it or its Affiliates or its or their officers, employees, agents or advisers if and to the extent that the same contain, reflect or derive from any such information; and (c) so far as is reasonably practicable to do so, expunge any such information in its possession or under its control from any computer, word processor or other device, provided that the Party which received such information may retain any such information as may be required by law, bona fide internal compliance policy, corporate governance procedures, automated back-up archiving practices or which is contained or referred to in board minutes of such Party or in documents referred to therein (other than information which constitutes personal data for the purposes of applicable data protection law) and the advisers to such Party may keep copies of any document in their possession for record purposes without prejudice to any duties of confidentiality.

Article XV. INTELLECTUAL PROPERTY

Section 15.01 Intellectual Property. Each Party is and remains the exclusive owner or legitimate licensor of its Intellectual Property. Neither Party may reproduce or otherwise use the other Party's Intellectual Property without prior written permission from such Party. Nothing contained herein grants one Party a license or any other rights to use the other Party's Intellectual Property.

Article XVI. INSURANCE / PROJECT OPERATION

Section 16.01 Insurance Requirements. Throughout the Term, Supplier shall obtain, hold and maintain insurance policies that satisfy the requirements set forth on Exhibit C (*Insurance Requirements*), except that (a) Supplier shall not be required to obtain such insurance to the extent it is not available on commercially reasonable terms, and (b) such insurance need not be maintained

for the entire Term if a shorter period is specified in Exhibit C. Supplier shall provide prompt written notice to Buyer of any policy renewal, termination, cancellation or other material change to any required insurance coverage.

Section 16.02 Project Operation. Supplier covenants and agrees that it will operate and maintain the Project in accordance with Prudent Industry Practices, all Applicable Laws, the requirements of the Registry and the Carbon Standard Rules.

Article XVII. SANCTIONS

Section 17.01 Sanctions.

(a) Each Party shall (and shall ensure that each Affiliate of it will) comply in all respects with all Applicable Laws pertaining to Sanctions.

(b) Each Party shall not (and shall ensure that no Affiliate of it will) directly or indirectly use any monies paid by the other Party to it under this Agreement, or lend, contribute or otherwise make available such monies to any subsidiary or other Person where the purpose or effect of such monies being used, lent, contributed or otherwise made available: (i) is to fund or facilitate any activity that would at that time be in breach of Sanctions or be an activity with, or for the benefit of, a Sanctions Restricted Person; or (ii) could reasonably be expected to result in a breach of Sanctions by the other Party.

Section 17.02 Notification. Each Party shall promptly notify the other Party in writing of any actual or anticipated breach of Sanctions in relation to the Project of which it becomes aware.

Section 17.03 Blocking Law. Any provision of this Article XVII shall not apply to or in favor of any Person if and to the extent that it would result in a breach, by or in respect of that Person, of any applicable Blocking Law.

Article XVIII. ANTI-BRIBERY AND CORRUPTION

Section 18.01 Anti-Bribery Laws. Each Party shall not directly or indirectly use any part of the proceeds of this Agreement for any purpose that would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977, or other similar legislation in other jurisdictions.

Section 18.02 Anti-Corruption Laws. Each Party shall (and shall ensure that any Affiliate of it will) conduct its business in compliance with applicable Anti-Corruption Laws.

Article XIX. MISCELLANEOUS

[BOILERPLATE – see Part 2]

[*signature page follows*]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the Effective Date.

