Delta P2E2 Center

Forest Carbon Sequestration

Project Submission Checklist

Please submit the following documents to the P2/E2 Center at the Delta Institute:

- ❑ Completed Forest Offset Enrollment Worksheet
- ❑ Executed Application for Participation in CCX Forestry Offset Pool and Credit Sale Contract for Exchange Forestry Offsets (XFOs)
- ❑ FSA maps of enrolled land
- ❑ CRP/CREP Contract, if applicable
- ❑ Documentation of tree planting, e.g. tree/seedling invoice and/or conservation plan and/or wildlife management plan summary sheet
- ❑ Copy of a conservation easement or letter of intent stating that enrolled land will remain forested
- ❑ Completed Carbon Calculation Worksheet

If you need additional information, please contact the Delta P2/E2 Center, LLC:

Mr. William Schleizer (312) 554-0900 ext. 24
wschleizer@delta-institute.org

Mr. Todd Parker (517) 482-8810
tparker@delta-institute.org

Please mail completed contracts and supporting documentation to:

Mr. William Schleizer
Delta P2/E2 Center, LLC
53 W Jackson Blvd Ste 230
Chicago, IL 60604

Enrollment

1. Complete the contract and submit the documents to the Delta P2/E2 Center, LLC. Required documents include:
    - Signed contract
    - Completed table summarizing acreage in tree planting
    - Copy of FSA maps of enrolled land
    - Copy of CRP or CREP contracts
    - Other documentation that includes the quantity of trees involved in the project, acreage, description of included tree species and their age, size and planting density at the time of project registration such as a Tree/Seedling Invoice and/or Conservation Plan.
    - Copy of a Conservation Easement or Letter of intent stating that the CRP or CREP land planted in trees will remain forested (see attached sample).

    ****Note – In certain circumstances, other documentation may be required****
2. Calculate the carbon sequestration rate of the land to be enrolled using the CCX look-up tables included with the contract. The process for calculating the carbon sequestration:
    - Determine the species type and age of qualifying live trees standing at the time of project registration on lands included in the program.
    - Locate the appropriate species in your region and apply the corresponding carbon accumulation values for the age of your tree species, as provided in the look-up tables. This determines the annual metric tones of carbon dioxide sequestered per acre.
    - Complete the calculation worksheet.
    - The calculation worksheet should be submitted with the signed contract. Copies of the calculation sheets, field assessment, and other information on tree counts should be retained at the project location.
3. Submit all application materials to the Delta P2/E2 Center, LLC.
4. The Delta P2/E2 Center, LLC will review the application, contract, and other materials and contact you directly regarding the completeness of the application.
5. Once the application is complete, the Delta P2/E2 Center, LLC will countersign the contract and send you a copy of the completed application materials.
6. For all projects, desk and/or field audits will be completed by an independent, third party verifier approved by the Chicago Climate Exchange. The Delta P2/E2 Center, LLC, as the Aggregator, will arrange for the verification. Landowners are responsible for the verification costs, proportional to the amount of contributed each landowner contributes to the overall enrollment pool. When completed, the verification reports are sent to CCX®. If there is a problem with the verification of the acreage, the Delta P2/E2 Center, LLC will immediately contact you.
7. CCX® reviews the third-party verification reports over a two to three week period and notifies the Delta P2/E2 Center, LLC when the carbon can be traded on the exchange. Once approved, the CCX releases the credits to the Delta P2/E2 Center, LLC, who can begin trading the credits.
8. After trading, the Delta P2/E2 Center, LLC will pay you for the carbon traded. Payment will occur within four weeks of selling the entire pool of carbon credits on the CCX®.

Delta P2E2 Center

Delta P2/E2 Center
53 W. Jackson Blvd. Suite 230
Chicago, IL 60604

Contract No._____
SWCD_____

APPLICATION FOR PARTICIPATION IN CHICAGO CLIMATE EXCHANGE FORESTRY OFFSET POOL
and
CREDIT SALE CONTRACT for EXCHANGE FORESTRY OFFSETS (XFOs)

Seller's Name	**Enrollment Date**
Business Name (if applicable)	**Phone Number**
Physical Address	**Fax Number**
City/State/Zip	**E-mail**
Mailing Address (if different)	**SSN# or Fed. Tax ID #**
City/State/Zip	

I, _____, hereby apply for participation in a forestry carbon pool managed by the Delta Pollution Prevention and Energy Efficiency Center ("Delta P2/E2 Center") and registration of Exchange Forestry Offsets (XFOs) with the Chicago Climate Exchange (CCX) for the years 2003-2012 on _____ acres of property that I own or control. I hereby attest to the all of the following statements:

- I hold full legal title to the Greenhouse Gas mitigation rights registered as CCX Offsets that are associated with the facilities and sites included in the registered project;
- The primary purpose of this forestry project is the long-term storage of atmospheric carbon in accordance with the CCX terms of participation;
- It is my intent to maintain, according to the principles and practices of sustainable forest management[1], the enrolled forested lands as forest for at least fifteen (15) years from the enrollment date.
- This forestry project is located in the United States and involves afforestation (via plantings) initiated on or after January 1, 1990 on land not previously forested or on forested land that had been degraded[2] as of December 31, 1989.
- The quantity of XFOs to be issued to a CCX-registered forestry project shall be based on the annual increase in stored carbon (expressed in metric tons of carbon dioxide equivalence) on eligible sites included in the project during years the 2003 through 2012.

