7 April 2014

Mr. Simon Whitehouse
Acting Manager, Carbon Finance Unit
Climate Policy & Finance Department
The World Bank

Re: Agreement to Compensate the World Bank for Expenses

Dear Mr. Whitehouse:

Pursuant to: (a) discussions with officials of the International Bank for Reconstruction and Development acting as Trustee for the BioCarbon Fund (the “Bank”); and (b) consistent with the Methodology Element Approval Request Form dated June 27, 2011, signed by Amazonas Sustainable Foundation and the Bank, I am pleased to inform you that the Verified Carbon Standard Association agrees to provide $6,126.37 to the Bank as compensation to the BioCarbon Fund for the use of methodology VM0015 (Methodology for Avoided Unplanned Deforestation) approved under the Verified Carbon Standard (VCS) Program in accordance with the rules and requirements set out in the VCS Program Guide, VCS Standard and the other VCS Program documents, as such rules and requirements may be updated from time to time. For clarification purposes, the VCS Program means the Greenhouse Gas (GHG) programs operated by the Verified Carbon Standard Association which establishes rules and requirements that operationalize the VCS to enable the validation of GHG projects and the verification of GHG emission reductions and removals.

The Verified Carbon Standard Association will make payment to the Bank promptly following counter signature of this Agreement and receipt of a request for payment, by wire transfer to the International Bank for Reconstruction and Development (IBRD) bank account as the Bank specifies in writing to the Verified Carbon Standard Association.

The Verified Carbon Standard Association understands and agrees that the Bank will not provide any reporting and the Bank will not have any further responsibility to the Verified Carbon Standard Association with respect to the funds provided under this Agreement.

The Bank will disclose this Agreement in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, the Recipient consents to disclosure of this Agreement.

Please confirm your agreement with the foregoing, on behalf of the Bank, by signing, dating, and returning to us the enclosed copy of this letter.

Sincerely,

Verified Carbon Standard Association

By,

William Ferretti
Chief Operating and Financial Officer
CONFIRMED and AGREED:
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
ACTING AS TRUSTEE FOR THE BIOCARBON FUND

By [Signature]
Simon Whitehouse
Acting Manager, Carbon Finance Unit
Climate Policy & Finance Department
Date: 04/08/2014