



About SunOne

SunOne Solutions is a leader in developing agricultural, land management, and environmental projects for registration and trading on carbon offset markets. SunOne's primary focus is on carbon sequestration projects on forests, rangeland, and farmland with offices in California, New York, Nebraska, Texas, and Sao Paulo, Brazil. To date, SunOne has successfully developed over 150 projects on over 2.2 million acres of land for over 3 million carbon offset credits. SunOne was named the #1 carbon aggregator in North America by Point Carbon, a top industry publication.

Introduction to Forestry Carbon Offsets

The goal of a forestry carbon offset project is aligned with the goals of permanent conservation and sustainable forestry management. The carbon offsets are meant to incentivize landowners to keep their land in a forested state, rather than to develop that land for commercial, agricultural, residential, or mining purposes. For forest preservation projects, both new conservation easements and easements that are less than 6 months old are eligible.

SunOne's carbon offset services are designed to maximize income and minimize financial risk for landowners. We earn our commission (paid in offsets, not cash) by managing the process, creating all of the necessary documentation and analysis, taking all of the initial project completion risk, and finding a buyer for the carbon offsets. The following are the steps and estimated timeline of the process:

- List the Project on the Climate Action Reserve. SunOne covers the listing fees (\$1,000) and produces the Project Submittal Form. The landowner is responsible for providing the following: 1) information need to complete the Submittal Form, 2) maps of the property, and 3) copies of deeds or other documents that demonstrate ownership. This process can take less than 30 days.
- Conduct Detailed Project Analysis. SunOne will analyze the return on investment of registering the property as forestry project before moving to the next step. If the landowner decides not to move forward, there is no obligation. This process can take approximately an additional 30-90 days.
- 3rd Party Verification. SunOne will manage this stage of the process. No out-of-pocket cash is needed to pay these 3rd parties. SunOne will cover the expenses and either sell offsets upon registration to recover costs. The verification will take approximately 30 to 90 days to complete.
- Registration & Offset Management. Once we have completed all analysis and required documentation, including the Project Design Document (PDD), we register the project for the landowner. When offsets are awarded, we find a buyer and structure a transaction that fits the Landowner's needs.

California Carbon Market and Potential Value to Landowners

The carbon cap-and-trade system in California was reaffirmed by the voters in the November 2010 election and trading has begun for these offsets. Specifically, the California State government has decided to allow "Afforestation," "Improved Forest Management," and "Avoided Conversion" forestry projects to be included. Landowners inside and outside of California are eligible.

As a result of California's new program, tens of millions of offsets will be purchased every year by emitting companies. Therefore, we are now seeing stronger and stronger demand for forestry offsets.

The value of a carbon offset varies like any other commodity, and has recently traded between \$10 and \$12 per offset. The amount a landowner can earn will vary with the project type. For avoided conversion projects, a landowner can earn between \$2,000 and \$3,000 per acre over the 25 year contract.

If you are interested in learning more about taking advantage of this unique opportunity, contact us at (530) 564-1110 or please visit us on the web at www.sunonesolutions.com.