



SunOne Solutions
your partner for harvesting carbon credits

2010 Application

SOIL CARBON OFFSETS

Conservation Farmland

Conservation Grassland

Sustainable Rangeland Management

COLORADO

1444 Wazee St., #310
Denver, CO 80202
(303) 500-5017

NEBRASKA

720 "O" St., Suite E
Lincoln, NE 68508
(402) 817-4317

ALABAMA

715 Ave. A, Suite 209
Opelika, AL 36801
(334) 749-6111

TEXAS

1227 Heppner Dr
Cedar Park, TX 78613
(512) 567-3165

www.sunonesolutions.com

**IN ADDITION TO THIS APPLICATION, THE FOLLOWING
DOCUMENTATION IS ALSO REQUIRED**
(please include with application)

	NO-TILL FARMLAND	GRASSLAND	RANGELAND
Proof of Legal Ownership or Operational Control	<p><u>Preferred:</u> FSA 578 Form</p> <p>Or one of the following:</p> <input type="checkbox"/> Deed for Properties <input type="checkbox"/> Tax Statement <input type="checkbox"/> Lease Agreement <input type="checkbox"/> NRCS/EQIP Contract	<p><u>Preferred:</u> CRP Contract</p> <p>Or one of the following:</p> <input type="checkbox"/> Deed for Properties <input type="checkbox"/> Tax Statement <input type="checkbox"/> Lease Agreement <input type="checkbox"/> NRCS/EQIP Contract	<p>One of the following:</p> <input type="checkbox"/> Deed for Properties <input type="checkbox"/> Tax Statement <input type="checkbox"/> Lease Agreement <input type="checkbox"/> NRCS/EQIP Contract
Maps of Enrolled Land	Detailed and legible aerial maps highlighting the enrolled acreage with no-till farmland boundaries clearly identified	Detailed and legible aerial maps highlighting the enrolled acreage with grassland boundaries clearly identified	Detailed and legible aerial maps highlighting the enrolled acreage with ranch boundaries clearly identified
Proof of Management Practices	No additional documents are required for this application	<p>Proof of grass planting such as:</p> <input type="checkbox"/> CRP Contract <input type="checkbox"/> Copies of receipts for seed, fertilizer, etc.	<p>JN:</p> <p>Prescribed Grazing Plan that includes:</p> <ol style="list-style-type: none"> 1. Goals & Objectives 2. Resource Inventory 3. Forage Inventory 4. Animal-Forage balance for each management area 5. Grazing Schedule (use and rest periods for each management area) 6. Drought plan 7. Monitoring plan

For assistance with maps, grazing plans, and other management documentation please speak with your local USDA/NRCS/FSA office or your local SunOne Solutions representative.

-PROJECT ELIGIBILITY CRITERIA

- ❖ Minimum 5 year contractual commitment.
- ❖ All projects must be independently verified by an approved registry verifier.
- ❖ Project specific criteria:
 - Conservation (No-till) Farmland: Commitment to continuous conservation tillage on enrolled acres as defined by the Natural Resources Conservation Service as, “managing the amount, orientation and distribution of crop and other plant residue on soil surface year round while limiting soil disturbing activities to only those necessary to place nutrients, condition residue and plant crops.”
 - Grassland / CRP: Conversion of cropland to grassland after January 1, 2003, usually under the Conservation Reserve Program (CRP).
 - Sustainable Rangeland: Sustainable ranching practices as demonstrated through sustainable stocking rates, rotational grazing, seasonal use, and a contingency for drought.

STATEMENT OF PARTICIPATION IN SOIL OFFSET PROGRAM

I, _____, hereby apply for participation in a carbon offset pool managed by SunOne Solutions LLC and authorize SunOne Solutions to register my qualifying soil offsets on property that I own or control with a carbon offset registry. I confirm that, as the Project Owner, I have management control of the enrolled land and the greenhouse gas (GHG) mitigation rights associated with my enrolled land. I also confirm that my enrolled land is not managed under federal, state, or other enforceable agreement (e.g. government permit).

