



EASTERN TRUST™

Cabot Place, Suite 330
100 New Gower St.
St. Johns, NL A1C 6K3

Reception: 888.411.4199
Facsimile: 866.863.6708
Web: EasternTrust.ca
inquiries@easterntrust.ca

VOLUNTARY CARBON UNIT TRUSTEE AND REGISTRAR

MEMORANDUM

You need to uphold your personal obligation to being ‘green’, *and* honour your national commitment to environmental standards, *and* benefit from it commercially? Eastern Trust is the only ‘Voluntary Carbon Unit’ trustee and registrar in Canada. As Canadians, we believe that we are the world’s preferred jurisdiction for exchanging carbon credits. Companies around the world can use our environmental trustee service when exchanging ‘voluntary carbon units’.

Background

The 1997 Kyoto Protocol enacted a set of greenhouse gas emission reduction targets whereby governments have the option of either reducing domestic emissions or offsetting them by implementing “carbon” reduction projects in developing countries. Canada was the second country to sign onto the Kyoto Protocol. While the Kyoto Protocol is moving toward enacted regulation for each of the signatory countries, a voluntary market has developed to meet current needs. Companies, non-governmental organizations and individuals can reduce their carbon emissions footprint voluntarily by implementing additional projects that decrease the amount of greenhouse gases entering the atmosphere and generating an offset or valuable credit.

Qualifying Credit

To qualify as an offset, the reductions achieved by a project need to be real, permanent and additional to what would have happened in the absence of the project. These reductions are then verified and certified by a third party to create a Unit or Credit. These VCUs are usually measured as one metric ton of carbon dioxide-equivalent (CO₂-e) and have a monetary value, and therefore can be bought, sold or retired--- that is, once verified and certified by a third party verification agent. We do not do this for you, but can recommend approved verification agents, what we do is a financial service with expertise in this arena.

Role of Trustee

Our role as trustee and registrar is to make it easier for you to obtain the maximum value of your good works through certain independence, validation, and smooth the exchange process. Buyers purchasing VCUs as part of an overall carbon management strategy to reduce emissions and become carbon neutral, or sellers of VCUs, need a transparent register recording to prove that no carbon credit is double counted (*i.e.* sold more than once) and otherwise protect the integrity of the data/asset.

The Present

There are VCU traders and intermediaries, even retailers, we believe that our services help create more efficient markets and otherwise benefit the goals of the Kyoto Protocol by serving this critical function in Canada. Even more so it is important to us to make Atlantic Canada the home of VCU registrar! We may offer this service around the world from China to Russia to India and right here at home, but we need regional support for this mission. The accoutrements and ancillary implementation to Kyoto is essential to its imperative--- our regional and global environment is sacrosanct to us as Atlantic Canadians. Our ultimate goal is to develop singular, transparent, harmonious global standards and serve as the exchange, however, no matter how far off that may be, we deploy standards of excellence for emulation, deserved of mutual recognition of other global trustees entering this emerging field. At this time, we can serve as your trustee for the information in a reliable, efficient, prudent, customized manner to suit your environmental objectives, and represent you well with any counter-parties, all the while bringing your confidence that we are your trustee, for your interests.

Customization

Eastern Trust is the only securities services trust company wholly-owned and managed by Atlantic Canadians and wants to do its part in helping improve the environment through fulfilling this significant role in the process. Everything, we do at Eastern Trust is customized for each client and carefully designed to achieve its objective. We presume you value liquidity in your asset and that principle drives our process, however, we will invest in this relationship and learn how to best serve your needs. Our services are designed around you including as to language—Canada continues increasingly to be recognized as the world's pre-eminent jurisdiction for these matters in part by being language inclusive, objective and well-reasoned. These details matter in making it seem simple, and we will focus our resources at ensuring what you do makes sense for you in every context, no matter how complex and global. Additionally, we are aligned with various socially responsible actions and otherwise help you serve your 'triple bottom line'.

Should you like to discuss these matters further, please contact us. Please feel free to contact, Jonathan Meretsky, President, Securities Services at anytime at the coordinates given above.