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Simon Hodgson,

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This Agreement ("the Agreement") is entered into between:

- (i) **The Scottish Ministers acting through Forestry and Land Scotland**, an executive agency established pursuant to the Forestry and Land Management (Scotland) Act 2018 and having a place of business at 1 Highlander Way, Inverness Business Park, Inverness IV2 7GB ("FLS")
and
- (ii) **Shell U.K. Limited** ("SHELL" or "Shell"), a company incorporated in England & Wales under number 00140141 whose registered office is at Shell Centre, London SE1 7NA, United Kingdom.

(FLS and SHELL are referred to collectively as "Parties" and individually as a "Party")

BACKGROUND

- A. FLS is the Scottish Government agency responsible for managing Scotland's national forests and land and in such role manages and implements restoration and re-forestation initiatives.
- B. SHELL wants to play its part in the energy transition and contribute to the global effort to tackle climate change and meet the goal of the Paris Agreement. SHELL intends to reduce its Net Carbon Footprint in step with society as it moves towards the goal of the Paris Agreement. That means fewer greenhouse gases emitted on average with each unit of energy SHELL sells – by around 20% by 2035 and by around 50% by 2050. Therefore, SHELL is investing in low-carbon technologies and businesses that will be necessary to enable the energy transition. This includes nature-based solutions such as restoration and reforestation initiatives, with the aim of delivering benefits to the climate, communities and to develop carbon credits which SHELL may retire or sell to its customers.
- C. Both FLS and SHELL wish to work together in a spirit of partnership and co-operation based on open communications and mutual respect on the PROJECT and this Agreement aims to:
 - Confirm the terms of the parties' cooperation in relation to the PROJECT through this Agreement
 - Outline the specific commitments and responsibilities of each party to the PROJECT

In consideration of the undertakings contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS AND INTEPRETATIONS

The following words and expressions shall have the following meanings when interpreting the Agreement, save where the context otherwise requires.

AFFILIATE	in reference to a PERSON, any other PERSON that: (a) directly or indirectly controls or is controlled by the first PERSON; or (b) is directly or indirectly controlled by a PERSON that also directly or indirectly controls the first PERSON. A PERSON controls another PERSON if that first PERSON has the power to direct or cause the direction of the management of the other PERSON, whether directly or indirectly, through one or more intermediaries or otherwise, and whether by ownership of shares or other equity interests, the holding of voting rights or contractual rights, by being the general partner of a limited partnership, or otherwise. An AFFILIATE of SHELL is also an AFFILIATE of Royal Dutch Shell, plc.
ANTI-CORRUPTION LAWS	shall mean (a) the United States Foreign Corrupt Practices Act of 1977; (b) the United Kingdom Bribery Act 2010; and (c) all applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit tax evasion,

