

FOREST CARBON OFFSET PROJECT DEVELOPMENT AGREEMENT

This Forest Carbon Offset Project Development Agreement (“Agreement”), dated _____ 2010, is executed by and between Leon County, Florida (“Leon County”), a political subdivision of the State of Florida with its principal place of business at _____, and Forestech Consulting, Inc. dba LandMark Systems (“Consultant”), a Florida Corporation with its principal place of business at 3059 Highland Oaks Terrace, Tallahassee, Florida, 32301.

1. SCOPE: Consultant hereby agrees to provide and Leon County agrees to accept those services more specifically described in the attached **Exhibit A** (the “Services”), subject to all the terms and conditions of this Agreement.

2. NATURE OF RELATIONSHIP:

(a) Consultant is, for purposes of this Agreement, an independent contractor and shall have no right, power or authority to bind Leon County to the fulfillment of any condition, contract or obligation, express or implied, between Leon County and any third party without Leon County’s prior written approval. Consultant shall not be deemed an employee of Leon County for any purpose, including specifically for purposes of any Leon County employee benefit programs, income withholding taxes, social security or similar withholding taxes, or unemployment benefits under the law of any jurisdiction.

(b) As an independent contractor, Consultant shall be obligated to pay all taxes based on or arising out of compensation Leon County pays Consultant by under the terms of this Agreement that may now or hereafter be imposed under the authority of any taxing jurisdiction. Consultant shall further be responsible for securing such health, disability and life insurance as Consultant deems advisable.

(c) Consultant is not an agent, attorney or representative of Leon County and shall not hold itself out to third parties as an agent, attorney or representative of Leon County.

3. OBLIGATIONS OF CONSULTANT: Consultant shall, during the term of this Agreement, provide the Services to Leon County in accordance with the reasonable instructions, requests and directions of Leon County and its authorized representatives.

4. COMPENSATION: Whereas, this is considered a demonstration project, LandMark is greatly discounting the fees and the timing of the fees in relation to the development and management of this project. In full consideration for the Services, Leon County shall pay Consultant as follows:

(a) Base Compensation. Leon County shall pay Consultant for Consultant’s services according to the following: \$4,000 for development costs, payable upon the initial sale of carbon credits by Leon County, and \$3,000 each year thereafter for ongoing

administrative and management costs throughout the life of this agreement. LandMark will provide eligibility, feasibility, design, implementation, on-going management, monitoring and reporting, verification oversight, and other services as directed by Leon County. Specific tasks for ongoing management will include: carbon monitoring; carbon inventory updates/adjustments; carbon profile report generation and delivery; coordination of annual verification and periodic field verification; CRT marketing; and Climate Action Reserve (CAR) account support. Separately, Leon County will have to pay for annual verification by a third party firm as required by the CAR. The initial verification and submittal fees are estimated \$8,000, a field verification every six years estimated \$5,000, and an annual desktop audit \$1,000 for the remaining years. This is not a cost from the Consultant but a required fee by the CAR.

- (b) Expenses. Leon County shall not be liable for any direct expenses incurred by consultant as part of this project.
- (c) Billing. The foregoing compensation shall be the total compensation Consultant shall receive under this Agreement. Consultant shall bill Leon County at the completion of services for development and ongoing management, and shall submit bills to the following contact at Leon County:

Office of Management & Budget
Leon County BCC
301 S. Monroe St
Tallahassee, FL 32301
Fax: 850-606-5101

Leon County shall pay the Consultant's invoices within thirty (30) days after receipt.

