Kolviður-sjóður (Iceland Carbon Fund) ID-number 560606-1170, Þórunnartúni 6, 105 Reykjavík, (hereinafter referred to as Kolviður) and XXXX, [ID-number, address, postal code and location] (hereinafter referred to as XXXX) (collectively referred to as ‘parties’ or individually as ‘party’) have made and entered into this:

**Contract on Carbon Offsetting**

1. **Purpose**

The purpose of this contract is for Kolviður to offset the carbon dioxide (CO2) emitted from the operations of XXXX. The carbon offsetting will take place in vegetation and soil through land reclamation and forestry supervised by Kolviður.

1. **External audit**

Kolviður operates under the supervision of the Icelandic National Audit Office (Ríkisendurskoðun) and external auditors that review and verify that the necessary planting and care takes place and that capital is secured to supervise the necessary care until the plants have delivered the carbon offsetting required under this contract.

Íslensk skógarúttekt (Iceland Forest Inventory) scientifically gathers information on the carbon sequestration of the forest, in accordance with the UNFCCC's Rules of Procedure. It is estimated that it takes 60 years to carbon offset 300 tonnes of CO2 per hectare. In order to ensure the conservation of this purpose a notarised obligation thereto will be registered on the deed of the land used for planting.

1. **Carbon offset operations**

Carbon emissions – driving; tonnes CO2

Carbon emissions – flights; tonnes CO2

Carbon emissions – disposal/waste; tonnes CO2

Carbon emissions – other; tonnes CO2

The cost of carbon offsetting in 2019 is 2.000 ISK per ton CO2. The cost of carbon offseting in 2020 is 2.200 ISK per ton CO2. To offset the above-mentioned yearly carbon emissions x.xxx trees must be planted. To confirm the offset Kolviður issues a certificate.

1. **Accounting of the emitted amount of carbon dioxide – CO2 – per year**

XXXX keeps carbon accounting of the operations covered by the carbon offset, that includes amongst other things the use of fossil fuels for transportation, domestic and international flights for staff and other factors contributing to carbon emissions, as appropriate. The calculations of carbon emissions are based on methodologies accepted by Kolviður. The company is responsible for the data on its carbon emission.

1. **Carbon plan**

For Kolviður to plan and plant in accordance with the carbon offset specified in the contract XXXX shall provide an estimate of annual emissions, no later than by the end of February each year. If XXXX does not submit an estimate by the end of February Kolviður will use the past years emission figures as basis for planned planting and will charge XXXX accordingly.

1. **Payment**

The payment for each year’s carbon offset is split in half and collected in March and September the same year. For retro-active offsetting for previous years an invoice is made after a contract regarding that has been signed.

When XXXX has provided an estimate of annual emissions as specified in article 5 of the contract Kolviður will send an invoice before the 5th day of the months of March and September. The March invoice shall also include a settlement for the overall emissions of the previous year.

Invoices shall be payed within 30 days of their date. The invoices shall be marked with a citation to this contract.

1. **Use of the Kolviður brand**

Kolviður assigns XXXX the right to use the Kolviður logo on those cars and vehicles that are demonstrably carbon offset. Should those cars and vehicles be sold on the logo shall be removed.

This right also applies to marketing materials, XXXX website, it’s social media and any other external communication. The usage of the logo shall be in accordance with rules regarding its use. Any usage of the Kolviður logo shall always be pre-approved by a Kolviður representative, either by e-mail or written approval. In no event may XXXX indicate that its carbon offset service is more extensive than it is in reality.

Kolviður will list all companies offsetting their emissions on its website and note which factors are carbon offset.

Kolviður will link to the XXXX website with https://www.xxxx.xx

1. **Term**

This contract comes into force and is legally binding upon Kolviður and XXXX from the date of its signing. XXXX offsets the previously mentioned factors in article 3 as from xx.xx 20xx.

1. **Breach of contract**

The carbon offset set forth in this contract can take up to 60 years. The contract only covers the carbon emissions of XXXX during the contract period. The use of the Kolviður logo is only permitted during the terms of this contract while XXXX pays all invoices described in article 6 of this contract.

If XXXX or Kolviður should terminate this contract, XXXX is prohibited from any further usage of the Kolviður brand. Should XXXX still use the logo or brand it will be considered a fraudulent action on XXXX behalf.

1. **Assignment**

Both parties agree and acknowledge that no rights under this contract can be assigned to a third party unless with the written consent of the other party to this contract.

1. **Termination**

This contract is terminable by either party with a three-month written notice to the other party.

1. **Notices**

All notices sent pursuant to this contract shall be sent to the contract parties at the addresses stated at the head of the contract.

 The following parties shall be the contacts for the contract parties:

* The contact for XXXX is: name, [e-mail, phone number]
* The contact for Kolviður is: Ragnhildur Freysteinsdóttir, rf@skog.is, phone 897-1010
1. **Disputes, governing law and jurisdiction**

This contract is governed by Icelandic laws. With regard to any breach of the rights and obligations set forth in this contract Icelandic contract law shall therefore apply.

Should a dispute arise out of the execution of performance of this contract, both parties vow to attempt to settle any such dispute peacefully in good faith. Should the parties to this contract fail to do so both parties can bring the dispute to the district court of Reykjavík. Furthermore, both parties assign exclusive jurisdiction to the district court of Reykjavík in such an event.

1. **Contract copies and signature**

This contract is made in two copies and each party shall keep one undersigned copy.

To commit to and confirm the substance of the contract authorised representatives of the parties sign the contract on their behalf.

Reykjavík x. xx 201x

On behalf of Kolviður On behalf of XXXX

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Witnesses to the correct date and signatures of this contract:

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