

## ANNEX M – THE GOLD STANDARD TERMS & CONDITIONS

### 1. EFFECTIVE DATE

**THIS REVISION OF THE TERMS AND CONDITIONS IS EFFECTIVE AS OF JUNE 1, 2012 (“EFFECTIVE DATE”).**

### 2. PURPOSE OF THE GOLD STANDARD

The Gold Standard Foundation (“GSF” or “The Gold Standard”) is the blueprint for best practice in climate finance, demonstrating that market mechanisms can deliver real and permanent greenhouse gas emissions (“GHG”) reductions and, at the same time, transform the lives of project host communities through tangible sustainable development and ecological benefits. GSF achieves these outcomes through its award-winning certification process for climate change mitigation projects and programmes of activities (“Projects”).

### 3. APPLICABILITY OF THESE TERMS AND CONDITIONS

**3.1 Purpose.** The purpose of these Terms and Conditions is to provide a master agreement between GSF and those who wish to use or be involved with The Gold Standard certification standard for Projects or otherwise participate in The Gold Standard marketplace for high quality carbon credits (“User”). Uses may include, but are not limited to:

- A. Participation in The Gold Standard procedure for leading Projects from the application stage to registration and for the labeling, issuance and certification of emissions reduction credits generated from registered Projects (“GS Credits”);
- B. Any use of The Gold Standard Brand; and
- C. Any use of The Gold Standard Registry.

**3.2 Acceptance.** Acceptance of these Terms and Conditions is a necessary precondition for entering into The Gold Standard project cycle, use of The Gold Standard Registry and any other authorized use of The Gold Standard Brand.

- A. These Terms and Conditions shall be signed by all; Project Participants, Project Owners, Project Applicants, Designated Operational Entities or other third party auditors, Brand Users and Registry Users.
- B. Once accepted, these Terms and Conditions represent a binding agreement between GSF and the User.
- C. Any use of The Gold Standard Brand without acceptance of these Terms and Conditions will be prosecuted as a violation of GSF’s intellectual property rights.

**3.3 Notice of Acceptance.** To accept these Terms and Conditions, send a signed copy to the GSF via mail (The Gold Standard Foundation, 79 Avenue Louis-Casai, 1216 Geneva-Cointrin, Switzerland), Fax (+41 22 788 70 82) or scanned as an email to [info@cdmgoldstandard.org](mailto:info@cdmgoldstandard.org). A signed copy of these Terms and Conditions may also be uploaded to The Gold Standard Registry.

#### 4. ADDITIONAL DOCUMENTS

The following documents are incorporated by reference into these Terms and Conditions:

- The Gold Standard Requirements, in the version applicable on the Date of First Submission of the Project to the Gold Standard;
- The Gold Standard Toolkit, in the version applicable on the Date of First Submission of the Project to The Gold Standard (together, with The Gold Standard Requirements, the “Technical Rules”);
- The Gold Standard Annexes;
- The Gold Standard Brand and Sponsors Manual; and
- The Terms of Use of The Gold Standard Registry.

#### 5. ROLE OF THE GOLD STANDARD

**5.1 Oversight.** GSF is a third-party certification standard that provides comprehensive oversight and regulation of Projects.

**5.2 Limitations.** User expressly acknowledges, agrees and understands that:

- A. GSF is not a party to any agreements between or among Project Participants and/or Buyers;
- B. GSF will not have any liability or obligations under or related to any agreements related to a Project, regardless of its status in The Gold Standard project cycle, or GS Credits;
- C. GSF will not have any liability for any acts or omissions by Users;
- D. GSF has no control over Users;
- E. GSF makes no representations as to the reliability, capability, or qualifications of any Project Participant or Buyer; and
- F. GSF disclaims any and all liability relating to the reliability, capability, or qualifications of any Project Participant or Buyer.

#### 6. CERTIFICATION PROCESS

##### 6.1 Project Specific Acceptance

Acceptance of these Terms and Conditions for Project Participants and Project Applicants is Project specific and must be repeated for each and every Project, even if several Projects are submitted for registration. These Terms and Conditions are separate and distinct from the Terms of Use for The Gold Standard Registry.

