

28 October 2015

Dharsono Hartono
CEO
PT. Rimba Makmur Utama
Lt.45, Menara BCA Grand Indonesia
Jalan M.H. Thamrin No. 1
Jakarta 10310
Indonesia

Dear Dharsono Hartono,

This letter is in reference to your exemption request, titled "Request for Exetension of Validation Period" submitted on 2 October 2015. It is our understanding that you are requesting an extension of the validation deadline set out in Section 3.7.3 of the *VCS Standard* version 3.5 for the project "Katingan Peatland Restoration and Conservation Project". This section requires that "AFOLU projects with a project start date on or after 8 March 2008 shall complete validation within five years of the project start date."

Based on the information provided to VCS, it is understood that after project commencement there was a significant delay in obtaining the license for an Ecosystem Restoration Concession (ERC) in Indonesia, which took over three years. It is also understood that the delay in obtaining this license was outside the control of the project proponent, and prohibited the project from beginning validation. In addition, once the ERC license was granted the methodology that was originally proposed for use the project, VM0004, was no longer valid for use under the VCS Program due to updated made to the VCS' AFOLU requirements. As VM0004 was the only methodology approved that included REDD activities in peatlands, there was no methodology available for the project to use. In response, the VM0007 methodology was revised to include the project activities included in the Katingan project. This revision to the VM0007 methodology to include REDD activities on peatland was not approved by VCS until 9 March 2015.

Considering the particular circumstances leading to this request, and the background information presented by the PT. Rimba Makmur Utama, VCS grants the project proponent, PT. Rimba Makmur Utama, an exemption from the requirements of Section 3.7.3 of the *VCS Standard* version 3.4 for the validation of the project titled "Katingan Peatland Restoration and Conservation Project", extending the validation deadline six months until 31 May 2016.

When requesting registration, the project proponent must present a copy of this letter to the registry administrator as evidence of the exemption. This letter will be uploaded to the VCS project database as a public document.

Yours Sincerely,



Jialiang Zhang
Program Manager
Verified Carbon Standard