



Verified Emissions Reduction Purchase Agreement

Prepared for:

City of Greensboro
300 West Washington Street
Greensboro, NC 27401

and

Piedmont Land Conservancy
1515 West Cornwallis Drive, Suite 205
Greensboro, NC 27408

November 16, 2016

About Urban Offsets

Urban Offsets, Inc., is a Greensboro, NC based company with one satellite office in Durham, NC. We work with our partners at the Duke University Carbon Offsets Initiative to build community-level carbon markets that support the planting and care of new urban trees at public schools, in city parks, and in tree-poor neighborhoods across the country. Universities choose to invest in these projects to support their communities, create educational opportunities for their students, and offset their campus emissions.

Purpose

This Verified Emissions Reductions Purchase Agreement (“Agreement”) is made as of this 16th day of November 2016, by and between the city of Greensboro, having its principal place of business in Greensboro, North Carolina, the Piedmont Land Conservancy, a nonprofit land trust, having its principal place of business in Greensboro, North Carolina, and Urban Offsets, Inc., a Delaware corporation, having its principal place of business in Greensboro, North Carolina.

Recitals, Definitions, and Attachments

- Attachment ‘A’ is the Project Tree List **(TBD)**
 - Attachment ‘B’ is the Project Details Summary
 - Attachment ‘C’ is the city of Greensboro Recitals
1. The city of Greensboro is the owner of unencumbered Verified Emissions Reductions (“VERs”) generated by ___ project trees (the “Trees”).
 2. The city of Greensboro is the “Assignor” and Urban Offsets is the “Assignee” in regards to VERS generated by the Trees.

3. The Trees are to be planted by the Assignor in January 2017 on city of Greensboro owned and maintained property within the city of Greensboro jurisdictional boundaries.
4. The Trees are to be sized, at a minimum, 1” caliper or 7-gallons at time of planting.
5. One (1) carbon credit = one (1) metric ton of carbon dioxide equivalent removed from the atmosphere and measured by the DCOI Tree Planting Protocol.
6. The Tree list and Urban Offsets’ pricing is found on Attachment ‘A’.
7. Landscape design, construction and planting of the Trees will be coordinated and fulfilled by the city of Greensboro.
8. The DCOI Tree Planting Protocol used in the DCOI Urban Forestry Program is found online at the following web address:
 - a. http://sustainability.duke.edu/carbon_offsets/urban_forestry/urbanforestprotocol.pdf
9. The city of Greensboro is not obligated to pay any transaction costs to Urban Offsets associated with the purchase and planting of the Trees.
10. The city of Greensboro will order and arrange delivery of the Trees.
11. The city of Greensboro agrees to conduct an inventory of all planted Trees using Urban Offsets’ Tree Inventory software program within 60 days of planting.
 - a. Urban Offsets’ tree inventory software is available on Apple iPads at <http://www.urbanoffsets.co/app/>
12. Urban Offsets agrees to purchase the VERs as carbon credits within 45 days following the city of Greensboro’s completion of the first inventory.
13. The city of Greensboro agrees to conduct all maintenance activities for all Trees and that all Trees be treated and managed similarly to all other trees owned by the City of Greensboro for the Life of the Project.
14. The city of Greensboro agrees to submit a Tree Replacement Plan to Urban Offsets within 30 days following the occurrence of “Natural Hazards” and “Acts of Vandalism”:

- a. "Natural Hazards" include hurricanes, tornados or other "Acts of God" that result in the removal or destruction of some or all Trees.
 - b. "Acts of Vandalism" includes accidents and other human interactions with the Trees that result in the removal or destruction of some or all Trees.
15. The city of Greensboro understands the purpose of this project is to plant and grow healthy trees with the intent of producing and selling carbon credits generated over the Life of the Project.
16. Buffer and Insurance
 - a. Urban Offsets protects the project's ability to produce and sell carbon credits by creating and managing an on-site Insurance Buffer (the "Buffer").
 - i. The Buffer includes 25% of all carbon credits produced by project Trees.
 - ii. See Attachment 'B' for total projected carbon credits generated by project.
 - All carbon credits in the Buffer are retained by Urban Offsets and are not to be sold until end of Project Life.
 - Purpose of the Buffer is to prevent and protect against under-generation of carbon credits by the project Trees, tree mortality, leakage, or any other factor that causes project Trees to not generate projected carbon credits by the end of Project Life.
 - Urban Offsets will assist the city of Greensboro identify, procure, and/or create additional carbon credits needed to satisfy this contract.
17. If the actual number of carbon credits produced by the Trees is lower than the credits listed in Attachment 'B' AND greater than the number of credits held in the Buffer, the city of Greensboro agrees to make up that difference before the end of the Project Life.