[1] See the Terms and Conditions for a description of sustainable forest management.
[2] Qualifications for degraded land will be determined by the CCX Committee on Forestry on a case by case basis depending on region and project attributes.

- I will abide by the rules of the CCX as they pertain to XFOs and to the conditions for Pool participation as set forth in this Agreement.

The Delta P2/E2 Center, LLC ("Delta" or "Purchaser" or "Aggregator") agrees to buy and the Project Owner ("Seller") agrees to sell and deliver to Purchaser free from liens and encumbrances at 53 W. Jackson Blvd., Suite 230, Chicago, Illinois, the rights to the Exchange Forestry Offsets (XFOs) created during the years 2003 through 2012 on land at the location described on the Forestry Enrollment Worksheet, subject to the disclaimer stated below.

Seller warrants that the XFOs covered by this contract comply with all rules of the Chicago Climate Exchange at the time of credit registration. Seller further agrees to abide by the rules for participation in the forestry carbon pool as set forth by the contract. In the event that the project fails to meet these requirements, all XFOs from such land shall be null and void and any payments for XFOs delivered prior to January 1, 2013 shall be repaid subject to interest and penalties as provided in this agreement.

The transfer price of the XFOs covered by this contract shall be the sales price as determined by sale through the Chicago Climate Exchange less an 8% service fee (aka aggregation fee) retained by the Delta P2/E2 Center. In addition, the Seller agrees to the following fees and allows the Purchaser to annually deduct these fees from the sale of XFOs covered by this contract:

- CCX Offset Registration and Trading Fee – $0.20 per gross ton of XFOs[3]
- Verification Fee – Seller pays verification costs in an amount proportional to the tons of XFO credits that the enrolled land contributes to the overall enrollment pool. The exact cost is determined during the verification process and is influenced by the total number of acres and species composition of all the lands in the enrollment pool. Thus, actual verification costs may fluctuate from year to year.

Sale of XFOs covered by this Contract shall be at the sole discretion of the Purchaser. While the Purchaser attempts to sell all credits within a twelve (12) month period after the Seller conveys title to the credits, the Purchaser reserves the right to hold credits until the credits can be sold during favorable market conditions. However, all XFOs shall be priced no later than June 30, 2013. Payment for XFOs covered by this contract shall occur no later than 30 days after pricing of the XFOs through the Chicago Climate Exchange. The parties to this contract hereby agree that the title to the XFOs shall be automatically delivered to the Purchaser on the dates listed in the delivery schedule of this contract. By signature hereto, Seller irrevocably conveys title to the XFOs stated above as of the date listed on the Delivery Schedule. Seller further warrants compliance with the terms and conditions contained in the Agreement for the period from the enrollment date through January 1, 2013.

_____Date_____	_____Date_____
Seller's Signature	Purchaser's Signature Delta P2/E2 Center, LLC
_____	_____
Printed Name	Printed Name

Disclaimer: The Chicago Climate Exchange (CCX) is not currently scheduled to accept XFOs for registration beyond the calendar year 2010. In the event that 2011 and 2012 XFOs cannot be registered with the CCX, the parties duties under this Contract shall be altered as provided for under the Terms and Conditions Section herein.

[3] As of January 5, 2008. CCX Offset Registration and Trading Fees are subject to change without notice.

Delivery Schedule	Metric Tons of CO_2e	Price	Gross Value
January 1, 2003			
January 1, 2004			
January 1, 2005			
January 1, 2006			
January 1, 2007			
January 1, 2008			
January 1, 2009			
January 1, 2010			
January 1, 2011			
January 1, 2012			
January 1, 2013			

Terms and Conditions

CCX Offset Project Terms and Conditions: By registering a project with CCX, each Project Owner agrees to and acknowledges the following Terms and Conditions in relation to the project and the Exchange Offsets issued by CCX:

1. The enrolled project meets all applicable eligibility rules of the Chicago Climate Exchange.
2. CCX will issue to the CCX Registry account of the Project Owner or its designated Aggregator a quantity of Exchange Offsets that conforms to the applicable CCX Rules.
3. Each sale of Exchange Offsets executed through the Chicago Climate Exchange 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 Exchange Offsets that are established through fulfillment of the Terms of this contract.
4. The Purchaser, as a CCX-registered Aggregator, may sell or retain the Exchange Offsets earned under the provisions of this agreement.
5. 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 Exchange Offsets issued by CCX to CCX-registered projects; (c) before or after the years 2003 through 2012 for the CCX- registered project.
6. CCX makes no warranty as to the marketability or market value of CCX Exchange Offsets.
7. Each project owner, and, when applicable, its 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 and 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.
8. 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 Exchange Offsets to be issued to a registered project.
9. Failure to conform to the rules provided herein may result in termination of enrollment in CCX and prohibition from all further participation in CCX.

