

Final Verification Report

Carbon Credit Solutions Inc. *Tillage Project #4*
under the Alberta Specified Gas *Emitters Regulation*.

May 25, 2010



Prepared for:

Carbon Credit Solutions Inc.
Airdrie, Alberta

Prepared By:

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1. Verification Summary

Carbon Credit Solutions Inc.: Carbon Credit Solutions Inc. Tillage Project #4

Lead Verifier:	Aaron Schroeder, P.Eng. (Alberta)
Lead Reviewer:	Duncan Rotherham
Associate Verifiers:	Craig Sabine
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Verification Timeframe:	May, 2010
Objective of the verification:	Limited level of assurance on GHG Assertion for Emission Reduction Credits
Assurance being provided to:	Alberta Environment
Standard being verified to:	ISO 14064-3 (ISO, 2006)
Verification criteria employed:	<i>Specified Gas Emitters Regulation</i> (Alta. Reg.139, 2007); <i>Offset Credit Verification Guidance Document v.1</i> (AENV, Sept. 2007); <i>Quantification Protocol for Tillage System Management v1.3</i> (AENV, Feb. 2009).
Verification scope – Gases:	Carbon Dioxide, Methane, Nitrous Oxide
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Project:	Carbon Credit Solutions Inc. – Carbon Credit Solutions Inc. Tillage Project #4
Location(s):	Airdrie, Alberta
Emission Reduction Temporal period:	January 1, 2002 – December 31, 2009 (2002 – 2009 Vintage Years)
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Main Contact (Verifier):	Aaron Schroeder, P.Eng. Calgary Manager, ICF International 1600, 144 – Fourth Avenue SW Calgary, AB T2P 3N4 403.303.3330 aschroeder@icfi.com
Main Contact (Responsible Party):	Laurence Ray Carbon Credit Solutions Inc. Suite 5 – 118 Main Street NE Airdrie, AB T4B 0R3 403.912.9132 Laurence@carboncreditsolutions.ca

2. Verification Scope and Description

2.1. Background

Carbon Credit Solutions Inc., ('CCS') has been working with agricultural producers who have implemented no-till and reduced till systems on the lands they manage. Carbon Credit Solutions Inc. engaged ICF Consulting Canada Inc. ("ICF") to provide a third-party verification of their emission reduction assertion.

The quantification of the emission reductions associated with reduced till and no-till agricultural operations is defined by AENV's *Quantification Protocol for Tillage System Management, Version 1.3* (AENV Feb. 2009) ("Protocol"). Producers in Alberta worked with CCS to pool the emission reduction achieved on their individual lands into an aggregated project, as allowed by the protocol for administrative purposes. The emission reduction assertion made by CCS on behalf of all producers in the project contains producer land in both the Parkland and Dry Prairie eco-zones of the province and includes both producers who employ reduced tillage and/or no-till operations. Additionally, there is diversity in the aggregated lands as some producers own all of the land they manage, while other producers own only a portion or none of the land they manage. In the latter case, CCS has established a contractual relationship with the owner of the land.

This document details the results of this verification.

2.2. Scope

Boundaries

During the initial verification planning, the organizational boundaries and the sources, sinks and reservoirs ("SSRs") defined in the OPP were reviewed for conformity with the approved Protocol. The procedures utilized to review the emission reductions reported in the GHG Assertion were designed to support a *limited level* of assurance. These procedures systematically review:

- the contracts between CCS, producers and landlords;
- the land included in the quantification;
- the agricultural tillage practices attested to by the producers;
- the methodology for aggregating producers together;
- the systems utilized for recording and safeguarding the data associated with the aggregation;
- the application of the Offset Project Plan;
- the Project Report and the GHG Assertion.

Verification Criteria

The verification criteria employed in the development of the review procedures documented in the verification plan include:

- *Climate Change and Emissions Management Act, S.A. 2003, c. C-16.7;*
- *Alberta Specified Gas Emitters Regulation (Alta. Reg.139, 2007);*
- *Offset Credit Project Guidance Document v.1.2 (AENV, Feb. 2008);*
- *Offset Credit Verification Guidance Document v.1 (AENV, Sept. 2007);*
- *Quantification Protocol for Tillage System Management v1.3 (AENV, Feb. 2009);*
- *Offset Project Plan: Carbon Credit Solutions Inc. Tillage Project #4 (CCS, May, 2010).*

The verification was conducted in accordance with ISO 14064-3:2006.

Gases

The emission reduction accounts for three greenhouse gases: Carbon Dioxide, Methane and Nitrous Oxide.

