AMENDMENT TO PARTICIPATION ARRANGEMENT

Between

International Bank for Reconstruction and Development ("IBRD"),
as trustee ("Trustee") for Tranche Three of the BioCarbon Fund ("BioCF T3")

and

United Kingdom of Great Britain and Northern Ireland,
acting through the Department for Business, Energy and Industrial Strategy ("Participant")

1. The Participant and the Trustee entered into and executed a Participation Arrangement dated December 17, 2013 for a Contribution by the Participant to BioCF T3 in the amount of GBP 50,000,000.00 ("Participation Arrangement"). The Participant provided the Trustee with a promissory note in the same amount.

2. Having received the approval of all participants in BioCF T3, the Participant intends to reduce its Contribution to the BioCF T3 by an amount of GBP 9,700,000 (nine million seven hundred thousand Pound Sterling) in order to recommit such amount as a contribution to the 'BioCFplus Initiative for Sustainable Forest Landscapes - BEIS Single-Donor Trust Fund' (TF072967), subject to a new administration arrangement to be executed between the Participant and the IBRD around the time of this amendment.

3. Therefore, the Participant and the Trustee herewith have jointly decided to amend the Participation Arrangement as follows:

   a) The Participant’s Contribution to the BioCF T3 will be reduced by an amount of GBP 9,700,000 (nine million seven hundred thousand Pound Sterling) from GBP 50,000,000.00 to GBP 40,300,000.00.

4. The Participant acknowledges the Trustee’s letter dated December 13, 2017 regarding the treatment of the Participant’s existing promissory note referred to in paragraph 1 above during the process of recommitting funds from BioCFT3 to the BioCFplus Initiative for Sustainable Forest Landscapes - BEIS Single-Donor Trust Fund.

5. The Participant confirms that all confirmations and acknowledgments made in the Participation Arrangement are still true and accurate as of the date hereof.

6. Unless otherwise defined in this letter of amendment, all capitalized terms used in this letter of amendment will have the same meaning as given to those terms in the Participation Arrangement.

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1 The initial Participation Arrangement was signed by the Department of Energy and Climate Change (DECC) on behalf of the United Kingdom of Great Britain and Northern Ireland. In July 2016, DECC and certain functions of the Department for Business, Innovation and Skills (BIS) were merged to form the Department for Business, Energy and Industrial Strategy (BEIS).

Unless expressly amended by this letter of amendment, all provisions under the Participation Arrangement will remain unchanged and in full force and effect. This letter of amendment will become effective and become an integral part of the Participation Arrangement upon being duly counter-signed and returned to the Trustee by the Participant.

PARTICIPANT:

By: United Kingdom of Great Britain and Northern Ireland, acting through the Department for Business, Energy and Industrial Strategy

Name: Kate Hughes
Title: Head of International Climate Finance
Department for Business, Energy and Industrial Strategy

Date: 14 December 2017

TRUSTEE:

By: International Bank for Reconstruction and Development, as Trustee of Tranche Three of the BioCarbon Fund

Name: Simon-Whitchome
Title: Acting Practice Manager
Climate Fund Management Unit
Sustainable Development VP, Climate Change

Date: 20 December 2017