CCX Eligibility Requirements: All CCX-eligible forestry offset projects that produce less than 12,500 metric tons CO_2 equivalent of Exchange Offsets 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". The "pool" refers to the 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 from individual projects the CCX-required project reports, and for submitting to CCX summary reports of projects they represent. The terms of the business and legal relationships between Aggregators and Project Owners are left to the discretion of those parties.

Verifier: Is a technical expert entity that is approved by CCX to conduct verification of CCX Exchange Offset projects. CCX Forestry Pool participants agree that a CCX-approved verifier may have access to the land and facilities covered by this contract and to conduct activities to verify CCX Exchange Offsets.

Verification: The Project Owner agrees to pay the verification costs, proportional to the amount credits that their project contributes to overall enrollment pool. The Project Owner gives the Aggregator the right to deduct verification costs from the sale of offset credits.

Offset Issuance: So long as the Seller provide proper documentation, CCX-eligible greenhouse gas mitigation projects can be recorded in the CCX Registry and will be issued Exchange Forestry Offsets ("XFOs") on the basis of

mitigation tonnage realized during the years 2003 through 2012. All offset project mitigation effectiveness will be quantified on the basis of metric tons of CO_2 equivalence. Each Exchange Forest Offset (XFO) is identified by annual vintage and sold by the Aggregator on the CCX in one hundred (100) ton increments, known as Carbon Financial Instruments.

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.

Carbon Financial Instruments ["CFIs"]: The unit of carbon offset credits as recognized on the Chicago Climate Exchange and reflecting recognition of 100 metric tons of reductions equivalent of carbon dioxide. For purposes of this agreement, CFIs also include carbon offset credits recognized by any established and recognized entity that validates carbon offset credits. Those institutions include, but are not limited to, the California Climate Action Registry, and the Voluntary Carbon Standard. Should the Project Owner and the Delta P2/E2 Center, LLC, decide to pursue registration of CFIs through a standard setting organization other than CCX, the registration and qualification requirements for that entity shall be substituted for the references herein to CCX.

Trading Authority: Delta P2/E2 Center shall have sole authority to access the CCX Trading Platform and Registry account(s) holding the offsets issued to projects it represents and to execute sales on the CCX electronic trading platform on behalf of Project Owners and distribute sales proceeds to Project Owners in accordance with the terms stated in this contract.

Forestation: Projects in the U.S., Canada, Brazil and Mexico involving afforestation (via plantings) initiated on or after January 1, 1990, on land not forested, or on forest land that had been degraded on December 31, 1989, may earn XFOs. The quantity of XFOs to be issued to a CCX-registered forestry project shall be based on the annual increase in stored carbon (expressed in metric tons of carbon dioxide equivalence) on eligible sites included in the project during years the 2003 through 2012.

Sustainable Forest Management:[4] "A definition of the present day understanding of the term sustainable forest management was developed by the Ministerial Conference on the Protection of Forests in Europe (MCPFE), and has since been adopted by the Food and Agriculture Organization (FAO). It defines sustainable forest management as:

> the stewardship and use of forests and forest lands in a way, and at a rate, that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfill, now and in the future, relevant ecological, economic and social functions, at local, national, and global levels, and that does not cause damage to other ecosystems.

In simpler terms, the concept can be described as the attainment of balance - balance between society's increasing demands for forest products and benefits, and the preservation of forest health and diversity. This balance is critical to the survival of forests, and to the prosperity of forest-dependent communities.

For forest managers, sustainably managing a particular forest tract means determining, in a tangible way, how to use it today to ensure similar benefits, health and productivity in the future. Forest managers must assess and integrate a wide array of sometimes conflicting factors - commercial and non-commercial values, environmental considerations, community needs, even global impact - to produce sound forest plans. In most cases, forest managers develop their forest plans in consultation with citizens, businesses, organizations and other interested parties in and around the forest tract being managed.

Because forests and societies are in constant flux, the desired outcome of sustainable forest management is not a fixed one. What constitutes a sustainably managed forest will change over time as values held by the public change."

[4] See http://en.wikipedia.org/wiki/Sustainable_forest_management, last reviewed January 9, 2008.