Reporting Period

The GHG Assertion includes emission reductions from various producers during the January 1, 2002 through December 31, 2009 timeframe.

2.3. Materiality

During the course of the verification procedures, individual errors, omissions or misrepresentations or the aggregate of these discrepancies will be evaluated qualitatively and quantitatively.

Materiality defines the level at which discrepancies in the GHG Assertion or any underlying supporting information precludes the issuance of a limited level of assurance.

The Lead Verifier, Lead Reviewer and Associate Verifiers (“**Verification Team**”) is responsible for determining if *qualitative* discrepancies could adversely affect the GHG Assertion and subsequently influence the decisions of the Intended User, in which case the discrepancy(ies) are deemed to be material.

Quantitative discrepancies will be calculated individually and in aggregate to determine the percentage of the GHG Assertion that is affected.

All discrepancies that are outstanding at the conclusion of the verification are documented in the verification report and classified on an individual basis as either material or immaterial.

Materiality Threshold

The calculation of the emission reduction in this GHG Assertion for this project is simply the product of the land area being asserted and the emission factor in the baseline scenario. This calculation is repeated for each of the following types of land and the resulting sum forms the GHG Assertion.

- Parkland (or irrigated Dry Prairie) No-Till
- Parkland (or irrigated Dry Prairie) Reduced Till
- Dry Prairie No-Till

The materiality threshold is the lesser of 5% or 5,000 tonnes CO₂e of the GHG Assertion resulting from the sum of any error detected in the various emission sources that does not result in a conservative result (see *Conservativeness Principle* in the following section).

2.4. Principles

ISO 14064-3:2006 defines six principles that should be upheld in the development of the GHG Assertion. These principles “are intended to ensure a fair representation and a credible and balanced account of GHG emission reductions and removal enhancements from projects” (ISO 14064-3:2006). The verification procedures developed and executed during the course of this verification present evidence such that each of these principles is satisfied.

a. Relevance

Appropriate data sources are used to quantify, monitor or estimate GHG sources, and SSRs. Appropriate minimum thresholds are used to justify the exclusion or the aggregation of minor GHG sources or the number of data points monitored.

b. Completeness

All SSRs identified in the protocol are established in the Offset Project Plan and all emissions in the project are included within an identified SSR.

c. Consistency

Uniform calculations are employed between the baseline and project condition and through the entire crediting period. Emission calculations for each SSR are calculated uniformly. If more accurate procedures and methodologies become available, documentation should be provided to justify the changes and show that all other principles are upheld.

d. Accuracy

Measurements and estimates are presented, without bias as far as is practical. Where sufficient accuracy is not possible or practical, measurements and estimates should be used while maintaining the principle of conservativeness.

e. Transparency

Information is presented in an open, clear, factual, neutral and coherent matter that facilitates independent review. All assumptions are stated clearly and explicitly and all calculation methodologies and background material are clearly referenced.

f. Conservativeness

Appropriate parameters affecting the project’s SSRs are utilized in the calculation of the GHG Assertion. When parameters or data sources are highly uncertain, the choice of parameter or data source to be utilized results in an underestimation in the GHG Assertion (i.e. baseline emissions are under-estimated, project emissions are overestimated).

2.5. Disclaimer

Due to the complex nature of the emission reduction project and the inherent limitations of the verification procedures employed, it is possible that fraud, error, or non-compliance with laws, regulations, and relevant criteria may occur and not be detected.

3. Verification Approach

Significant planning was completed prior to the execution of the verification procedures used to review the GHG Assertion and supporting information. The planning tasks were divided into two main stages known as preplanning, and verification planning. A kickoff meeting was conducted via conference call to gather information during the planning stage. Planning was concluded with the development of a final draft Verification and Sampling Plan. Significant time was expended in the planning stages to ensure an efficient and effective verification and to facilitate communication between the verification team and the Project Proponent.

Upon completion of the development of the draft Verification and Sampling Plan, the plan was reviewed with the Project Proponent. The verification procedures established in the plan were executed, facilitating verification evidence collection. At the conclusion of the verification procedures, a verification conclusion was reached.

3.1. Preplanning the Engagement

ICF submitted a proposal in response to a request from CCS. Prior to submitting this proposal, the following preplanning steps were taken:

- The results of any previous business engagements or verifications with the Project Proponent were reviewed to determine if any previous unresolved conflicts may preclude ICF from engaging in the verification;
- The client's motivation for completing the verification was established as a requirement under the Alberta Specified Gas Emitters Regulation;
- A threat analysis to independence was conducted. No perceived or real conflicts were found when considering threats due to:
 - advocacy
 - intimidation
 - self-review
 - self-interest
 - familiarity
- An engagement letter was submitted with the proposal.

