

Terms & Conditions for SOCIALCARBON Registration Process

Parties:

Instituto Ecologica de Palmas, Nongovernmental organization, with registered head office at Qd. 604 Sul, Alameda 14, Lote 37, ZIP 77022-030 Palmas, Tocantins, Brazil (hereunder the "Ecologica Institute"),

And

[SOUTH POLE CARBON ASSET MANAGEMENT LTD.] with head-office at Technoparkstrasse 1, 8005 Zurich, Switzerland registered under the national company registry n. CH-020.3.030.094-1 (hereunder the "SOUTH POLE CARBON")

Whereas:

The Ecologica Institute as the operator of the SOCIALCARBON® certification program for carbon offset projects, requires the acceptance of these Terms & Conditions for registration of projects and carbon units at the SOCIALCARBON Registry.

The SOCIALCARBON Registry is operated and owned by Markit Group Limited, a company incorporated in England (company number 04185146) whose registered office is at Level 5, 2 More London Riverside, London, SE1 2AP ("Markit").

The following Terms & Conditions are defined by the Ecologica Institute as requirements for the registration of projects and carbon units at the SOCIALCARBON Registry. Registration is also subject to any rules defined by Markit.

SOUTH POLE CARBON is a carbon offset project developer who wishes to register a project and/or issue units within the SOCIALCARBON Registry and therefore, accepts and commits to the Terms & Conditions hereunder.

1. Acceptance

- 1.1. SOUTH POLE CARBON accepts this Terms & Conditions by returning a signed copy to the Ecologica Institute via e-mail: info@socialcarbon.org and to Markit via the pages on the Markit Environmental website www.markitenvironmental.com.
- 1.2. Any written notices to SOUTH POLE CARBON shall be mailed according to the contact data below, or to any other that SOUTH POLE CARBON may inform from time to time:

Name: LEONARDO SIDABALOK
Title: ASSISTANT PROJECT MANAGER
E-mail: l.sidabalok@southpolecarbon.com
Address: Graha Iskandarsyah, 2nd floor, Jl. Iskandarsyah Raya No. 66 C, Jakarta 12160, Indonesia
Phone: +62 21 720 75 67
Fax: +62 21 720 60 39

2. Identification of the Project

This Terms & Conditions apply to the following Project to be registered at the SOCIALCARBON Registry: 50 MW SIPANSIHAPORAS HYDRO POWER PLANT, NORTH SUMATRA

3. Conformity with the SOCIALCARBON rules

- 3.1. When using the SOCIALCARBON Registry, **SOUTH POLE CARBON** agrees in being in conformity with the SOCIALCARBON rules, including but not limited to the SOCIALCARBON Standard; the SOCIALCARBON approved indicators for the project and any Templates and Guidance available at www.socialcarbon.org.

4. Providing the required documents for registration

- 4.1. **SOUTH POLE CARBON** shall send all the documents required by the Ecologica Institute for obtaining the additional SOCIALCARBON Standard certification by uploading these documents in the Markit Environmental Registry.

5. Payments

- 5.1. The Ecologica Institute will charge the payment of the SOCIALCARBON levy fee of US\$ 0.02 per **50 MW SIPANSIHAPORAS HYDRO POWER PLANT, NORTH SUMATRA** new tCO2 issued and registered for the **SOUTH POLE CARBON**. In this respect, all taxes, duties, fees and similar expenses to be levied to Brazilian entities and/or authorities shall be borne by the Instituto Ecologica de Palmas. All taxes, duties, fees and similar expenses to be levied or withheld to any other entity or authority shall be borne by the **SOUTH POLE CARBON**, without reduction of the amounts due.

6. Term and Termination (or Sanctions)

- 6.1. If the Social Carbon Report prepared for the above-mentioned project does not meet the requirements of the Social Carbon Standard, the Ecologica Institute will notify the project developer about the non-conformity. In case the project developer does not address the non-conformity within 60 days after notification, the Ecologica Institute will inform Markit to do not authorize further registrations of SOCIALCARBON units for the project.
- 6.2. Only credits issued to the Project prior to the information sent to Markit may continue with the SOCIALCARBON certification, but the project will not be able to issue SOCIALCARBON units for the next periods.

These Terms & Conditions have been accepted as of the 6 day of **DECEMBER, 2013** (the "Effective Date")



SIGNED for and on behalf **SOUTH POLE CARBON**
ASSET MANAGEMENT LTD. by:
Name: **Renat Heuberger**
Title: **CEO**

by: 
Christoph Grobbel
CFO