Forest Carbon Reserve Pool: A quantity of Exchange Forestry Offsets equal to twenty percent (20%) of all XFOs generated by CCX-eligible forest carbon projects (as defined and quantified in conformance with CCX Rules) shall be held in a CCX Forest Carbon Reserve Pool. Such accounts shall be established for each medium and large project and for each Aggregator of pooled projects. XFOs in the account shall remain the property of the Project Owner(s) (pool participants in the case of aggregated projects) and all XFOs that remain in the pool shall be released to the Project Owners in late 2012. In the event that a CCX-registered project experiences a net loss of stored carbon during 2003 through 2012, (e.g. due to events such as fire or tree removal), CCX shall promptly cancel XFOs held in the corresponding CCX Forest Carbon Reserve Pool in an amount equal to the net quantity of carbon (expressed in metric tons CO_2 equivalent) released from the CCX-enrolled project. The maximum amount of carbon loss to be recognized by CCX shall be no more than the total quantity of XFOs issued to the project during its enrollment in CCX.

Project owners will be responsible for replacing the XFOs that are cancelled in instances of net loss of stored carbon. Such replacement instruments will be placed into the forest carbon reserve pool. Options available for the replacement of lost tons, and the associated replacement rates are as follows: (a) If previously issued XFOs are negated by net loss of stored carbon and are replaced with CCX-issued emission allowances or offsets, each previously issued offset must be replaced with one allowance or offset. (b) If previously issued offsets are negated by loss and are replaced CCX XFOs to be generated by the affected project in later years (but as soon as practicable) as a result of carbon accumulation at the original project site, each cancelled XFO must be replaced with 1.2 later-vintage XFOs.

Long-term commitments: Upon registration of forestation projects with CCX the Project Owner (or its registered Aggregator) must present to CCX evidence that the forested site has been placed in a conservation easement (or other eligible protective status as provided below). Projects in the U.S. and Canada can qualify if undertaken on privately owned land and placed in protective status via the following actions:

1) Establishing a conservation easement, for a term of no less than eighty years, providing that the project land is to be maintained as forest for the duration of the easement;
2) Transfer of ownership of land parcels to a land trust, qualifying non-governmental organization or governmental body, provided such transfer establishes legal protection that the project land is to be maintained as forest for no less than eighty years;
3) Other methods approved by the CCX, such as
    a) Current enrollment in Conservation Reserve Program for a minimum term of fifteen (15) years; or
    b) Signed Statement of Intent to Maintain Forest Carbon Stock Beyond 2010 and a signed Application for Participation in Chicago Climate Exchange Forestry Offset Pool and Credit Sale Contract for Exchange Forestry Offsets (XFOs)

Non-compliance: In the case of noncompliance with the Terms and Conditions contained in this CCX Exchange Forestry Offsets contract the owner of the noncompliant project shall return a quantity of CCX Exchange Offsets and/or Exchange Allowances that is equal to the total quantity of XFOs that are found to be in non-compliance, or present payment in an amount equal to the cost of acquiring such replacement offsets or allowance. The owner of the noncompliant project shall be prohibited from further participation in CCX.

In the event that non-compliance results from adverse weather conditions, natural disaster or pestilence that is not controllable by the Project Owner, the liability of the Project Owner shall be limited to forfeiture of any existing credits in the reserve pool.

The CCX forest carbon baseline is the quantity of stored carbon in the CCX-included carbon pools (expressed in metric tons CO_2 equivalent) in place on lands included in the CCX-registered project at the end of calendar year 2002.

Carbon quantification methods: As applicable in the provisions below, direct measurement of forest carbon must be conducted by a CCX-approved verification entity that shall use the CCX-recognized forest carbon direct

quantification methods in a manner consistent with the provisions herein. The cost of verification of such direct measurements will be borne by the Project Owner.

Issuance of XFOs based on annualized gross carbon accumulation estimates calculated using the method shall occur at a rate that is 90% of the central estimate of annual carbon accumulation calculated through application of CCX-recognized forest carbon direct quantification methods (i.e. a 10% discount is applied).

Carbon accumulation in small and medium-size projects in the U.S. and Canada may be quantified using the CCX-recognized forest carbon direct quantification methods (with issuance subject to a 10% discount relative to the central estimate calculated through application of that method) or through use of the carbon accumulation coefficients provided in Appendix 9-3 of the CCX Rulebook. Alternatively, owners of such projects may choose to employ the direct measurement methods described above. The elected quantification method shall be employed for all years during the years 2003 through 2012.

Small forestation projects shall be subject to inspection by verification entities engaged by CCX. All information contained in the project registration filing for medium-sized projects must be verified by a CCX-approved verification entity. Project registration filings for small and medium-sized CCX forestation projects must document the quantity of trees involved in the project, acreage included, description of included tree species and their age, size and planting density at the time of project registration.

Annual gross accumulation of stored carbon (expressed in CO_2 equivalent increases per year) for medium-sized projects in the U.S. and Canada may be quantified using either direct measurement by a CCX-approved verification entity or through use of the CCX Reforestation Carbon Accumulation Tables provided in Appendix 9-3 of the CCX Rule Book. The coefficients in Appendix Table 9-3A of the CCX Rule Book shall be applied for afforestation projects undertaken in the U.S. and Canada for projects. The coefficients in Appendix Table 9-3C of the CCX Rule Book shall be applied for widely spaced tree planting projects, including urban and suburban tree plating programs, undertaken in the U.S. and Canada.