5. CONFIDENTIAL INFORMATION, WORK PRODUCT: Consultant agrees that all information provided to Consultant by Leon County, other than information that is otherwise available from public sources or expressly designated by Leon County as non-confidential, and which relates to Leon County markets, projects, prospects, customers, trade secrets, intellectual property, employees or business in general, is confidential and proprietary to Leon County. Without limiting the foregoing, confidential information includes any material nonpublic information Consultant obtains regarding any publicly traded company in the course of rendering the Services. Consultant agrees not to use any such confidential information other than as necessary to render the Services and shall not disclose such confidential information to any third party during the term of this Agreement and thereafter unless authorized by Leon County. Consultant further agrees that, upon termination of this Agreement, Consultant will promptly return to Leon County all data, information, price lists, technical manuals and materials of any kind provided to Consultant by Leon County, along with all related copies, adaptations and independent compilations made by Consultant. The obligations of confidentiality set forth herein shall remain in effect for a period of three (3) years after termination of this Agreement. This Section 5 shall be in addition to, and not in replacement of, any other confidentiality agreement that may be executed by Consultant in connection with the Services.

Any work product, reports, drawings, specifications, designs, plans, electrical schematics, and other documents prepared by or on behalf of Consultant in connection with the Services and all intellectual property rights, if any, relating to such items or the contents of or concepts embodied in such items, are, and shall remain the property of Leon County. The provision of this Section 5 shall survive the termination of this Agreement.

6. TERM AND TERMINATION:

(a) Unless terminated earlier in accordance with Article 6(b) hereof, this Agreement shall take effect as the date first written above and shall continue in force until one year from the date of execution, and shall automatically renew each year afterward unless contract is amended or terminated.

(b) Notwithstanding the terms of Article 6(a) above, this Agreement may be terminated in accordance with the following provisions:

(i) By either party on thirty (30) days' written notice to the other party; or

(ii) By Leon County on written notice in the event of the dissolution, insolvency or bankruptcy of Consultant or in the event Consultant becomes unable to perform the Services; or

(iii) By Leon County immediately if Consultant breaches its obligations hereunder; or

(iv) By Consultant immediately if Leon County breaches its obligations hereunder.

(c) Subject to the provisions of Section 6(d) and without prejudice to any other remedies available to Leon County in respect of any breach by Consultant of this Agreement, if either party terminates this Agreement in accordance with its terms then Leon County's sole obligation shall be to pay Consultant for Services rendered and expenses authorized and actually incurred up to the effective date of termination, and Consultant shall not be entitled to any further compensation from Leon County as a result of such termination.

(d) In the event of termination of this Agreement for any reason, the obligations of Consultant pursuant to Sections 5 and 6(e) and the obligations of Leon County to make payment of compensation and reimbursement of expenses authorized and actually incurred which are due and owing to Consultant shall survive such termination.

(e) Upon termination of this Agreement, Consultant agrees to cooperate fully with Leon County in order to effect an orderly transition of Consultant's responsibilities

under this Agreement to any new consultant or to any employee of Leon County assigned such responsibilities.

7. INSURANCE Consultant shall purchase and maintain such insurance as will protect Consultant and Leon County from the losses or claims which may arise out of or result from liabilities that Consultant or Leon County may incur related to Consultant's performance or obligations to perform under this Agreement, whether such performance be by Consultant or by anyone directly or indirectly employed by Consultant, or by anyone for whose acts Consultant may be liable:

(a) The Consultant shall maintain insurance written in the kinds and minimum limits of liability specified below:

1) Workers' Compensation (WC) - Statutory, including temporary, leased and casual workers.

Employer's Liability (EL) - \$1,000,000

Inclusions: If applicable, Consultant shall purchase and maintain coverage for Longshoremment/Harborworker's, Jones Act, and/or the Federal Employer's Liability Act

2) Commercial General Liability (GL) - \$1,000,000 per occurrence for BI/PD/PI, including death; \$2,000,000 Aggregate

Inclusions: Contractual Liability (to include hold harmless coverage if specified elsewhere in this Agreement); Broad Form Property; Independent Contractors; Premises & Operations, Products & Completed Operations, No exclusion for X.C. & U.

3) Automobile Liability (AL) - \$1,000,000 Combined Single Limit, including coverage for owned, non-owned and hired vehicles.