## 6.2 Pre-Registration

The pre-registration phase consists of two phases: Project Applicant and Listed. The following steps must be completed during the pre-registration phase:

- A. Written acceptance and submission of these Terms and Conditions by all Project Participants, including the Project Owner and Project Representative;
- B. Listing of the Project in the Gold Standard Registry, including that the account is in good standing, and all related invoices have been paid in full; and
- C. The project complies with the procedures and conditions set forth in the Technical Rules for the pre-registration phase (both for the conventional and the retroactive registration project cycles).

### 6.2.1 Project Applicant Status

A Project Applicant is a project that is in the design phase at all times prior to the submission of the Local Stakeholder Consultation Report to The Gold Standard through the Gold Standard Registry. Project Applicants should accept these Terms and Conditions prior to the:

- A. Submission of the Local Stakeholder Consultation Report if pursuing the regular project cycle, or
- B. The submission of the required documentation for the pre-feasibility assessment if pursuing retroactive registration.

Should the Project Applicant change or should a new Project Participant be added at anytime before registration is completed, then the new party shall send a signed copy of these Terms and Conditions at the time the Cover Letter is submitted for project registration.

### 6.2.2 Use of The Gold Standard Brand for Project Applicants

Project Participants are not authorized to use the Gold Standard Trademark until they have reached the status of Listed.

### 6.2.3 Listed Status

A Project Applicant will change to the “Listed” status following the approval by The Gold Standard of the Project’s Local Stakeholder Consultation Report. The Local Stakeholder Consultation Report must be uploaded to The Gold Standard Registry and should not be emailed directly to The Gold Standard. A Project only becomes public once it has obtained “Listed” status.

### 6.2.4 Authorized Use of The Gold Standard Brand for Listed Projects

Project Participants are authorized to use The Gold Standard Trademark in the form shown here in order to communicate that a specific, clearly identified Project has reached “Listed” status:



The guidelines contained in the Brand Rules and the Brand Manual govern the use of this logo. Upon request of The Gold Standard, User agrees to submit a copy of all materials that feature The Gold Standard Trademark. Any unauthorized use of The Gold Standard Brand is prohibited.

### 6.2.5 Default

In addition to the sanctions identified in Paragraph 16, any Project that does not meet the conditions for Project Applicant or Listed status at any time, or does not pass the validation or registration process, is not or will cease to be authorized to claim the relevant status and must be removed from the Gold Standard Registry within 10 days of such notification of rejection.

## 6.3 Registration

Registration occurs after the Project Participant(s) and Project Owner(s) receive written approval from GSF of a Project for the purpose of subsequent verification and certification of the Project's claimed emission reductions.

### 6.3.1 Registration Requirements

A Project is "registered" when the Project meets the following requirements:

- A. The Project has been successful validated, as defined in the Technical Rules, including the receipt of a validation statement provided by an United Nations-accredited third party auditor and the successful passage of a six or eight week review period. Any request for review or revision to the Project will suspend the registration review period until GSF issues a statement that the issue has been satisfactorily addressed or clarified.
- B. The Gold Standard Registry account under which the Project is listed is in good standing, and all Project-related invoices have been paid in full.
- C. The Project commits to the monitoring and verification requirements as defined in the Technical Rules.

## 6.4 Issuance and Labeling

- A. "Issuance" is the process by which Gold Standard Voluntary Emissions Reductions ("GS VERs") are created in The Gold Standard Registry by GSF.
- B. "Labeling" is the process of certifying Certified Emissions Reductions from the Clean Development Mechanism or Emission Reduction Units from Joint Implementation for their sustainable development impacts ("GS CERs or GS ERUs").

#### 6.4.1 Issuance Requirements

The issuance of GS VERs or the labeling of GS CERs /ERUs Credits is subject to the following requirements:

- A. Compliance with the registration requirements as defined above in Paragraph 6.3.
- B. The Project completes all of the monitoring and verification requirements, as defined in the Technical Rules.
- C. Payment of all fees under the Fixed Cash Per Credit Fee Structure or the Share of Proceeds Fee Structure.
- D. In the case of CERs or ERUs, confirmation of credit issuance by the CDM Executive Board or the relevant JI host country, as the case may be, including the communication of unique serial numbers allowing to track the credits.
- E. The Gold Standard Registry account under which the Project is listed is in good standing, and all Project-related invoices have been paid in full.