The city of Greensboro, North Carolina

By: _____

Name: _____

Title: _____

Date: _____

Urban Offsets, Inc.,

By: _____

Name: _____

Title: _____

Date: _____

The Piedmont Land Conservancy

By: _____

Name: _____

Title: _____

Date: _____

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Assignment and Bill of Sale

The Assignment and Bill of Sale (“Assignment and Bill of Sale”) is made of the 16th day of November 2016 by the city of Greensboro, (“Assignor”), in favor of Urban Offsets (“Assignee”).

WHEREAS, Assignor and Assignee are the parties to a Verified Emissions Reductions Purchase and Sales Agreement dated as of the 16th day of November 2016 (the “Purchase Agreement”).

WHEREAS, pursuant to the Purchase Agreement, Assignor agreed to sell to Assignee, and Assignee agreed to purchase from Assignor, all right, title and interest in ____ VERS produced by the project (the “Contract Quantity”) for \$____.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns to Assignee all right, title and interest in and to all of 2017-2058 (life of project) VERs from ___ project trees free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever, to have and hold unto itself and its successors and assigns forever.

In addition, Assignor hereby confirms the truth and accuracy of all representations and warranties of Assignor put forth in Purchase Agreement, and represents and warrants the Assignor has performed all of its obligations under the Purchase Agreement that are required to have been performed as of the date hereof.

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IN WITNESS WHEREOF, Assignor has caused this Assignment and Bill of Sales to be executed by its duly authorized representative as of the date first written above.

The city of Greensboro, North Carolina

Urban Offsets, Inc.,

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

The Piedmont Land Conservancy

By: _____

Name: _____

Title: _____

Date: _____

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Attachment A: Project Tree List

Attachment B: Project Summary

Project Protocol and Standard	<ul style="list-style-type: none"> • Duke Carbon Offsets Initiative (DCOI) • DCOI_Urban Forestry Protocol Version 1.0 available at https://goo.gl/iJTjtu
Contract Quantity/VERS	<p>Production: ___ total Trees projected to sequester a total of ___ tons CO₂ at age 40.</p> <p>Buffer: Totals above include ___ tons CO₂ retained as 25% on-site buffer.</p>
Carbon Credit Vintage	2017
Purchase Price	See Attachment 'A'
Payment and Delivery	<ul style="list-style-type: none"> • Urban Offsets provides 30% within 60 days following Trees Charlotte's completion of first tree monitoring event. Payment is identified as "Received in Year 1" in Attachment 'A'. • Nine (9) annually recurring payments of ~7.78% made no earlier than 12 months and no later than 14 months following previous monitoring event. Payments are identified as "Annual Y2-Y10)" in Attachment 'A'.

Attachment C: The City of Greensboro Recitals

1. Indemnification: Urban Offsets, Inc. does hereby agree to indemnify and save harmless the City of Greensboro, its officers, agents and employees, against all claims, actions, lawsuits and demands, including reasonable attorney fees, made by anyone for any damages, losses or injuries of any kind, including environmental, which may arise from the sole negligence of Urban Offsets, Inc., its agents or employees, or as a result of work performed pursuant to this Agreement.
2. E-Verify: Urban Offsets, Inc. certifies that it currently complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, and that at all times during the term of this Agreement, it will continue to comply with these requirements. Urban Offsets, Inc. also certifies that it will require that all of its subcontractors that perform any work pursuant to this Agreement to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Violation of this section shall be deemed a material breach of this Agreement.
3. Non-Discrimination – Urban Offsets, Inc. shall not discriminate against any member of the public in the use of City facilities or in the delivery of City programs, services or activities on the basis of race, religion, color, national origin, age, biological sex, or handicap.
4. Iran Divestment Act Certification: As of the date of this Agreement, Urban Offsets, Inc. certifies that it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 and that Urban Offsets, Inc. will not utilize any subcontractor found on the State Treasurer’s Final Divestment List. All individuals signing this Agreement on behalf of Urban Offsets, Inc. certify that they are authorized by Urban Offsets, Inc. to make this certification.
5. Non-Appropriation Clause: This agreement is subject to the City receiving all anticipated revenue funding for future fiscal years and may be terminated if the City does not receive all revenue anticipated in the Budget. Should the Greensboro City Council fail to appropriate funds for any of the ensuing fiscal years during the term of this contract, then the contract shall become void.