Inclusions: Either GL or AL Policy must provide liability coverage that extends coverage for mobile equipment.

(b) Leon County, its subsidiaries and affiliates, as well as each of their respective officers, directors, managers, members and employees shall be included as Additional Insured's on Consultant's GL and AL policies for injury or damage arising out of, resulting from, or in connection with Consultant's performance of this Agreement or the terms and conditions of this Agreement. The Additional Insured status noted in this Section shall be specifically endorsed to Consultant's Policies. The insurance provided by Consultant shall be primary, without right of contribution, with respect to any similar insurance maintained by Leon County. Waiver of Subrogation shall be provided pursuant to this written contract for all Insureds and Additional Insureds with respect to each of the coverages noted in subsection (a) of this Section.

(c) Consultant shall furnish Leon County with Certificates of insurance acceptable to Leon County evidencing the required coverages, as well as the terms and conditions specified by this Agreement prior to commencement of the Work. The policies noted in this Section shall contain a provision that coverages afforded under the policies shall not be canceled until thirty days prior written notice has been provided to Leon County. The failure by Consultant to provide Leon County with Certificates of Insurance, or Leon County to insist upon Certificates of Insurance, shall not be deemed a waiver of any rights of Leon County under this Agreement. The inclusions, coverage and limits set forth herein are minimum inclusions, coverage and limits, and shall not be construed as a limitation of Leon County's rights under the noted policies, or other policies being maintained by Consultant. Consultant is responsible for determining what additional coverage, terms or limits are required to perform this Agreement, even though those requirements may be in addition to, or excess of, the minimum requirements set forth herein.

8. MISCELLANEOUS:

(a) Conflict of Interest – Consultant represents and warrants that (i) no third party has exclusive rights to Consultant's services; (ii) Consultant has not entered into any agreement with, or paid or promised to pay, or received any compensation or promise of compensation from, any third party with respect to or relating to the Services; and (iii) this Agreement in no way compromises the rights of any third party or creates a conflict of interest for Consultant or Leon County. Leon County is entering into this Agreement in reliance on Consultant's representation that Consultant has no actual or potential conflict of interest in connection with the Services, including any conflict of interest of the type described in the first sentence of this subsection. Consultant covenants not to provide services to any other person, or to accept any payment or promise of payment from any other person, in connection with or related to the Services without Leon County's informed written consent (oral consent shall not be sufficient), regardless of whether Consultant believes such representation would constitute a conflict of interest. Leon County reserves the right not to waive any conflict of interest.

(b) Compliance with Laws – Consultant shall render the Services in full compliance with all laws, regulations and executive orders of the United States of America and any other jurisdiction in which Consultant performs the Services on behalf of Leon County.

(c) Waiver – No failure on the part of either party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy granted hereby or by any related document or law.

(d) Governing Law – This Agreement shall be deemed to be a contract made under the laws of the State of Florida, without regard to its conflicts of law principles.

(e) Amendments – This Agreement may only be deemed or construed to have been modified, amended, or waived in whole or in part, by written instruments signed by the parties hereto.

(f) Entire Agreement – This Agreement, including **Exhibit A (additional projects may be added as agreed to, with written consent, going forward)** attached hereto and made an integral part hereof, constitutes and expresses the entire agreement and understanding between the parties relative to this Agreement.

(g) Assignment – This Agreement is for the rendering of personal services by Consultant in the capacity of an independent contractor, and Consultant shall not subcontract or assign Consultant's rights and obligations hereunder to any third party without the prior written consent of Leon County.

(h) Notices – All notices required or permitted to be given hereunder shall be in writing and sent by registered air mail, postage prepaid, effective as of the date of dispatch to the addresses set forth below, as such addresses may be changed at any time by like notice. Notice may also be given via facsimile if confirmed as provided above within one week, and notice given in this way shall be deemed given as of the date of such facsimile.