	money laundering or otherwise dealing in the proceeds of crime or the bribery of, or the providing of unlawful gratuities, facilitation payments, or other benefits to, any Government Official or any other PERSON.
APPLICABLE LAWS	where applicable to a PERSON, property, or circumstance, and as amended from time to time: (a) statutes (including regulations enacted under those statutes); (b) national, regional, provincial, state, municipal, or local laws; (c) judgments and orders of courts of competent jurisdiction; (d) rules, regulations, and orders issued by government agencies, authorities, and other regulatory bodies; and (e) regulatory approvals, permits, licences, approvals, and authorisations.
CARBON UNIT	CARBON UNIT means a unit equal to one metric tonne of Carbon Dioxide Equivalent (CO₂e) reduced, avoided, removed or sequestered by the PROJECT by enhancement and conservation of carbon stocks as measured, reported and verified in accordance with the Woodland Carbon Code (WCC), Peatland Carbon Code (PCC) or other applicable Carbon Standard's methodologies and rules.
FORCE MAJEURE	An event of "Force Majeure" designates, for a Party, any unforeseeable event, outside of its control and which prevents or makes it significantly difficult to comply with any essential provision of the Agreement, including, without limitation, external strikes, fire, civil disobedience, war, rioting, acts of resistance, earthquakes, or similar events. This term excludes issues that are exclusively linked to the activity of the Parties, sickness affecting its workforce, workforce strikes, downtime or shortage of supplies.
SHELL GROUP	SHELL and: (a) its co-venturers and joint ventures; (b) any AFFILIATE of SHELL, its joint ventures, or its co-venturers.
CONFIDENTIAL INFORMATION	all technical, commercial, or other information or materials, and all documents and other tangible items that record information, whether on paper, in machine readable format, by sound or video, or otherwise, relating to a PERSON's business, including WORK PRODUCT and SCOPE provided to that PERSON, business plans, property, way of doing business, business results or prospects, the terms and negotiations of the Agreement, proprietary software, IP RIGHTS, and business records.
CONSEQUENTIAL LOSS	(a) indirect or consequential losses; and (b) loss of production, loss of product, loss of use, and loss of revenue, profit, or anticipated profit, whether direct, indirect, or consequential, and whether or not the losses were foreseeable at the time of entering into the Agreement.
FLS GROUP	FLS and any AFFILIATE of FLS.
GOVERNMENT OFFICIAL	shall mean any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of an entity wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; candidate for political office, officer or employee of a public international organization, such as the United Nations or the World Bank, or immediate family member (meaning a spouse, dependent child, sibling, parent, or household member) of any of the foregoing.
HSSE	health, safety, security, and environment.
INDEMNIFY	release, save, indemnify, defend, and hold harmless.
IP RIGHTS	all patents, copyright, database rights, design rights, rights in CONFIDENTIAL INFORMATION, including know-how and trade secrets, inventions, moral rights, trademarks and service marks (all whether registered or not and including all applications for any of them and all equivalent rights in all parts of the world), whenever and however arising for their full term, and including any divisions, re-issues, re-examinations, continuations, continuations-in-part, and renewals.
LIABILITIES	liabilities for all claims, losses, damages, costs (including legal fees), and expenses.
PERSON	(a) a natural person; or (b) a legal person, including any individual, partnership, limited partnership, firm, trust, body corporate, government, governmental body, agency, or instrumentality, or unincorporated venture.
PERSONAL DATA	any information relating to an identified or identifiable individual, unless otherwise

	defined under APPLICABLE LAWS related to the protection of individuals, the processing of such information, and security requirements for and the free movement of such information.
PROJECT	means the execution of the SCOPE for the cooperation between SHELL and FLS, under the Agreement.
RELATED PARTIES	shall mean, in relation to a Party, (a) any of its AFFILIATES; (b) any person employed by that Party or its AFFILIATES; (c) any director or other officer of that Party or its AFFILIATES; and (d) any person or entity acting for or on behalf of that Party or its AFFILIATES.
SCOPE	all activities and obligations to be performed by or on behalf of FLS under the Agreement as set out in Appendix 1 or as amended by agreement by the Parties from time to time
TAXES	all taxes, duties, levies, import, export, customs, stamp or excise duties (including clearing and brokerage charges), charges, surcharges, withholdings, deductions, or contributions that are imposed or assessed by any competent authority of the country where the SCOPE is provided or any other country in accordance with APPLICABLE LAWS.
WORK PRODUCT	any and all information, reports, data, drawings, computer programs, source and object codes, program documentation, spread sheets, presentations, analyses, results, conclusions, findings, solutions, calculations, studies, concepts, codes, manuals, inventions, business models, designs, prototypes, magnetic data, flow charts, recommendations, working notes, specifications or other information, documents, or material, which arises or is made, created, or generated under the Agreement, in connection with SCOPE, or is made, created, or generated from or using SHELL GROUP's or FLS GROUP'S (as applicable) CONFIDENTIAL INFORMATION or SHELL GROUP's or FLS GROUP'S (as applicable) IP RIGHTS.
WORKSITE	lands, waters, and other places on, under, in, or through which SCOPE or activities in connection with SCOPE are to be performed, including offices, workshops, camps, or storage and messing facilities. WORKSITE does not include any lands, waters, or other places used during transportation to and from WORKSITES.