[SUPPLIER]	**[BUYER]**
By: _____	By: _____
Name:	Name:
Title:	Title:

Schedule 1

Definitions

[see Part 3]

Exhibit A

Project

Project ID:

Project name:

Project location (address and coordinates):

Host Country:

Protocol[13]:

Co-Benefits Program:

Carbon Standard Label / Co-Benefits Label:

Carbon Standard Label / Market Eligibility Label:

Project type (pathway):

Biomass Carbon Removal and Storage (BiCRS)
[___] Bioenergy with Carbon Capture and Sequestration (BECCS)
[___] Biochar Carbon Removal (BCR)
[___] Biomass Geological Sequestration (BGS)
[___] Biomass Direct Storage

[___] Direct Air Carbon Capture and Sequestration (DACCS)

Marine CDR (mCDR)
[___] Alkalinity Enhancement
[___] Direct Ocean Removal
[___] Marine Biomass Carbon Capture and Sequestration (MBCCS)

[13] NTD: Some carbon standards, such as VCS (Verra) and Gold Standard, may use "Methodology" or another term analogous to "Protocol" as defined in this Agreement and used in many carbon standards.

[___] Enhanced Weathering (EW)

Mineralization
[___] Ex-situ Mineralization
[___] In-situ Mineralization
[___] Microbial Mineralization
[___] Surficial Mineralization

Nature Based Solutions
[___] Afforestation
[___] Reforestation
[___] Soil Carbon Sequestration

Exhibit B

Delivery Schedule

[*additional details may be required*]

	Contract Year				Total
	[1]	**[2]**	**[3]**	**[4]**	
Contract Quantity					
Annual Credit Target					
Vintage of Contract Credits *					
Unit Price **					
Fulfillment Due Date					
Durability Monitoring Period					

Currency: [United States Dollars]

Commercial Operations Date (COD): [insert date]

Commercial Operations Target Date: [insert date]

Registry: [insert name of registry]

Buyer's Registry Account: [insert account details]

Carbon Standard: [insert name of standard]

Type of Transaction: [ ] Transfer Transaction

[ ] Retirement Transaction

Additional terms: […]

♦ ♦ ♦

* "**Vintage of Contract Credits**" means the calendar year during which the Carbon Removal underlying the Contract Credit physically occurred, irrespective of the date of issuance of such Contract Credit by the applicable Carbon Standard.

♦ ♦ ♦

** "**Unit Price**" means the purchase price per Contract Credit expressed in the Currency in the amount equal to:[14]

[__] the amount set forth in this Exhibit B with respect to the Contract Year in which Delivery occurs[; provided, in the event of a Change in Law, the Parties will negotiate an equitable adjustment of such amount in good faith].

[__] the amount set forth in this Exhibit B with respect to the Contract Year in which Delivery occurs, which amount will increase on the [__] ([__])[15] day of each Contract Year after the [__] ([__])[16] Contract Year by an amount equal to [[__] percent ([__]%) of the Unit Price applicable to the prior Contract Year] / [__] dollars ($[__])] / [the increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items for the applicable Contract Year in relation to the prior Contract Year][; provided, in the event

[14] NTD: The Parties should select or insert their desired Unit Price calculation.
[15] NTD: If a fixed Unit Price escalator is desired, the Parties should insert the date on which it starts.
[16] NTD: If a fixed Unit Price escalator is desired, the Parties should insert the year in which it starts.

of a Change in Law, the Parties will negotiate an equitable adjustment of such amount in good faith].

[__] the documented cost of electricity expended by Supplier (determined by (a) payment made or owed to a third party for such electricity by Supplier, or in the event of electricity generated by Supplier on a "behind the meter" basis, (b) [__]) in the capture of one (1) metric ton of CO_2e of Greenhouse Gasses from the atmosphere plus [__] percent ([__]%) of such cost.

[__] the price for such Contract Credit published on, or published most recently prior to if not published on, the Fulfillment Due Date of such Contract Credit in the Contract Credit pricing index published by [__].

[__] the [highest / lowest / average] price for which such Contract Credit could be purchased on the Fulfillment Due Date from sellers of such Contract Credits listed on such date with the marketplace maintained by [__].

[__] [__].

[The Unit Price will be inclusive of Verification and Registry Costs, which costs will be paid directly by Supplier.] / [The Unit Price will be exclusive of Verification and Registry Costs, which costs will be paid directly by Buyer.][17]

♦ ♦ ♦

[17] NTD: To be aligned with Section 4.03.

EXHIBIT C

Insurance Requirements