(i) Indemnification – Leon County shall not be held liable for any acts, omissions, or representations by Consultant not expressly and specifically assumed by Leon County or for any legal actions or claims of any nature asserted against Consultant. Furthermore, Consultant shall indemnify and hold harmless Leon County against any and all judgments, damages, costs or losses of any kind as the result of claims brought by any third party against Leon County and which arise from any acts representations or omissions of Consultant, where such acts, representations or omissions constitute a breach of Consultant's obligations, representations or warranties under this Agreement or are caused by Consultant's negligence or willful misconduct.

(j) Attorneys' Fees and Costs. The prevailing party in any dispute regarding the interpretation or enforcement of this Agreement shall be entitled to recover its reasonable attorneys' fees and costs.

(k) Non-Solicitation Provision – Leon County and Consultant shall, for a period from contract execution through 12 months after the agreement is terminated, refrain from approaching each party's employee(s) with the intention of soliciting such employee(s) for direct employment.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

LEON COUNTY, FLORIDA

ATTESTED BY:

Bob Inzer, Clerk of the Court

By: _____
Bob Inzer, Clerk

By: _____

Bob Rackleff, Chairman
Board of County Commissioners

Date: _____

APPROVED AS TO FORM:
County Attorney's Office

By: _____
Herbert W. A. Thiele, Esq.
County Attorney

EXHIBIT A

SERVICES

Consultant shall provide the following services (the "Services") to Leon County for the following project(s) under this Agreement (more may be added as agreed upon in the future), and shall provide the services at the following costs: \$4,000 for development costs and \$3,000 for each year's ongoing management and administrative costs. LandMark will provide eligibility, feasibility, design, implementation, on-going management, monitoring and reporting, verification oversight, and other services as directed by Leon County. Specific tasks for ongoing management will include: carbon monitoring; carbon inventory updates/adjustments; carbon profile report generation and delivery; coordination of annual verification and periodic field verification; CRT marketing; and CAR account support.

Figure 1 – Listed Projects and Service Descriptions

Listed Projects	Scope
Leon County Project 1	<p>Whereas LandMark Systems' corporate office is located in Leon County and LandMark desires to provide a demonstration carbon project whereby Leon County's Parks can effectively take advantage of opportunities in the carbon markets, LandMark Systems will provide project development and ongoing oversight services for Leon County Parks Department for the project area.</p> <p>This project encompasses full life cycle services on 371 acres +/- located in and around Tallahassee. The project is pursuing registration under the Climate Action Reserve (CAR) Forest Project Protocol 3:1 as a Reforestation project type.</p> <p>LandMark will provide eligibility, feasibility, design, implementation, on-going management, monitoring and reporting, verification oversight, and other services as directed by Leon County.</p> <p>Total project development costs are estimated to be \$4,000 (this does not include inventory or verification costs). The project is expected to be listed on the CAR by March 1, 2010. First round of credits are expected to be issued in 2011. Subsequent development and ongoing management costs are approximately \$3,000 per annum.</p> <p>CAR currently provides the highest quality carbon credits available in the United States and, therefore, commands the highest prices. LandMark desires to just cover a portion of its costs on this project.</p>

SERVICES

For informational purposes, LandMark's standard rate sheet is provided for 2010.

Figure 2 - LandMark Systems 2010 Rate Sheet

Position Title	Rate 2010
Consulting Administrator	\$172.08
Project Manager	\$145.67
Forest Management Analyst	\$128.89
Data Services Coordinator	\$112.29
Project Forester	\$100.29
GIS Analyst	\$100.29
Software Developer I	\$84.40
GPS/GIS Forester Lead	\$81.58
GPS/GIS Forester	\$78.28

Consultant shall provide a monthly report of Consultant's activities under this Agreement to the following individual at Leon County:

Contract Administration
Leon County, Florida

Consultant shall break down all time, accomplishment and expense reporting by activity and project number, if applicable. This is for the purposes of documentation of time and accomplishments only.