

Agreement

of Seedling production, Tree planting and Tree Tending

This agreement is made on 20xx

Between

Tropical Farmer Connect (TROFACO) represented by National ID # currently residing at and in this agreement is the fund provider for Seedling producing, Tree Planting and Tree Tending; and hereinafter called **Party A**.

And

Association / Community represented by Mr / Ms National ID # currently residing at who is the contractor of Seedling producing, Tree Planting and Tree Tending; and hereinafter called **Party B**.

Parties have agreed on the following conditions:

1 . Number of Trees and Tree Species ◦:

Party B has agreed to produce seedling, planting and tending for number of trees. The party shall start producing seedling in and to finish tree plant in 2014 . For tree species are the species that party B has produced and/or species supplied by TROFACO.

2 . Duration of Agreement ◦:

This agreement has a term of **20 years** from the date of signing. During the period, both parties must be respected and follow the terms as set out in this.

3 . Payment

Party A shall pay parties B base on type of works and actual output by following these phases :

3.1 Payment for seedling producing association / community

1 tree = 300 to 400 Riel (depending on the location or rare species)

- 1st phase (nursery preparation) = 50 % of the total

- 2nd phase (2-3 months after germinating) = another 50 %

* If there are some dead (after germinated) , the number of dead seedling (which died due to lack of tending) will be deducted from the payment in Phase 2 and Party B shall be responsible for this lost and reproducing to meet the agreed number at own expense.

3.2 Payment for Pitting and Tree Planting

1 tree = 400 riel

- Phase 1 ** (1 month after planting) = 50 % of the total

- Phase 2 ** (3-4 months after planting) = another 50 %

** Before reaching the pay in Phase 1 and 2, CAFACA staff will go and conduct the monitoring and evaluation of trees planted and count only the surviving trees to process payments.

Remarks ○: After planting, if there are some trees died, Party B shall replant to meet the agreed number at his/her own expenses.

3.3 Payment for Tree Tending in Year 1

1 tree = 100 Riel (paid at the year end)

Ex . Planting completed in May 2014 , the tending payment will be paid in April 2015.

3.4 Payment for Income from the sale of carbon

1 ton carbon = \$ x per year

From year 2 to year 20, and based on actual **Surviving trees** and trees that have been **Sold for Carbon** in each year.

4 . Obligation ○:

Party A shall pay parties B as provided in Condition 3.

Party " B " has an obligation to coordinate and cooperate and enter the contract with the communities and local authorities to locate public land for planting and ensure the tending and protecting the trees to continue growing for at least **20 years** for the sake of selling carbon as well as a source of long-term income for community development and co-benefit to the environment.

5 . Invalidity of Agreement ○:

This agreement may be suspended temporarily or end in case of force majeure such as war, political instability in the area planted to natural disaster etc..

6 . Dispute Resolution ○:

Both parties agreed to solve the disputes by peaceful and base on the spirit of understanding and cooperation. In case the dispute is not resolved by negotiations between the two parties, the two parties agree to bring the dispute to the local authorities.

This agreement is made 2 copies. One copy is kept with party ' A ' and another One copy to be kept with party ' B ' .

Both parties agree to print thumb or sign as evidence.

Right thumb of Party A

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Right thumb of Party B

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Local authorities' Endorsement

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SAMPLE