2 TERM OF AGREEMENT COVERED

- 2.1 The Agreement shall cover an initial five-year period and be effective from its last date of execution ("Effective Date") up to and including 31st December 2024 (the "Term") and shall terminate upon the end of such period without any notice being required, unless terminated earlier in accordance with Clause 10.
- 2.2 An annual review will be held for the PROJECT as per Appendix 1 or as amended by agreement by the Parties from time to time enabling both parties to review the partnership and agree any required changes and extend or adapt as appropriate. FLS shall provide SHELL with the periodic updates as set out in this Agreement and its appendices.

3 PURPOSE AND SCOPE OF THE PROJECT

The objectives of the PROJECT are as described in detail in Appendix 1 of the Agreement as amended by agreement by the Parties from time to time

- 3.1 SHELL shall make payments to FLS as per Appendix 2 or as amended by agreement by the Parties from time to time on the condition that they are used only to deliver the agreed SCOPE of the PROJECT as identified in Appendix 1 and further described in this Agreement. While the payments to be made in respect of the a particular PROJECT may reflect the initial planting, peatland restoration and other costs of the PROJECT, the price shall include the purchase by SHELL of all carbon units verified by the appropriate Carbon Standard capable of being sold and "retired" in accordance with the rules of the relevant registry during the term of the PROJECT.

- 3.2 FLS and SHELL shall have interim reviews, as set out in the applicable Appendix 1 or as amended by agreement by the Parties from time to time, to review progress on the establishment and effectiveness of the PROJECT delivery.

4 ROLES AND RESPONSIBILITIES

- 4.1 The Parties agree that the execution of the SCOPE for the Permitted Purposes of the PROJECT shall be in accordance with the terms of this Agreement.

4.2 FLS will be responsible for:

- 4.2.1 executing the SCOPE;
- 4.2.2 implementing and registering the PROJECT in accordance with the Woodland Carbon Code, Peatland Carbon Code or other appropriate Carbon Standard to enable the PROJECT to qualify for the production of verified CARBON UNITS capable of retirement;
- 4.2.3 complying with all obligations, and taking all actions necessary to implement such obligations, of a project developer, in terms of the rules of the applicable Carbon Standard for the PROJECT; and
- 4.2.4 once issued, transfer the title to the verified CARBON UNITS issued from the PROJECT to SHELL or its nominee in accordance with the rules of the appropriate CARBON Standard

4.3 SHELL will be responsible for:

- 4.3.1 making payment of the agreed price in accordance with Appendix 2 or as amended by agreement by the Parties from time to time
- 4.3.2 providing such information and assistance as is reasonably requested by FLS to enable the PROJECT to continue to qualify for the creation of CARBON UNITS;
- 4.3.3 registering with, complying with all obligations, and taking all actions necessary to implement such obligations, of a buyer of CARBON UNITS, in terms of the rules of the applicable Carbon Registry for the PROJECT; and
- 4.3.4 SHELL or its AFFILIATE nominee will accept title to verified CARBON UNITS issued from the PROJECT, in accordance with the relevant Carbon Standard.

4.4 Both parties acknowledge and agree that:

- 4.4.1 unless otherwise agreed, each of the parties is responsible for their own costs, and any travel costs or other expenses associated with the PROJECT;
- 4.4.2 subject to clause 4.4.4 below, no guarantee is given that the PROJECT will create or sustain any particular number of CARBON UNITS for purchase either at the time of its initial registration or on an ongoing basis;
- 4.4.3 during the Term of the PROJECT, SHELL shall have the exclusive right to purchase (at no additional cost beyond that set out in Appendix 2) all CARBON UNITS verified by the relevant Carbon Registry as available to be purchased and FLS shall not sell such units to any third party without SHELL'S prior written consent; and
- 4.4.4 FLS may manage and adapt the PROJECT at its entire discretion subject to FLS' obligations and SHELL's rights and remedies in terms of the relevant Carbon Standard provided that it is acknowledged and agreed that, notwithstanding any rules of the applicable Carbon Standard, SHELL shall not be entitled to any compensation by way of other CARBON UNITS or otherwise if the PROJECT as so managed or adapted by FLS remains capable of generating

no less than the number of CARBON UNITS set out in the relevant Project Design Document submitted to register the PROJECT under the relevant Carbon Standard.

