MEMORANDUM OF AGREEMENT

BETWEEN

PACIFIC CARBON TRADE LIMITED, a company incorporated under the companies’ laws of Papua New Guinea (Hereinafter referred to as the “Management Company and Facilitator”) of the First Part;

AND:

....................................................., a company duly incorporated under the companies’ laws in Papua New Guinea, the legally constituted landowner Management Company, representing the interests of the Chairman and ............... incorporated landowner Clan Groups and their representative individuals of the ................... FOREST Area in the ................., ............... District of the ................. Province, Papua New Guinea (Hereinafter referred to as the “Landowner Management Company”) of the Second Part;

WHEREAS

PACIFIC CARBON TRADE LIMITED is desirous of securing a consent or an agreement from ....................... LIMITED to register the .................. Forest Area which is more particularly described in its boundary description as:-

“An area known as ................ Forest Area with the gross area of .......... hectares is located in the milinch of ............... all in the ............... Province commencing from the intersection of .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. .............................................................. 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as one of the projects to be registered for purpose of “Carbon Trading” Programme and the said ......................... LIMITED has consented or agreed for PACIFIC CARBON TRADE LIMITED to secure the registration of the ........................................... Forest Area as one of the “Carbon Trading” Project Areas in accordance with the following Terms and Conditions:-

IT IS HEREBY MUTUALLY AGREED AND DECLARED as follows:-

1. That Pacific Carbon Trade Limited will make all the necessary arrangements with relevant authorities overseas to secure the successful registration of ........................................... Forest Area which is fully described in the recital above as one of the globally recognized “Carbon Trading” Project Areas in the world.

2. That in consideration of paragraph 1 above, ........................................... Limited agrees to implement the environmental protection or conservation of the ........................................... Forest Area and also to do such other things to ensure that the said area is permanently protected or conserved in order to comply with the requirements relevant for ........................................... Forest Area to be formally recognized as one of the “Carbon Trading” Project Areas in the world.

3. That Pacific Carbon Trade Limited will engage a Programme to create an appropriate Website for the purpose of trading or marketing ........................................... Forest Area as one of the “Carbon Trading” Project Areas in the world to the various countries and/or their governments throughout the globe which wish to pay money to the shareholders of ........................................... Limited and landowners of the ........................................... Forest Area in order to help secure their paper credits for the CO2 emissions reductions, which they can set against their targets.

4. That Pacific Carbon Trade Limited will source funding from various countries, governments and/or such other suitable organizations from overseas who may wish to pay for the conservation and reservation of ........................................... Area which will be protected and preserved as one of the world’s “Carbon Trading” Project Areas for the reductions of CO2 emissions and secure the paper credits for such CO2 emissions reductions, which can be set against their targets.

5. That any funds secured by Pacific Carbon Trade Limited less all and any costs and/or consultancy fees from overseas countries, governments or such other organizations pursuant to paragraphs 1, 2, 3, 4 and 5 herein shall be directly paid into the bank account of PACIFIC CARBON TRADE LIMITED in Port Moresby, Papua New Guinea, which shall be held as moneys had and received for and on behalf of ......................... Forest Area “Carbon Trading” Project which shall then be apportioned and distributed in the following manner:-
(i) PACIFIC CARBON TRADE LIMITED - 5.00%
(ii) NATIONAL GOVERNMENT - 30.00%
(iii) L/O FUTURE GENERATIONS FUND - 2.00%
(iv) L/O INVESTMENT FUNDS - 33.60%
(v) L/O ROYALTY - 14.40%
(vi) FOREST AREA MANAGEMENT FUNDS - 10.00%
(vii) PROJECT COORD'S/CONSULTANTS - 2.00%
(viii) PROJECT FINANCIERS - 2.00%
(ix) PROJECT LAWYERS - 1.00%

**TOTAL** - 100.00%

6. That in consideration of paragraphs 1, 2, 3, 4, and 5 and in order to carry out the matters stated herein effectively and efficiently, Chairman ........................................... And landowners/shareholders of ...........................................Forest Area or ........................................... Forest Area Limited, on behalf of the landowners of ........................................... Forest Area, hereby agrees to give a Power of Attorney to Eric Johnson Komang and/or Pacific Carbon Trade Limited.

**SIGNED BY THE SAID**

**ERIC JOHNSON KOMANG**
For and on behalf of the Board )
Of Directors of )
**PACIFIC CARBON TRADE LTD**

In the presence of

........................................... (WITNESS)

**SIGNED BY THE SAID**

...........................................
For and on behalf of the Board of )
Directors of ........................................... Ltd )
OR ........................................... )
**INCORPORATED LAND GROUP**

In the presence of

........................................... (WITNESS)

........................................... (CHAIRMAN)