I hereby agree that the following land shall participate in the soil offset program managed by SunOne Solutions, and that the below acreage matches legal or other project documentation:

_____ Acres of rangeland in this application

_____ Acres of conservation farmland (no-till, strip-till)

_____ Acres of grassland / CRP / long-term non-grazed land

_____ **TOTAL acres of land**

I further agree to abide by the rules of the registry chosen for offsets earned for the land which I am enrolling.

Project Owner’s Signature

Printed Name

Date

BACKGROUND INFORMATION

PROJECT OWNER CONTACT INFORMATION

Project Owner's First and Last Name:

Address:

City, County, State, Zip:

Email address:

Phone:

Cell:

PROJECT / BUSINESS INFORMATION

Project / Business Name:

Address:

City, County, State, Zip:

Email address:

Phone:

Cell:

RETRO-ACTIVE OFFSETS *(PLEASE ATTACH ADDITIONAL DOCUMENTATION)*

Conservation farmland and rangeland may receive retro-active offsets for 2009 if sustainable practices were also used in that year and supporting documentation is presented to SunOne Solutions. This supporting documentation must include evidence of no-till practice for farmland and previous ranch records of stocking rates and grazing rotation patterns for rangeland. Grassland / CRP may receive retro-active credits for 2003-2009 with proof of grass plantings since 2003. If your land qualifies for retro-active offsets and you can provide required supporting documentation, please check the corresponding box below for No-till Farmland and/or Rangeland and/or please provide the seeding year for Grassland/CRP.

No-till Farmland (2009)

Rangeland (2009)

Grassland/CRP (Year of Seeding: _____)

SUNONE SOLUTIONS – BUSINESS TERMS AND CONDITIONS

SunOne Solutions Service Fee:	As the Carbon Offset Aggregator, SunOne Solutions will receive a Service Fee of 10% of gross registered offsets. This Service Fee (taken as offsets in-kind) will be deducted at project registration.
Verification Costs and Registration Fees:	Verification costs and registration fees will be covered by the Project Owner. These verification costs can be taken as equivalent offsets in-kind and deducted at project registration or the Project Owner may pay these costs in cash.
Project Owner Sales:	Once offsets are registered, SunOne Solutions acts as the Project Owner’s broker on the chosen registry. Registered offsets are held in SunOne Solutions’ account, but sales transactions are conducted at the discretion of the Project Owner. At the time of project registration, the Project Owner will receive detailed instructions from SunOne Solutions on how to request SunOne Solutions to conduct sales on their behalf. The Project Owner payment from any sales transaction shall be based on the net sales proceeds received from sales transaction after any registry transaction fees.
Carbon Offset Rate:	Offsets will accrue for the enrolled land at the applicable rate for the eligible land improvement practices as defined by the registry. SunOne Solutions can provide the Project Owner with their specific offset rates upon request.
Reserve Pool:	Approximately twenty percent (20%) of the gross offsets shall be held in a Reserve Pool by the registry until the end of the contract period or until they are released by the registry. After this date, the Reserve Pool offsets will be eligible for sale if the Project Manager has adhered to the terms and conditions of the registry. These reserve offsets are held in case there is a need to compensate for any catastrophic losses or pool non-compliance. No SunOne Solutions’ Service Fee offsets will be held in the Reserve Pool.

I hereby agree to the above SunOne Solutions Business Terms and Conditions.

Project Owner Signature
Project Owner Printed Name
Date

On behalf of SunOne Solutions
Printed Name
Date

CHICAGO CLIMATE EXCHANGE (CCX)

SALES CONTRACT - TERMS AND CONDITIONS

All Chicago Climate Exchange (CCX) eligible carbon sequestration projects (i.e. forestry and soil projects) that produce less than 12,500 metric tons CO₂ equivalent of Exchange Offsets (XSOs) per year must be registered through a CCX-registered aggregator. Projects that are represented in CCX by an aggregator are referred to as “pooled projects” as the “pool” consists of multiple projects represented by the aggregator. Each aggregator is assigned a CCX registry account which will hold all Offsets issued to projects it represents. Aggregators shall also be Authorized Traders in the CCX Trading Platform for such offsets. Aggregators shall be responsible for receiving the CCX-required project reports from individual projects, and for submitting to CCX summary reports of each project they represent. The terms of the business and legal relationships between aggregators and carbon credit sellers are left to the discretion of those parties.