5 PAYMENT AND TAXES

- 5.1 SHELL shall pay the amounts set out in the relevant Appendix 2 in respect of the PROJECT on the terms set out in Appendix 1 or as amended by agreement by the Parties from time to time
- 5.2 SHELL will pay FLS any undisputed amount within 60 days after receipt of a correct and adequately supported invoice. An invoice is considered unsupported when SHELL cannot reasonably verify the legitimacy or accuracy of the invoice using the information provided by FLS or if supporting documentation is missing.
- 5.3 All amounts invoiced by FLS will include all TAXES in connection with the supply of SCOPE. Value added tax, if applicable, or an equivalent sales tax that is due in connection with the supply of SCOPE, will be clearly identified separately on the invoice.
- 5.4 SHELL may withhold and pay over to the relevant authorities TAXES from any payment that would otherwise be made by SHELL to FLS to the extent that the withholding may be required by APPLICABLE LAWS. FLS and SHELL will cooperate in providing necessary forms, and further comply with other tax requirements of local APPLICABLE LAW.
- 5.5 Invoices with reference to the issued purchase order number are to be sent in PDF as per the purchase order invoicing instructions to the following email address:

6 LIABILITIES AND INDEMNITIES

- 6.2 Liability for loss of and damage to property and for personal injury, death, or disease to any PERSON, arising in connection with the Agreement, will not be subject to any limitation of liability and will be determined in accordance with APPLICABLE LAW.
- 6.3 Neither party will be liable to the other for that other party's own CONSEQUENTIAL LOSS, or any punitive or exemplary damages that might be awarded in that party's favour, regardless of negligence or other fault.
- 6.4 Neither party excludes or limits its LIABILITIES to the extent they may not be excluded under APPLICABLE LAW.
- 6.5 Neither Party shall be held liable for any loss or damage resulting from an event of FORCE MAJEURE. A party whose performance is delayed or prevented will notify the other party without delay, and use all reasonable endeavours to mitigate the effects of any FORCE MAJEURE

7 HSSE & INSURANCE

- 7.1 FLS will execute the SCOPE for the PROJECT in accordance with relevant best management practises, with relevant APPLICABLE LAWS, and FLS's HSSE policies, and aim for zero injuries among employees, contractors and the public. SHELL must be informed within 2 days in case of serious health and safety deviations and incidents (i.e. severe injuries and/or fatalities) as would be reportable under the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 associated with this PROJECT and must receive more details within 5 working days.
- 7.2 FLS shall extend to SHELL, at SHELL's sole risk and expense, the right to examine and inspect the locations of the PROJECT at all reasonable times in the presence of [(and subject to the direction of)] a representative of FLS. SHELL shall provide FLS reasonable notice of its request to examine and inspect FLS facilities and records. When attending any of FLS' sites SHELL shall ensure that its representatives comply with all of FLS' codes and policies applicable to those attending any site.