#### 6.4.2 Default

In addition to the sanctions identified in Paragraph 16, any Project that fails to meet these conditions at any time will be subject to sanctions, including, but not limited to, freezing future issuances or freezing one or more accounts on the Registry associated with the Project, at the discretion of GSF. GS VERs already issued to the Project, or GS CERs/GS ERUs labeled, prior to loss of the Project's registration status may continue to claim GSF certification. These credits will continue to appear as Gold Standard-certified in The Gold Standard Registry.

#### 6.4.3 Authorized Use of The Gold Standard Brand for Registered Projects

Project Participants are authorized to use the Gold Standard Trademark in the form shown here, together with the Project registration number, in order to communicate that a specific Project has reached "Registration" status:



The guidelines contained in the Brand Rules and the Brand Manual govern the use of this logo. Upon request of GSF, User agrees to submit a copy of all materials that feature The Gold Standard Trademark. Any unauthorized use of The Gold Standard Brand is prohibited.

#### 6.4.4 Authorized Use of The Gold Standard Brand for Multiple Registered Projects

In the event User has multiple Projects or credits from more than one Project about which User wishes to communicate, User may use The Gold Standard Trademark in the form shown below. The Project



registration numbers must appear on the same page as the logo and in a font size no smaller than 8 points.



The guidelines contained in the Brand Rules and the Brand Manual govern the use of this logo. Upon request of GSF, User agree to submit a copy of all materials that feature The Gold Standard Trademark. Any unauthorized use of The Gold Standard Brand is prohibited.

## **7. THE GOLD STANDARD VALIDATION FUND FOR MICRO-SCALE PROJECTS**

GSF offers eligible Micro-Scale Projects the opportunity to participate in The Gold Standard Validation Fund in order to streamline validation costs. GSF has the sole power and authority to manage The Gold Standard Validation Fund in its full discretion. At all times, any assistance from The Gold Standard Validation Fund is subject to the availability of funds. GSF does not at anytime make any guarantees of any kind in connection with The Gold Standard Validation Fund.

## **8. THE GOLD STANDARD VERIFICATION FUND FOR MICRO-SCALE PROJECTS**

GSF offers eligible Micro-Scale Projects the opportunity to participate in The Gold Standard Verification Fund in order to streamline verification costs. GSF has the sole power and authority to manage The Gold Standard Verification Fund in its full discretion. At all times, any assistance from The Gold Standard Verification Fund is subject to the availability of funds. GSF does not at anytime make any guarantees of any kind in connection with The Gold Standard Verification Fund.

## **9. THE GOLD STANDARD APPEALS MECHANISM**

### **9.1 Mediation**

In the event of any dispute, controversy, or claim by a Project Applicant, a Project Owner or a Project Participant against GSF regarding final decisions related to Registration, Issuance or Labeling, the parties involved in the dispute shall, within 6 weeks of the date of the decision or action being disputed, first enter into a mediation for a period of 40 days. In respect of such mediation:

- A. Both parties shall agree within 10 days on the person that will serve as the mediator to be elected from the list of mediators available at GSF;
- B. If within 10 days the parties have not agreed on the appointment of the mediator, the mediator shall be appointed within 15 days by the chair of The Gold Standard Appeals Appointing Committee;

- C. Within 10 days of his/her appointment, the mediator shall organise a session to hear both parties to the dispute, or more sessions if he/she considers it necessary, such session(s) may be attended in person, by conference call or videoconference;
- D. No later than within 20 days of the first session, the parties shall attempt to find a solution to the dispute with the support of the mediator;
- E. If after 40 days of the beginning of the dispute the parties have not reached an agreed solution, any of the parties may within 6 weeks after the expiration of the 40 day period, initiate arbitration proceedings in accordance with Paragraph 9.2 below.