The following CCX terms and conditions will constitute a binding contract between the Carbon Credit Seller (also referred herein as the “Project Owner”) and the selected “Aggregator”.

1. Contractual Period: The Project Owner warrants compliance with the terms and conditions contained in this Application and Sales Contract for the period from January 1, 2010 through December 31, 2014, or sooner as allowed herein if CCX ceases to operate. The project commitments must be maintained throughout the term of this Sales Contract on the acres specified upon project registration.
2. Designated Aggregator: The Project Owner agrees to contract the Aggregator for the carbon sequestration projects specified in this Application and Sales Contract. By doing so, the contracted Aggregator will have the exclusive right to register the specified projects on the CCX. In the case that the Aggregator discontinues to operate, the Aggregator has the right, at its sole discretion, to transfer this Application and Sales Contract to another aggregator chosen by it to continue the management of the Project Owner’s holdings which will remain bound under the terms and conditions of this Sales Contract.
3. Aggregators Obligations. The Aggregator agrees to the following obligations; (a) arrange verification activity as required by the CCX, (b) maintain records of all transactions taken and charges incurred on behalf of Project Owner, (c) ensure reports required for CCX participation are timely prepared and filed, (d) transact the sale of the XSOs as directed by the Project Owner, (e) timely pay the Project Owner proceeds of any sales, (f) timely notify Project Owner of any material changes in the program, and (g) provide regular account statements to Project Owner.
4. Additional Chicago Climate Exchange Terms and Conditions: By registering a project with CCX, the Project Owner agrees to and acknowledges the following specific CCX Terms and Conditions in relation to the project and the XSOs. Failure to conform to the provisions established herein may result in termination of enrollment in CCX and prohibition from all further participation in CCX.
 - a. CCX will issue to the CCX Registry account of the Project Owner or its designated Aggregator a quantity of XSOs that conforms to the applicable CCX Rules. Project Owners will be notified of acceptance/rejection of their XSOs into the CCX registry account by the designated Aggregator at the time of registry.
 - b. XSOs will accrue for the enrolled land at the applicable rate for the eligible land improvement practices and Land Resource Region as defined by the CCX.
 - c. Each sale of XSOs executed through the CCX shall represent a complete transfer of all legal rights associated with the mitigation of greenhouse gases that relate to the quantity and time periods associated with the XSOs that are established through fulfillment of the Terms and Conditions of this Sales Contract. The Project Owner shall retain full legal ownership of all greenhouse gas mitigation rights that may accrue: (a) on lands or via activities not included in the CCX-registered project; (b) in excess of the quantity of XSOs issued by CCX to CCX-registered projects; (c) before or after the years 2003 through 2014 for the CCX- registered project.