8 COMPLIANCE WITH LAW AND BUSINESS PRINCIPLES

- 8.1 FLS agrees to take notice of the Shell General Business Principles, available at www.shell.r, and the Shell Supplier Principles available at www.shell.r. FLS agrees that to the extent they do not conflict with FLS, statutory or other regulatory roles and responsibilities, it will adhere to the principles contained in the Shell General Business Principles and Shell Supplier Principles (or where FLS has adopted equivalent principles, to those equivalent principles) in all its dealings with or on behalf of Shell, in connection with this Agreement and related matters.
- 8.2 Each party represents, warrants, and covenants to the other that in connection with this Agreement and the business resulting therefrom: (i) it is aware of and will comply with ANTI-CORRUPTION LAWS; (ii) whether directly or indirectly, it has not made, offered, authorized, or accepted and will not make, offer, authorize, or accept any payment, gift, promise, or other advantage to or for the use or benefit of any Government Official or any other person where that payment, gift, promise, or other advantage would comprise a facilitation payment or otherwise violate the ANTI-CORRUPTION LAWS; (iii) it has maintained and will maintain adequate written policies and procedures to comply with ANTI-CORRUPTION LAWS-(iv) it has maintained and will maintain adequate internal controls, including but not limited to using reasonable efforts to ensure that all transactions are accurately recorded and reported in its books and records to reflect truly the activities to which they pertain, such as the purpose of each transaction, with whom it was entered into, for whom it was undertaken, or what was exchanged; (v) it will retain such books and records for an appropriate period in accordance with APPLICABLE LAWS; (vi) its Related Parties will comply with, and it shall use all reasonable endeavours to cause its Related Parties to comply with, clauses (i)-(v) in this paragraph; (vii) in the event either party becomes aware that it or its Related Party has breached an obligation in this paragraph, it will immediately notify the other party, subject to the preservation of legal privilege Parties will cooperate in good faith with any investigation conducted by the other party having reasonable belief of a breach of applicable ANTI-BRIBERY LAWS in connection with this Agreement related business. In such case the affected party agrees, subject to the preservation of legal privilege, to disclose any relevant information and documents in its possession in connection with this Agreement to the other party. Without limitation to any other available remedies, in the event either party or any of its Related Parties fails to fulfil any obligation in this paragraph, the other party, acting in good faith, shall have a right to terminate this Agreement immediately on written notice. Nothing in this Agreement shall require either party to perform any part of this Agreement or take any actions if, by doing so, it would not comply with the ANTI-CORRUPTION LAWS. Each party shall indemnify, defend, and hold harmless the other party and its Related Parties from and against any and all losses, damages, claims, expenses, fines and penalties arising out of the first party's representations in this paragraph being untrue or arising out of the first party's breach of any of its warranties or undertakings in this paragraph. The obligations in this paragraph shall survive the termination or expiry of this Agreement.
- 8.3 The Parties may provide each other with PERSONAL DATA in the course of the performance of this Agreement, the processing and transfer of which will be done in accordance with APPLICABLE LAWS. For the purpose of this Agreement, applicable data protection law means all laws, rules, regulations, governmental requirements, codes as well as international, federal, state, provincial laws applicable to Parties when acting as a controller or processor of PERSONAL DATA in particular the UK Data Protection Act 2018. Each party is a data controller in respect of the PERSONAL DATA.

9 CONFIDENTIALITY & ANNOUNCEMENTS

- 9.1 Subject to the other provisions of this Clause 8, neither party will disclose or permit a disclosure to a third party of the other party's CONFIDENTIAL INFORMATION without the prior written consent of the other party and will use CONFIDENTIAL INFORMATION only in connection with performance of the Agreement.
- 9.2 On either party's request, the other will return promptly any CONFIDENTIAL INFORMATION of the requesting party and delete it from electronic storage and delete or destroy all extracts or analyses that reflect any CONFIDENTIAL INFORMATION_of the requesting party.

- 9.3 Except where the obligation is elsewhere expressly stated in the Agreement or through a separate agreement, neither party will have an obligation of non-disclosure or non-use regarding information provided by the other or any other member of the other's GROUP.
- 9.4 With the exception only of any approved announcements including the content of such approved announcements outlined in Appendix 3 or as amended by agreement by the Parties from time to time, the Parties agree that any external communications and disclosure of business relationships or, notwithstanding Appendix 3, which comment on or refer to the conduct of the other party in connection with the Agreement on both sides, shall be first expressly validated and approved in writing by the other Party. The Parties will seek each other's approval to use each Party's names, trademarks, logos, and brands before proceeding with any external official communication.
- 9.5 Each Party undertakes that it will not make any announcement or issue any circular in connection with the existence or the subject matter of this Agreement unless the other Party has given its consent to such announcement or circular (which consent may not be unreasonably withheld or delayed and may be given under conditions).
- 9.6 In this Agreement, the terms Information, Environmental Information and Request for Information shall have the meanings set out in the Freedom of Information (Scotland) Act 2000 (**FIA 2000**) or the Environmental Information (Scotland) Regulations 2004 (**EIR 2004**) as applicable.
- 9.7 SHELL acknowledges that FLS is subject to the requirements of the FIA 2000 and the EIR 2004.
- 9.8 SHELL shall not respond directly to a Request for Information unless expressly authorised to do so by FLS in writing.
- 9.9 While FLS may, if practicable and appropriate, consult with SHELL in relation to whether any information relating to SHELL or this Agreement should be disclosed as part of a response to a Request for Information, FLS shall ultimately be responsible for determining in its absolute discretion whether any Information, or Environmental Information will be disclosed and whether any exemptions apply.