## **9.2 Arbitration**

In the event any of the disputes specifically listed in Paragraph 9.1 above is not resolved through mediation in accordance with Paragraph 9.1, such dispute, controversy of claim shall be settled by final and binding arbitration in accordance with The Gold Standard Rules for Appeals (“Appeal Rules”), as in effect on the date of this agreement. The International Bureau of the Permanent Court of Arbitration located at the Peace Palace in The Hague shall serve as registry for the proceedings.

### **9.2.1 Language**

The language to be used in the arbitral proceedings shall be English.

### **9.2.2 Venue**

The place of arbitration shall be The Hague, the Netherlands.

### **9.2.3 Arbitration Fees**

The claimant shall upon commencement of the arbitration proceedings deposit an amount in accordance with the Appeals Fee Schedule as an advance to cover arbitration related costs, as further described in the Rules.

## **10. THE GOLD STANDARD REGISTRY**

### **10.1 Mandatory Use of Registry**

All Projects must be recorded on The Gold Standard Registry.

### **10.2 Registry Accounts**

In order to use The Gold Standard Registry for entering, obtaining or managing information about Projects, GS VERs or GS CERs, User must open an account on The Gold Standard Registry and sign and submit to GSF these Terms and Conditions and the Terms of Use of The Gold Standard Registry.

## **11. THE GOLD STANDARD TRADEMARK POLICY**

### **11.1 Use of The Gold Standard Trademark**

Any use of The Gold Standard Trademark described in these Terms and Conditions is a limited, non-exclusive, revocable license to use and display the appropriate logo. The use and display of such marks and logos must be conducted in accordance with the instructions and policies represented in the Brand Rules. This license does not constitute a transfer of ownership rights in such marks, and may be revoked at GSF's discretion.

### **11.2 Unauthorized Use of The Gold Standard Trademark**

Unauthorized use of The Gold Standard Trademark may result in legal action. To the extent User engages in unauthorized use or reference to the marks and associated logos identified in these Terms and Conditions, GSF, in its sole discretion, may terminate such User's rights to continue using any or all intellectual property owned by GSF.

## **12. PROTECTION OF GSF'S REPUTATION**

User acknowledges that GSF has established prestige and good will and is well recognized in the industry and the public, and that in conducting any activities in connection with or related to GSF, User shall ensure that it maintains the high standards and reputation of GSF. User further covenants that it shall not commit any act or omission of a substantial nature that causes or threatens to cause significant and adverse impact to the reputation of GSF and shall duly supervise its officers, directors, employees, agents, representatives and assigns accordingly. User acknowledges that GSF may from time to time amend the Technical Rules or the Brand Rules. User shall comply with such rules and regulations at all times. User shall cooperate reasonably and in good faith with GSF for the purpose of securing and preserving GSF's rights in and to The Gold Standard Brand.

## **13. USER REPRESENTATIONS AND WARRANTIES**

User represents and warrants that it will provide true, accurate and adequately verified data to GSF, including its officers, directors, employees, agents and assigns. User also represents and warrants that all information and intellectual property submitted by its officers, directors, agents and assigns to the GSF does not violate the rights of third parties.

## **14. INDEMNIFICATION**

User will defend, indemnify and hold GSF harmless from all damages and third-party claims, causes of action, or damage arising from any breach of these Terms and Conditions.

## **15. OWNERSHIP AND LEGAL TITLE**

Users applying for Registration confirm that the entity it has exclusive ownership and legal title to the specific Project in question or that the User is authorized to act as a "Project Participant."



Where applicable, User further acknowledges that GS VERs are created upon their issuance in The Gold Standard Registry. User represents that upon issuance and upon giving any transfer instructions to The Gold Standard Registry, it has the best and most comprehensive legal title (to the fullest extent available under applicable law) to the relevant GS VERs.

Where applicable in the case of the Share of Proceeds Fee Structure, User represents that it has the best and most comprehensive legal title (to the extent available under applicable law) to any GS Credits transferred to GSF. User also warrants that the GS Credits transferred to GSF under the Share of Proceeds Fee Structure are free of any and all legal burdens in that they have not been assigned, transferred, sublicensed, pledged, mortgaged or otherwise encumbered to the detriment of GSF.