The baseline carbon stock and carbon accumulation for large forest projects must be quantified through use of direct measurement by a CCX-approved verification entity. Offset issuance is determined on the basis of net carbon accumulation, which shall reflect carbon lost from a project site due to harvest, fire pests or other events.

Owners of projects that are quantified through use of direct measurement shall initially quantify the number of offsets generated by the project through use of the applicable coefficients provided in Appendix 9-3 of the CCX Rule Book (or other recognized and credible carbon accumulation reference values as may be recommended by the CCX Committee on Mitigation Projects). Final offset issuance quantities for 2003 through 2012 shall be based on direct measurement of carbon increments as determined by a measurement occurring during the third or fourth calendar quarter of 2011. The quantification of gross increases in stored carbon for 2012 will be the annualized average of carbon increases occurring during the period between quantification of the baseline and the measurement undertaken in 2011.

Quantification of Baselines and Carbon Accumulation for Small, Medium and Large CCX forestry projects

	Small	Medium	Large
Definition	U.S. and Canada projects that are less than 2,000 $mTCO_2/yr$	More than 2,000 $mTCO_2/yr$, less than 12,500 $mTCO_2/yr$	More than 12,500 mT CO_2/yr
Baseline quantification	Not required if Appendix 9-3 of the CCX Rulebook coefficients are applied; direct measurement is optional. Project registration filings must detail acreage, tree counts, types and sizes.	Not required if Appendix 9-3 of the CCX Rulebook Carbon Accumulation tables are applied. All information contained in Project Registration Filing (including the baseline, if direct measurement is elected) must be verified by a CCX-approved Verifier.	Direct measurement by CCX-approved verification entities.
Periodic quantification of carbon increments	Appendix 9-3 of the CCX Rulebook Carbon Accumulation tables or direct measurements	Appendix 9-3 of the CCX Rulebook Carbon Accumulation Tables or direct measurements in late 2011. Annualized gains over 2008-2010 are applied to 2012.	Initially Appendix 9-3 of the CCX Rulebook Carbon Accumulation tables; direct measurements required in late 2011; annualized gains over 2000-2010 are applied to 2012.
Verification	Project and reports subject to inspection by entities engaged by CCX.	Independent verification of registration filing and annual project reports and direct carbon measurements (if latter method is employed).	Independent verification of registration filing, annual project reports and direct carbon measurements.

Small forestation projects are defined for CCX purposes as projects that are owned by entities for which the minimum annual gross accumulation (during years 2003 through 2012) of stored carbon on all sites enrolled in CCX by the Project Owner, as defined and quantified under CCX rules, is expected to be less than 2,000 (two thousand) metric tons CO_2 per year.

Medium-sized forestation projects are defined for CCX purposes as projects that are owned by entities for which the minimum annual gross accumulation of stored carbon (during years 2003 through 2012), on all sites enrolled in CCX by the Project Owner, as defined and quantified under CCX rules, is expected to be more than 2,000 (two thousand) but less than 12,500 (twelve thousand five hundred) metric tons CO_2 per year.

Large forestation projects are defined for CCX purposes as projects that are owned by entities for which the minimum annual gross accumulation of stored carbon (during years 2003 through 2012), on all sites enrolled in CCX by the Project Owner, as defined and quantified under CCX rules, is expected to be more than 12,500 (twelve thousand five hundred) metric tons CO_2 per year.

Fulfillment of Obligations: All commitments and obligations of the Seller that are created by this contract shall terminate on January 1, 2011, unless the Chicago Climate Exchange accepts XFOs for registration beyond 2010. In that case, the Seller's obligations shall terminate on January 1, 2013. Termination of this contract releases the Delta P2E2 Center, LLC from any liability associated with or enforcement of the provisions included herein.

Exchange Forest Offset Enrollment Worksheet

Seller:_____ Date:_____ Contract #:_____

Address:_____ City/State/Zip:_____

Phone:_____ Fax:_____ Email:_____

Acreage Information					
FSA Farm #					
Tract #					
Field #					
Acres in Field/Tract					
CRP Contract (Y/N)					
CRP Est. Date					
CRP Exp. Date					
Easement (Y/N)					
Planting Information					
Total # of Trees Planted					
Trees/Acre					
Planting Date					
Tree Type/Species					
Land Information					
Land Title Holder					
County					
Township (Name)					
Description (e.g. SW¼ of NE¼)					
Section #					
Township/Range (Numerical) (e.g. T91N R28W)					
Description of Exempt area, if any					

*If it is more convenient, feel free to attach a document that lists the full legal description of the property.