10 IP RIGHTS

- 10.1 Each Party will own and retain all rights to its pre-existing IP RIGHTS and any IP RIGHTS developed independent of this Agreement. SHELL and its Affiliates shall be entitled to use and exploit any IP RIGHTS that may arise from this Agreement on a royalty free basis.

11 ASSIGNATION

- 11.1 FLS shall be entitled to assign its rights and obligations under this Agreement, in whole or in respect of the PROJECT only, to any statutory successor to FLS or, in the case of a particular PROJECT, to a successor in title as owner of the land upon which the PROJECT is situated and undertakes not to sell or otherwise transfer ownership of such land during the relevant term of the PROJECT unless the purchaser or transferee also accepts an assignation of FLS' rights and obligations under this Agreement to the extent they relate to the PROJECT on such land.
- 11.2 SHELL may assign its rights and obligations under this Agreement to any of its AFFILIATES and may nominate any of its AFFILIATES as the buyer of any carbon unit verified in respect of a relevant PROJECT, but may not otherwise assign its rights or obligations under this Agreement without FLS' prior written consent.

12 TERMINATION

- 12.1 Each Party shall be entitled to terminate the Agreement with immediate effect:
- (a) in the event that the other Party commits a material breach of its obligations under this Agreement and, in the case of such material breach being capable of remedy, the other Party fails to remedy the same within fifteen (15) working days after receipt of a written notice requiring it to be remedied;

- (b) In the event that the other Party is declared bankrupt, has filed a bankruptcy petition or ceases for any other reason to carry on business;
- (c) In the event of a material breach of Articles 6, 7 and 8.

12.2 This Agreement may also be terminated by either Party, by giving a thirty (30) calendar days' written notice to the other Party (the "Defaulting Party") in the event that the Defaulting Party has breached any legal, regulatory, ethical or independence provision or requirement in connection with the PROJECT.

12.3 SHELL has the right to terminate the Agreement or part of SCOPE with thirty (30) days' prior written notice to FLS if:

- (a) the PROJECT activities have not been carried out effectively by the timeline specified in the Appendix 1 or as amended by agreement by the Parties from time to time.

12.4 If this Agreement is terminated, the provisions of Clauses 8 and 9 shall survive the termination or expiry of this Agreement.

13 INTERNAL CONTROLS AND RECORDS KEEPING

13.1 FLS will keep appropriate books, records and documents available in relation to the PROJECT and agrees to share the same with SHELL at SHELL's reasonable request.

14 NOTICES/OTHER MATTERS

14.1 All notices and other communications under this Agreement shall be in writing and sent by electronic email to the other Party or delivered to the address set out below or as may be advised by either Party from time to time:

FLS:

Simon Hodgson
Chief Executive
Forestry and Land Scotland,
Email: simon.hodgson@forestryandland.gov.scot

SHELL:

Business Development Advisor, Nature-based Solutions
Shell International Limited,
Email:

14.2 This Agreement, including its Appendices, sets out the entire Agreement and understanding between the Parties with respect to the subject matter of this Agreement and supersedes and terminates all prior understandings, discussions and agreements with respect to the PROJECT.

14.3 In case any clauses in the Appendices conflict with the Agreement, the clauses in the Agreement will prevail.

14.4 Amendments to this Agreement must be made in writing in order to be effective and be signed by all Parties to this Agreement.