- d. The Project Owner's CCX-registered Aggregator may sell or retain the XSOs earned under the provisions of this Sales Contract. Neither CCX nor SunOne Solutions make any warranty as to the marketability or market value of CCX XSOs.
 - e. Each Project Owner, through the contracted Aggregator, is required to periodically submit a signed project report that confirms conformance with the terms herein. Representatives of CCX may conduct on-site inspection of registered projects and related documents. Each Project Owner agrees to provide access in such cases in a prompt and cooperative manner. All CCX offsets projects, project reports, and verification reports are subject to inspection and audit by the provider of regulatory services designated by CCX and by other independent experts as may be engaged by CCX.
 - f. CCX may request additional information and/or access to registered projects for the purpose of advancing understanding of greenhouse gas mitigation projects. Project owners may decline such access without penalty. In no cases shall research findings cause a reduction in the quantity of XSOs to be issued to a registered project.
 - g. Each CCX XSO project shall be required to place approximately 20% of the offsets earned into a CCX soil carbon reserve pool. Such XSOs shall remain the property of the Project Owner (or pool participants in the case of aggregated projects) and all XSOs that remain in the pool shall be released to the Project Owner at the end of the compliance period. In the event that certain land areas of the Project Owner do not conform to the XSO performance requirements listed herein, such event shall be promptly reported to CCX (such reporting shall occur through the Aggregator). CCX will then cancel offsets held in the Reserve Pool in an amount equal to the quantity of XSOs previously issued to the project for such non-conforming land areas.
 - h. At the time of project registration, the CCX charges Registration Fees to the Project Owner. At the time of sales transaction, the CCX charges Trading Fees to the Project Owner. As of January 1, 2010, these fees consist of a \$0.10 Registration Fee per XSO and a \$0.05 Block Trading Fee per XSO. CCX specific fees are subject to change by the CCX at their discretion.
5. Verification: All projects are subject to an independent, third-party verification process. The verifier is a technically expert entity that is approved by CCX to conduct verification of CCX XSOs projects. The Project Owner will provide access to all land specified in this Sales Contract during the verification process. In addition, the Project Owner, or his/her designee, is required to meet with the verifier during this process to provide necessary background information and guidance about the project area. Verification shall be conducted in accordance with provisions contained in the CCX Project Protocols and Rulebook.
 6. Offset Issuance Period and Basis: This Sales Contract covers a 5-year period (2010-2014). All offset project mitigation effectiveness will be quantified on the basis of metric tons of CO₂ equivalence. Each XSO will represent one hundred metric tons of carbon dioxide (CO₂) and will be identified by annual vintage. The vintage of an instrument is defined as the first year the designated instrument may be used for compliance with the CCX emission reduction schedule, or, as applicable, the CCX electricity purchase reduction schedule.
 7. CCX Non-registration: In the event the CCX ceases to accept XSO's for registration in any given year during the term of this Agreement, or if the CCX ceases to operate, the Aggregator shall immediately notify the Project Owner, then both the Project Owner and the Aggregator shall be relieved of any duties or obligations as provided under this Application and Sales Contract as it relates to XSO's for the year which is not able to be registered, and all subsequent years remaining under the terms of this Agreement.
 8. Trading Authority: The Aggregator shall have sole authority to access the CCX Trading Platform and Registry account(s) holding the XSOs issued to projects it represents and to execute sales on the CCX electronic trading platform on behalf of the Project Owner and distribute sales proceeds to the Project Owner in accordance with the terms stated in this Application and Sales Contract. The Aggregator shall not execute any sales of Project Owner's XSOs except as directed in writing by the Project Owner as per the Aggregator's sales policies.

9. CCX Registry Removal: In the case of noncompliance with the Terms and Conditions contained in this Sales Contract and the related removal of certain registered land under this Sales Contract from the CCX Registry, the Project Owner of the noncompliant project shall return a quantity of CCX Exchange Offsets (XSOs) and/or Exchange Allowances that is equal to the total quantity of XSOs that have been issued to the project during the years 2010 through 2014 with respect to such noncompliant land, or present payment in an amount equal to the cost of acquiring such replacement XSOs. The Project Owner of the noncompliant project may be prohibited from further participation in CCX.

10. Falsification of Certification Report: A Project Owner who files a false certification report shall be subject to (1) replacement of any nullified credits, including those allocated to the Aggregator as fees, and (2) loss of any claim to credits held by the reserve pool. The Project Owner of the noncompliant project may be prohibited from further participation in CCX.

11. Changes in Land Ownership: The quantification of changes in carbon stocks will be adjusted to reflect acquisition or disposition of registered land on an annual basis as outlined below:
 - a. When new land is acquired by the Project Owner, he/she may, at his/her own discretion, include new eligible land for carbon accumulation provided that it meets all of the criteria set forth under this Sales Contract.

 - b. When land is sold or disposed by the Project Owner, or a management lease is transferred to a new operator, the new Land Owner may, at his election, continue this Sales Contract under the established Terms and Conditions, in which case he shall become the Project Owner and be subject to the terms and conditions herein. In the case that the new Land Owner decides not to continue with the CCX carbon credit program, the original Project Owner must either maintain that role, and continue to manage the land practices related to this contract, or return to CCX, for retirement, the quantity of XSOs issued with respect to such sold land up to the date of sale.

12. Confidentiality: The parties agree that information provided is confidential in nature and shall be maintained in the strictest confidence for the sole benefit of the receiving party. Neither party shall publish or otherwise disclose the information to others except to complete the work related to registering the credits on the CCX or as required by a lawful order of a court. The provisions of this section shall survive the expiration of this contract.

The following parties agree to the CCX Terms and Conditions set forth in this Sales Contract:

Project Owner Signature	Project Owner Printed Name	Date
On behalf of SunOne Solutions	Printed Name	Date