1. Please include copies of all CRP contracts and/or permanent easement documentation. If land is not in an easement, a Letter of Intent that the land will remain forested must be submitted.
2. A copy of the tree planting information, such as the Wildlife Management Plan Summary Sheet, Conservation Plan and/or an invoice listing total number of trees must be submitted.
3. Ensure that Attachment 1 is completed for calculating carbon values for the tree acreage submitted.

CHICAGO CLIMATE EXCHANGE
FORESTRY OFFSETS SECTOR

STATEMENT OF INTENT
TO
MAINTAIN FOREST CARBON STOCK
BEYOND 2010

Delta P2/E2 Center
c/o The Delta Institute
53 W Jackson Blvd Ste 230
Chicago, IL 60604

TO: CHICAGO CLIMATE EXCHANGE

This Statement of Intent issued by _____("Enrolled Participant"), to Chicago Climate Exchange ("CCX") confirms Participant's intent to respect the Principle of Permanence regarding its forest carbon stock to maintain beyond December 31, 2010, excluding catastrophic events and land sales, the quantity of Carbon Stocks held by the Participant in its CCX-registered Afforestation Offset Project as defined in Chapter 9 of the CCX Rulebook including any amendments and/or interpretations thereto.

It is recognized by Participant and CCX that this is a non-binding Statement that reflects the Participant's intent in regards to the issues described herein. The Participant acknowledges that the effectiveness of forest stocks in sequestering carbon dioxide depend on the forests stocks being maintained for a considerable time period. The Participant acknowledges that an objective of the Chicago Climate Exchange is the development of protocols to advance climate change mitigation objectives and that the Chicago Climate Exchange issues offsets for forest carbon stocks with the objective that the forest stocks sequester carbon for a considerable time period. The Participant acknowledges that they support the objectives of the Chicago Climate Exchange and the use of forest offset projects as a means of carbon sequestration.

DATED this _____ day of _____, [Year]

_____	_____
Seller's Signature	Purchaser's Signature Delta P2/E2 Center, LLC
_____	_____
Printed Name	Printed Name

Attachment 1

Afforestation Carbon Calculation Worksheet

This worksheet provides land owners with guidelines on calculating annual carbon accumulation rates for afforestation or tree planting projects enrolled in the program. **Tree planting projects can only be enrolled if the plantings were initiated on or after January 1, 1990 on land that was not forested or on forest land that had been degraded on December 31, 1989. Projects only include afforestation via plantings.**

Carbon Accumulation Calculation Worksheet

The following method details how to calculate carbon accumulation of forestry projects enrolled in the program. To accurately perform the calculation, please know 1) the quantity and species of each tree planted, especially if there is more than one; 2) the year the trees were planted (to determine age); 3) the acreage of the area planted. Please do not enroll 40 acres of land when only 10 acres were planted.

If you have planted multiple species on the same acre of land in the same year, use the carbon sequestration rate for the most prevalent tree species. For example, if you plant 500 oak trees and 300 pine trees on one acre, use the rate for 'oak-hickory' tree species. Whenever possible, use the sequestration rate for only one (1) tree species. The exception occurs when purchase and plant a mix of hardwoods, which may occur under various cost-share programs. In these situations, use the rate associated 'mixed hardwoods.'

If you have implemented afforestation projects over multiple years, please contact the Delta P2/E2 Center, LLC for assistance with the carbon sequestration calculations.

Carbon Sequestration Calculation

1. Located your state on the map in Section 1 and determine the sequestration region in which it is located. Qualifying trees are those planted after December 31, 1989 on sites not forested at that time.
2. Determine the species group similar to your afforestation project in Section 2c. Select the column that matches with the current age of the trees in the afforestation project. The result is the metric tons of carbon dioxide per acre. Multiply by the total number of acres to be enrolled. This is the total annual carbon accumulation for the project.

   Carbon accumulation (metric tons) = _____ x _____
   Metric tons of carbon from Section 2c Total Acres Planted