15 DISPUTE RESOLUTION AND GOVERNING LAW

15.1 This Agreement and any Dispute arising out of or in connection with it or its subject matter or formation, including without limitation non-contractual disputes or claims, will be exclusively governed by and construed in accordance with the laws of Scotland excluding conflict of law rules and choice of law principles that would deem otherwise. Except insofar as otherwise specifically stated in the Agreement, both FLS and SHELL retain all rights and remedies, both under the Agreement and at law, which either may have against the other.

15.2 The Parties irrevocably agree that the courts of Scotland shall be the exclusive forum to settle and resolve any Dispute between the parties. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Scotland, agrees to bring any Dispute only in such forum, and further agrees that a final determination of any Dispute is conclusive and enforceable.

IN WITNESS WHEREOF this Agreement comprising this and the preceding pages together with the Appendices annexed hereto have been executed by the duly authorised representatives of the Parties as follows:

Signed for and on behalf of
The Scottish Ministers
at
on the day of 2019

Signed for and on behalf of
Shell U.K. Limited (SHELL)
at
on the day of 2019

DocuSigned by:

19C6EAD3FD10478

DocuSigned by:

2F412DF43101498

Simon Hodgson, Chief Executive
Forestry and Land Scotland

General Manager, Shell Nature
Based Solutions)

in the presence of:

in the presence of:

_____ Witness
John Mair _____ Full name
Silvan House, Edinburgh _____ Address

_____ Witness
_____ Full name
Shell UK Ltd, Shell Centre, London SE1 7NA _____ Address

APPENDIX 1

SCOPE of the Project:

FLS will undertake the following activities:

- a) Implement the following to the extent necessary to satisfy the relevant Carbon Standard that such projects have the ability to provide a minimum of 250,000 CARBON UNITS capable of transfer to SHELL:
 - i) Establishing approximately 100 hectares per year of new native woodland at Glen Garry in Lochaber in years one and two;
 - ii) Establishing approximately 220ha per year of native woodland established by natural regeneration, or 440ha of peatland restoration, or a combination of the two in years three, four and five on existing FLS land or the newly acquired site at Comer in Ben Lomond. The decision will be mutually agreed in advance at the annual review meeting in October 2020 and total area will be subject to the cost per ha not exceeding the below:
 - iii) Native woodland established by natural regeneration at a cost of _____ r ha and peatland restoration of _____ ha
- b) Register the establishment of the new native woodland and peatland restoration as above with the Woodland Carbon Code and, if required, the Peatland Code;
- c) Manage the on-going verification and issuance activities under the Woodland Carbon Code and Peatland Code for the life of the project; and
- d) Comply with all obligations and take all actions necessary to implement such obligations, of a project developer, in terms of the rules of the Woodland Carbon Code and Peatland Code.

Reporting and review:

FLS will report on progress in October each year (starting October 2020) for five years, providing details on the scope above and the following:

- The name and location of the woodland that was created (or the peatland site that was restored) that year, including maps showing the net area on which carbon units have been claimed;
- A general description of the works that were carried out in order to achieve the outcomes, in a form that can be used by Shell to describe the work in publicity materials;
- Documentary confirmation of the number of carbon units that have been registered and validated for each project with either the Woodland Carbon Code or the Peatland Code, as appropriate;
- An invoice for the annual payment (see Appendix 2).

On receipt of the annual report, Shell may request (and FLS will provide) an opportunity to review progress on the establishment and effectiveness of the project delivery.

In addition, the parties will work together to reach a decision by October 2020 to agree on woodland or peatland for years 4 and 5.

After the initial 5-year woodland establishment/peatland restoration initiation period, FLS will report on a periodic basis following the regular monitoring and verification requirements of the relevant Carbon Standard.

APPENDIX 2

PAYMENT SCHEDULE

1. PAYMENT

The payment of the GBP **£5,000,000** is to be provided as per agreed payment schedule below:

Date	Detail	Partnership year	Amount
By 31 March 2020	Full year payment	Year one	
By 31 March 2021	Full year payment	Year two	
By 31 March 2022	Full year payment	Year three	
By 31 March 2023	Full year payment	Year four	
By 31 March 2024	Full year payment	Year four	
TOTAL			£5,000,000

Upon receipt of a correctly presented invoice to SHELL, Payment shall be made to the Project bank account (which is the FLS bank account) the particulars of which shall be communicated by FLS to SHELL.