## **16. REMEDIES**

### **16.1 Violations of These Terms and Conditions**

In the event User violates these Terms and Conditions, GSF reserves the right to impose one or more of the following sanctions:

- A. A contractual fine as permitted by law for each non-authorized use of The Gold Standard Brand;
- B. A contractual fine of up to CHF 100,000 for each count of providing false information related to Projects or GS Credits;
- C. Partial or complete withdrawal of the User's right to use The Gold Standard Brand;
- D. Complete withdrawal of right to enter the Gold Standard Registry;
- E. Removal of information from the Gold Standard Registry and/or from the GSF's website and/or freezing accounts in the Gold Standard Registry;
- F. In severe cases, if reasonable proof of violation is available: Publication of name and circumstances of violation.

As an exception to the above-mentioned sanction of withdrawing the right to use the Gold Standard Brand, certified GS Credits may not be cancelled. However, in the event that certification has been obtained on the basis of intentionally false information or otherwise misleading conduct, GSF has the right to, upon reasonable suspicion, freeze the account in The Gold Standard Registry of the responsible User and demand repayment from the User of such erroneously certified GS Credits with an equivalent volume of GS Credits from another Project.

### **16.2 Reservation of Right to Seek Further Relief**

Complying with these sanctions does not release User from further compliance with these Terms and Conditions. GSF reserves its right to assert additional claims for damages and assert any other rights or initiate other actions in order to seek further relief under the applicable law.

## **17. NO WARRANTY**

GSF does not provide any representation or warranty beyond that certified emissions reductions meets GSF's existing rules, validation and verification procedures. Certification is granted on the basis of information and assessments provided by third parties, as described in the Technical Rules. For avoidance of doubt, GSF does not carry out any validation and/or verification activities other than those defined in the existing rules and regulations. Information and assessments provided by third parties are not verified to an extent exceeding the existing Technical Rules.

GSF does not provide any representation or warranty for information on Project Applications, registered Projects, GS Credits or GS Credit transactions beyond diligent selection of subcontractors and diligent validation and verification according to the existing Technical Rules. Specifically, GSF does not provide any representation or warranty for information and assessments received in good faith from third parties.

To the extent allowed by the applicable law, GSF disclaims all warranties whether express or implied.

## **18. NO ASSIGNMENT**

User may not assign these Terms and Conditions without GSF's prior written consent, which will not be unreasonably withheld.

## **19. LIMITATION OF LIABILITY**

**In no event will GSF be liable for any incidental damages, consequential damages, special damages, punitive, statutory, indirect damages, loss of profits, loss of revenues, or loss of use, even if informed of the possibility of such damages. Our liability in any case for damages arising out of or related to certification services cannot exceed the amount User has paid to us, or the contract price for the specific services, whichever is less. To the extent permitted by applicable law, these limitations and exclusions will apply regardless of whether liability arises from breach of contract, warranty, tort (including negligence), by operation of law, or otherwise.**

## **20. DISPUTE RESOLUTION**

In case a dispute arises from a breach of these Terms and Conditions the parties first attempt to resolve the conflict through good faith negotiations. In case no amicable solution can be found within 10 days after the first notification of the conflict is received, either party may choose to commence legal proceedings. The courts at the registered seat of GSF in Switzerland are exclusively competent for such proceedings.

## **21. CHOICE OF LAW**

The laws of Switzerland apply to this Agreement without regard for any choice-of-law rules that might direct the application of the laws of any other jurisdiction.

## **22. SEVERABILITY**

If any part of these Terms and Conditions is for any reason held to be unenforceable, the rest of it remains fully enforceable.

## **23. CHANGES TO THESE TERMS AND CONDITIONS**

Any changes to these Terms and Conditions must be made in writing. Acceptance of these Terms and Conditions means that the accepting party also accepts within reasonable bounds any later changes made by GSF to these Terms and Conditions. At any one time, the applicable Terms and Conditions are published on The Gold Standard website ([www.cdmgoldstandard.org](http://www.cdmgoldstandard.org).)