   Carbon accumulation (metric tons) = _____

Annex 1 CCX Carbon Accumulation Tables for Afforestation Offset Projects

Section 1: Classification of Afforestation Regions

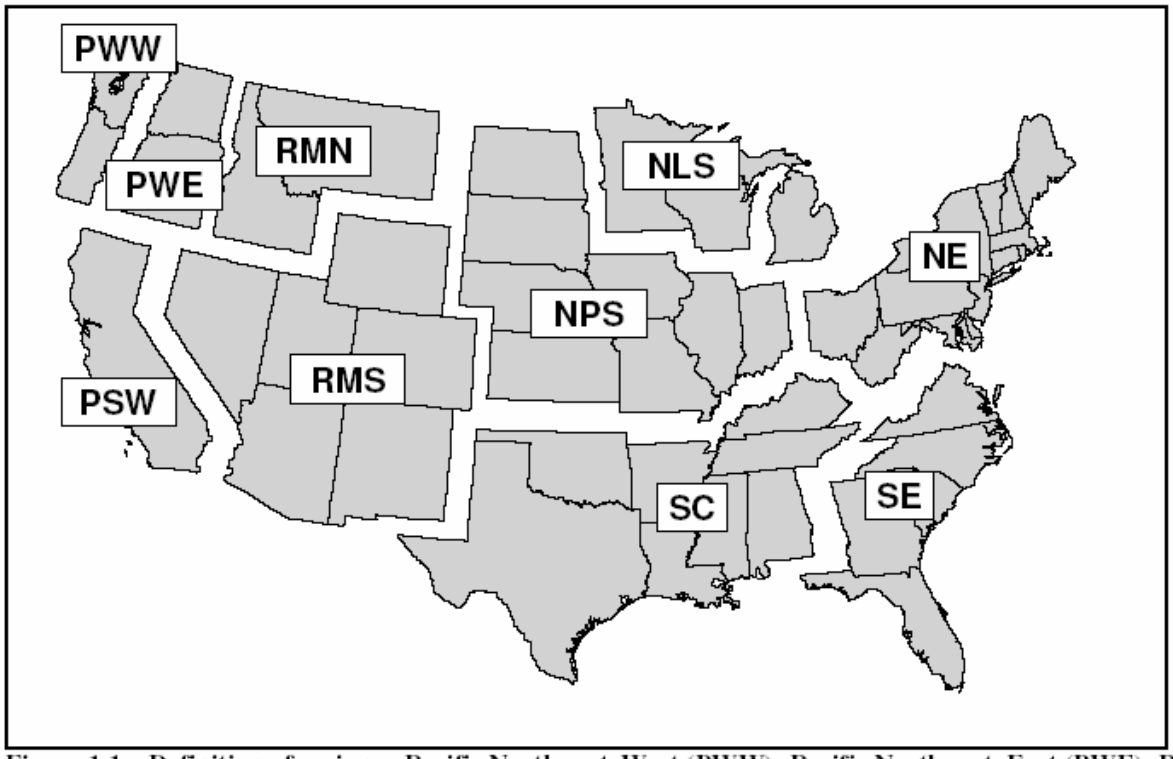

Figure 1.1—Definition of regions: Pacific Northwest, West (PWW); Pacific Northwest, East (PWE); Pacific Southwest (PSW); Rocky Mountain, North (RMN); Rocky Mountain, South (RMS); Northern Prairie States (NPS); Northern Lake States (NLS); Northeast (NE); South Central (SC); and Southeast (SE). Note that regions are merged for some tables, these combinations include: NLS and NPS as North Central; PWW, PWE, and PSW as Pacific Coast; RMN and RMS as Rocky Mountain; SC and SE as South; and RMN, RMS, PWE, and PSW as West (except where stated otherwise).

Section 2c: Regional Estimates of Tree Annual Carbon Accumulation in Live Trees and Soil Organic Carbon for Afforestation (Metric tons CO2/ acre/ year age of tree)