APPENDIX 3

The following content or variations thereof that do not in any way change the meaning or intent of the message are approved for use by both PARTIES. Key messages are to be reviewed and agreed by both parties on an on-going basis.

- The messages that relate to the partnership and projects in the agreed press release, key messages and the pre-approved Sinead Lynch LinkedIn article dated 10th October 2019
- Images shared by FLS with Shell are agreed to be used with above the line advertising, with copyright agreed before use of such images
- Images taken by Shell with permission of FLS and shared with both Parties

Certificate Of Completion

Envelope Id:	Status: Completed
Subject: Please DocuSign: Contract FLS and Shell_Final.docx	
Source Envelope:	
Document Pages: 12	Signatures: 2
Certificate Pages: 3	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	21F 130 Solaris One Bldg, Dela Rosa Street
Time Zone: (UTC) Dublin, Edinburgh, Lisbon, London	Makati City, Metro Manila 1229
	ell.com

Record Tracking

Status: Original 10/4/2019 8:23:09 AM	Holder:	Location: DocuSign
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Signer Events

Simon Hodgson
John.Mair@forestryandland.gov.scot
Security Level: Email, Account Authentication (None), Authentication

Signature Provider Details:
Signature Type: DS Electronic

Signature



Signature Adoption: Uploaded Signature Image
Using IP Address: 164.134.3.132

Timestamp

Sent: 10/4/2019 9:13:27 AM
Resent: 10/4/2019 11:57:29 AM
Viewed: 10/4/2019 12:02:01 PM
Signed: 10/4/2019 12:22:30 PM

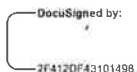
Authentication Details

SMS Auth:
Transaction: 25B659B9F1CC1204919168C7B94AA103
Result: passed
Vendor ID: TeleSign
Type: SMSAuth
Performed: 10/4/2019 12:01:47 PM
Phone: +44 7919 217048

Electronic Record and Signature Disclosure:
Accepted: 10/4/2019 12:02:01 PM
ID: 33af1772-3015-4a2a-b6a8-b0fdea386289

Security Level: Email, Account Authentication (None), Authentication

Signature Provider Details:
Signature Type: DS Electronic



Signature Adoption: Pre-selected Style
Using IP Address: 165.225.80.131

Sent: 10/4/2019 12:22:33 PM
Viewed: 10/4/2019 12:26:22 PM
Signed: 10/4/2019 12:30:57 PM

Authentication Details

SMS Auth:
Transaction: 25B65A108FA40304919106B5244AA955
Result: passed
Vendor ID: TeleSign
Type: SMSAuth
Performed: 10/4/2019 12:25:24 PM
Phone: +31 6 27058692

Electronic Record and Signature Disclosure:
Accepted: 10/4/2019 12:26:22 PM
ID: e9e4c24c-7b6e-4419-98a3-c4dc0990b56b

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events	Status	Timestamp
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Certified Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
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Sent: 10/4/2019 12:31:01 PM

Security Level: Email, Account Authentication (None), Authentication

Signature Provider Details:

Signature Type: DS Electronic

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Simon Hodgson

Simon.Hodgson@forestryandland.gov.scot

Security Level: Email, Account Authentication (None), Authentication

Signature Provider Details:

Signature Type: DS Electronic

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

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Sent: 10/4/2019 12:31:01 PM

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	10/4/2019 12:31:01 PM
Certified Delivered	Security Checked	10/4/2019 12:31:01 PM
Signing Complete	Security Checked	10/4/2019 12:31:01 PM
Completed	Security Checked	10/4/2019 12:31:01 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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Electronic Record and Signature Disclosure created on: 7/18/2018 4:48:19 AM

Parties agreed to: Simon Hodgson, Alex Nevill

For information about your personal data please refer to the relevant privacy notice at <http://www.shell.com/privacy/b2b-notice.html>