## **24. CONFLICT WITH ADDITIONAL TERMS**

Some Users may enter into additional agreements with GSF. In the event of a conflict, the terms of other agreements will govern, followed by these Terms and Conditions.

## **25. DEFINITIONS**

### **25.1 Buyer**

A person or entity that purchases GS Credits.

### **25.2 Certification**

The written assurance by the designated operational entity, and the acceptance and approval by GSF, that, during a specified time period, a Project achieved the reductions in anthropogenic emissions by sources of GHG as verified. Carbon credits labeled or issued from a Registered Project are called “Gold Standard-certified.”

### **25.3 Date of First Submission**

For Projects proceeding under the regular project cycle, the date the Local Stakeholder Consultation Report is uploaded to The Gold Standard Registry. For Projects proceeding under the retroactive project cycle, the date that the Pre-Feasibility Assessment is uploaded to The Gold Standard Registry and applicable fee paid.

### **25.4 Fixed Cash-Per-Credit Fee Structure**

The fixed cash registration and issuance fees to be paid for each Project based on the number of credits issued/labeled. Projects currently listed or registered in the Registry using the Fixed Cash-Per-Credit Fee Structure have the option to upgrade to the “Share of Proceeds Fee Structure” at any time by written request to GSF. Any such upgrade is final and irreversible.

### **25.5 Gold Standard Brand**

The “Gold Standard Brand” includes all of the intellectual property of GSF, including The Gold Standard Trademark and The Gold Standard Name.

## **25.6 Gold Standard Name**

The “Gold Standard Name” is any symbol containing the words “GOLD STANDARD” used to designate a person or a legal entity.

## **25.7 Gold Standard Trademark**

The “Gold Standard Trademark” is any logo, label or word mark, registered or not, containing the word element “GOLD STANDARD” and being used to certify or otherwise label emissions reduction projects, emissions reduction credits or emissions reduction program, as well as any associated goods or services such as trade, financing, consulting, monitoring, technical supervision, quality control, sponsoring, or related activity.

## **25.8 Micro-Scale Projects**

Projects that reduce 10,000 tons of GHG emissions or less per year.

## **25.9 Project Owner**

The legal owner or an authorized representative of the legal owner of a Project that is applying for Registration by GSF or has already been Registered by GSF.

## **25.10 Project Participant**

A person or entity that is involved with the development of a Project.

## **25.11 Share of Proceeds Fee Structure**

For a Project applying under the regular project cycle that has not submitted the complete Local Stakeholder Consultation Report (see Gold Standard Toolkit, Section 2.6 & 2.9) by August 1, 2009, or for a Project applying under the retroactive project cycle that has not submitted the complete documentation required for a pre-feasibility assessment (see Gold Standard Toolkit, Table 2.9) and has not paid the pre-feasibility assessment fee by August 1, 2009, the mandatory transfer and delivery of 2% of all Voluntary Emission Reduction credits issued or 1.5% of all Certified Emissions Reductions credits labeled, or the equivalent substitution of any other Gold Standard VER or CER, respectively, to the Gold Standard Foundation in lieu of the fixed cash registration and issuance fees.

For the purposes of the "Share of Proceeds Fee Structure" (i) all Gold Standard-labeled CERs or ERUs due and owing to GSF shall be delivered to GSF's account in the national registry of Switzerland ("GS CERs SOP Account"), and (ii) all Gold Standard-issued VERs due and owing to GSF shall be delivered to GSF's account in The Gold Standard Registry ("GS VERs SOP Account").

IN WITNESS WHEREOF, the User hereby accepts these Terms and Conditions as of the date written below.

**Signed:** \_\_\_\_\_

**Name:**

**Title:**

**On behalf of:**

**Place & Date:**

*Please fill in the following information where applicable:*

**Project ID Number:**

**Registry Account Number:**

**Project Name:**

**Registry Account Manager Name:**

**Project Country:**

**Registry Account Manager Phone:**

**Project Representative:**

**Registry Account Manager Email:**

**Project Representative Phone:**

**Project Representative Email:**