Table 1

Region	Species	Age of Tree					
		1 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30
Northeast	Aspen-birch	1.424	1.628	1.706	1.852	1.852	1.883
Northeast	Maple-beech-birch	1.571	2.199	2.702	2.638	2.481	2.449
Northeast	Oak-hickory	1.467	2.718	3.886	3.592	3.215	3.016
Northeast	Oak-pine	1.320	1.874	2.314	2.460	2.502	2.423
Northeast	Spruce-balsam fir	1.508	1.617	1.570	1.679	1.642	1.768
Northeast	white-red-jack pine	1.571	2.037	2.388	2.230	1.957	1.868
Northern Lake States	Aspen-birch	1.592	1.402	0.983	1.531	1.861	2.044
Northern Lake States	Elm-ash-cottonwood	0.921	1.098	1.024	1.483	1.661	1.802
Northern Lake States	Maple-beech-birch	1.131	1.240	1.140	1.788	2.239	2.379
Northern Lake States	Oak-hickory	1.466	1.429	1.266	1.752	2.082	2.160
Northern Lake States	Spruce-balsam fir	0.837	1.185	1.138	2.010	2.487	2.805
Northern Lake States	white-red-jack pine	0.146	0.679	1.036	2.260	3.297	3.396
Northern Prairie States	Elm-ash-cottonwood	0.859	0.826	0.669	0.909	1.014	1.359
Northern Prairie States	Maple-beech-birch	1.110	0.942	0.691	0.931	1.067	1.287
Northern Prairie States	Oak-hickory	1.425	1.251	1.016	1.256	1.413	1.476
Northern Prairie States	Oak-pine	1.089	1.063	0.984	1.419	1.801	1.916
Pacific Northwest, East	Douglas-fir	0.607	0.784	0.816	2.198	3.434	3.884
Pacific Northwest, East	Fir-spruce-mountain hemlock	0.691	0.581	0.397	0.868	1.235	1.742
Pacific Northwest, East	Lodgepole pine	0.419	0.628	0.754	1.361	1.884	1.905
Pacific Northwest, East	Ponderosa pine	0.712	0.691	0.586	0.910	1.162	1.177
Pacific Northwest, West	Alder-maple	1.739	2.272	2.638	5.193	7.572	6.932
Pacific Northwest, West	Douglas-fir	1.802	2.214	2.482	5.503	8.379	8.331
Pacific Northwest, West	Fir-spruce-mountain hemlock	0.712	0.890	0.994	2.277	3.456	4.079
Pacific Northwest, West	Hemlock-Sitka spruce	1.299	1.717	1.968	4.182	6.220	6.644
Pacific Southwest	Mixed conifer	0.901	0.738	0.502	0.722	0.858	0.962
Pacific Southwest	Fir-spruce-mountain hemlock	0.712	0.675	0.586	0.926	1.172	1.350
Pacific Southwest	Western oak	0.566	0.487	0.377	0.418	0.418	1.429
Rocky Mountain, North	Douglas-fir	0.587	0.544	0.439	1.120	1.749	2.167
Rocky Mountain, North	Fir-spruce-mountain hemlock	0.670	0.549	0.366	0.884	1.329	1.890
Rocky Mountain, North	Lodgepole pine	0.419	0.387	0.303	0.774	1.193	1.518
Rocky Mountain, North	Ponderosa pine	0.712	0.576	0.387	0.774	1.120	1.434
Rocky Mountain, South	Aspen-birch	0.670	0.622	0.471	0.774	0.994	1.261
Rocky Mountain, South	Douglas-fir	0.566	0.565	0.534	1.015	1.434	1.707
Rocky Mountain, South	Fir-spruce-mountain hemlock	0.398	0.366	0.293	0.638	0.942	1.214
Rocky Mountain, South	Lodgepole pine	0.461	0.387	0.283	0.466	0.607	0.774
Rocky Mountain, South	Ponderosa pine	0.377	0.340	0.251	0.481	0.680	0.885
Southeast	Loblolly-shortleaf pine	2.367	2.472	2.303	2.136	2.261	2.135
Southeast	Longleaf-slash pine	1.173	1.644	1.957	2.061	2.281	2.239
Southeast	Oak-gum-cypress	1.487	2.219	2.637	2.532	2.521	2.363
Southeast	Oak-hickory	1.739	2.262	2.430	2.136	2.178	2.041
Southeast	Oak-pine	1.571	2.157	2.440	2.220	2.083	1.968
South Central	Elm-ash-cottonwood	1.823	2.000	2.052	2.031	2.104	2.041
South Central	Loblolly-shortleaf pine	2.284	2.482	2.367	2.147	2.199	2.010
South Central	Oak-gum-cypress	1.152	1.948	2.534	2.419	2.345	2.104
South Central	Oak-hickory	2.053	2.252	2.220	2.073	2.042	1.958
South Central	Oak-pine	1.844	2.304	2.535	2.262	2.157	1.989

Table 2

Region	Species	Age of Tree					
		1 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30
Northeast	Mixed Softwoods	1.43	1.68	1.93	1.84	1.75	1.67
Northern Lake States	Mixed hardwoods	1.20	1.02	0.83	1.15	1.47	1.49
Northern Lake States	Mixed Softwoods	0.40	0.55	0.71	1.46	2.22	2.27
Northern Prarie States	Mixed hardwoods	1.09	0.91	0.73	0.92	1.12	1.26
Northern Prarie States	Mixed Softwoods	1.07	0.99	0.91	1.29	1.68	1.76
Pacific Northwest, East	Mixed Softwoods	0.58	0.54	0.51	1.11	1.70	1.90
Pacific Northwest, West	Mixed hardwoods	1.68	2.04	2.41	4.79	7.17	6.43
Pacific Northwest, West	Mixed Softwoods	1.38	1.65	1.91	3.87	5.83	6.60
Pacific Southwest	Mixed hardwoods	0.54	0.43	0.32	0.32	0.32	1.30
Pacific Southwest	Mixed Softwoods	0.78	0.61	0.45	0.64	0.83	0.94
Rocky Mountain, North	Mixed Softwoods	0.58	0.44	0.30	0.76	1.22	1.58
Rocky Mountain, South	Mixed hardwoods	0.65	0.50	0.35	0.57	0.79	1.01
Rocky Mountain, South	Mixed Softwoods	0.43	0.36	0.29	0.55	0.82	1.02
Southeast	Mixed hardwoods	1.55	2.07	2.29	2.01	1.93	1.74
Southeast	Mixed Softwoods	1.80	2.40	3.47	3.94	3.47	2.38
South Central	Mixed hardwoods	1.70	2.05	2.23	2.06	1.98	1.83
South Central	Mixed Softwoods	1.89	2.62	3.58	3.69	3.13	2.20
The rates listed above do not include soil organic carbon accumulation. Use rates in Table 1 whenever possible.							