



CP Holdings, LLC, PO Box 787, Stillwater, MN 55082 Phone/Fax 888-640-9848

CP Contract Number _____ **Date:** _____
(Contract Number will be assigned once submitted to CP)

Please select years of Participation

- Pre-existing Years _____ to _____
- 2008-2012
- Other: _____ (Explain)

Please select CSO Project you will be participating in:

- Rangeland CSO's
- Grassland CSO's
- No-Till CSO's

INTRODUCTION:

This is your Contract for participation within the CP Holdings, LLC (all future references for CP Holding, LLC will be as "CP") Offset program for Carbon Sequestration Offsets (CSO's) which are classified as either "Rangeland CSO's, Grassland CSO's and/or No-Till CSO's". This program is managed in conjunction with Chicago Climate Exchange (CCX) its rules, guidelines and 3rd party verification and certification requirements. It will function as a Carbon Sequestration Offsets Pool (CSOP) and is designed to aggregate CSO's from multiple providers using CCX protocols.

APPLICATION / SALES CONTRACT:

This application is also a sales contract, which stipulates that you will be aggregating all CSO's generated thru this program, which can be verified using CCX protocol, to the aggregator of this program, namely CP Holdings, LLC.

Your Name Here as the "Offset Provider" (OP) _____

Address _____

City/State/Zip _____

Phone – Home () ____ - _____ **Phone other** () ____ - _____

I, _____ hereby apply to participate in a Carbon Sequestration Offset Pool (CSOP) which will be managed and aggregated by CP Holdings, LLC.



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TERMS:

Aggregated CSO credits will be collected by the Aggregator who will register all required CSO's with the Chicago Climate (CCX) for the years _____ through _____ on property that I own and/or control.

I also hereby agree that _____ acres will participate in all required managements programs as defined by the CCX for the selected CSO projects covered under this agreement (i.e. - Rangeland CSO's, Grassland CSO's, or No-Till CSO's) as defined by the rules of the CCX. I further agree to abide by the rules of the CCX as they pertain to all CSO Projects and to the conditions for participation as set forth in this agreement. Credits are non-transferable without written permission from the CCX and/or the Aggregator.

CONDITIONS:

Purchaser agrees to buy and seller agrees to sell and deliver to purchaser free from liens and encumbrances at PO Box 787, Stillwater, MN 55082 rights to all CSO's created during the contract period, as defined above and submitted in the Rangeland Enrollment Worksheet.

IN ORDER TO COMPLETE YOUR ENROLLMENT IN THIS PROGRAM YOU WILL NEED TO REVIEW THE "RANGELAND CHECKLIST" AND COMPLETE THE "RANGELAND WORKBOOK", BOTH OF WHICH CAN BE FOUND ON OUR WEBSITE.

RESERVE REQUIREMENT:

20% of the accrued CSO Credits shall be held in reserve by the Aggregator until December 31, 2012 or the end of the contract term, whichever comes first. Seller warrants that the CSO Project covered by this contract shall fully participate in a rangeland management program for the entire term of the contract, as defined above.

NON-COMPLIANCE:

In the event that the Project owner perpetrates fraud or knowingly fails to meet the necessary requirements, as defined by CP Holdings and the CCX, all future CSOs from such land may be considered null and void of any and all future payments on CSOs delivered prior to January 1, 2011. If The Project owner has knowing perpetrated fraud and/or knowing failed to purposely meet the necessary requirements, as defined above, then the Project Owner may be required to repay past CSO earnings as well as possible penalties, interest, applicable legal fees as well as subject to liens and/or legal actions to retrieve such CSO's.

CONTRACT PRICING:

The transfer price of the CSO's covered by this contract shall be the net sales price as determined by the published market at the Chicago Climate Exchange, at the time of final CCX acceptance and/or CCX approved Credit Transfer, less a 10% service fee payable to the Aggregator (CP), applicable CCX fees, Project Verification fees (Not to exceed \$1,000 and subject to CP approved Verifiers availability and timing) and/or other misc. fees as necessary. Sale of CSO's covered by this contract shall be at the sole discretion of the Aggregator, per CCX rules and regulations.



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CONTRACT PAYMENT:

Payment for all forward CSO's covered under this contract shall be made on an annual basis as stated in the CCX rules and guidelines. The only exception will be for look back credits, which will become payable to the OP within 30 days of final payment to the Aggregator from the CCX as required and/or necessary. The parties to this contract hereby agree that the title to the CSO's shall be automatically delivered to the Purchaser on the first day of January following the year of in which sequestration occurred. By signature hereto, Seller irrevocably conveys title to the CSO's, stated above, as of the first day of January following the year in which sequestration occurred. Seller further warrants compliance with the terms and conditions contained in the Agreement for the period from as defined above. Please attach a voided check to this Application/Contract so that we can setup a direct transfer of funds into your account.

TERMINATION:

In the event that the CSO Project Owner wants to terminate his agreement he may do so by submitting a written request to the Aggregator (CP). This request will take 30 days to process and is effective the date received by CP. Furthermore the CSO Project Owner will forfeit all reserve funds and/or credits, current partial year credits as well as all future contracted CSO credits. CP is required to notify the CCX of any change in status of a CSO Project Owner.

_____ Date _____
Seller's Signature

_____ Date _____
Signature Purchaser - CP Holdings, LLC

Once you have completed all the documents, please mail them to: CP Holdings - Attn: Offset Manager, PO 787, Stillwater, MN 55082