3.2. Verification Planning

An extensive knowledge of the Project Proponent's business, the relevant industry and the details of the project itself are required to conduct a thorough verification that can lead to a conclusion. The initial information collected about the Project Proponent and the project formed the basis of the preliminary Verification Plan. The development of the Verification Plan was an iterative process; that is, the process was completed several times and the resulting plan was updated as new information became available. The final Verification Plan was not produced until after the completion of the initial site visit.

The process of designing the Verification Plan began with the development of a Project Proponent risk profile. The steps in this process included:

- reviewing the results of previous verifications and similar verifications that were completed for comparable organizations and projects;

- reviewing information on the industry and the specific project under review;
- assessing the Project Proponent's control environment and the corporate governance process;
- assessing the need for outside specialists. The verification team has significant experience working with reduced tillage emission reduction projects and specifically projects in Alberta; therefore, no need for outside specialists was identified;
- assessing the likelihood that a material misstatement might exist in the project, if no controls were used to prevent misstatements in the GHG Assertion (i.e. inherent risk). The highlights of this analysis are summarized in the verification plan;
- reviewing each SSR identified in the OPP. The contribution of each SSR to the GHG Assertion and the potential material discrepancy for each was calculated.

[Office Visit](#)

The office visit was a key step in planning and executing the verification. This meeting presented the first opportunity to document the Project Proponent's internal controls and to inquire about data management and security. Project data was reviewed and the project proponent's staff was interviewed regarding controls, data management and security.

[Final Verification and Sampling Plan](#)

The final draft Verification Plan was developed based on the information collected during the planning stages. It documents the terms of the verification and includes the Sampling Plan, which describes the initial verification procedures. Amendments to the verification procedures were made during the course of the verification as new information became available and further understanding of the project and the data controls was achieved. The final Verification Plan is attached in Appendix A; the final Sampling Plan in Appendix B.

3.3. Executing the Verification

With a Verification Plan in place, the full verification was then completed. This process involved collecting evidence, testing internal controls, conducting substantive testing, and developing a review file.

[Collecting Evidence](#)

Two concepts key to the collection of review evidence are sufficiency and appropriateness. These concepts are interrelated. The decision as to whether an adequate quantity (sufficiency) of evidence has been obtained is influenced by its quality (appropriateness).

The Verification Team reviewed the following sources of evidence:

- Management documentation: Policies, programs and procedures related to the collection, safeguarding and management of the GHG-related data.
- Records: Records comprise time-sensitive data, correspondence, and files. Examples include: producer contracts, landlord contracts, producer attestations, land title records and contract files.
- Interviews: Interviews were held with the managers and employees who have a role in or responsibility for handling data and other information necessary for the calculation of GHG emissions. The interviews also provide information as to whether the management processes have been implemented as intended.
- Computer systems. Data systems include the databases and GHG calculation software used to capture and manage the GHG-related data.

Testing Internal Controls

The Verification Team developed a sufficient understanding of the GHG information system and internal controls to determine whether the overall data management system is sound, examining it for sources of potential errors, omissions and misrepresentations. This assessment constitutes examining three aspects of the company's internal controls: (1) the control environment, (2) the data systems, and (3) the control and maintenance procedures.

The testing procedures documented in the sampling plan include some procedures to test the effectiveness of the internal controls in place. The results of these tests influence what activity data must be sampled and at what rate.

Conducting Substantive Testing

Substantive testing procedures were used to assess the reasonability and validity of the GHG data where, in the opinion of the Verification Team, the Project Proponent's internal controls were determined to be ineffective or non-existent. The specific procedures are summarised in the Sampling Plan as separate tables for each process or activity involved in the quantification and reporting of the GHG Assertion. Materiality is specified for each specific procedure and aggregate materiality is determined separately.

The details of the testing of internal controls and substantive testing undertaken are described in detail in the final Sampling Plan (Appendix B).

Developing a Review File

A review file ("File") is developed for each verification. The File is comprised of documents, records, working papers and other evidence collected and created during the course of the review (by the Verification Team) that support the review conclusions. The review file serves to: provide support for the contents of the opinion statement; provide evidence that the review was conducted in accordance with the criteria set forth in this document; and aid the verifier in conducting current and future reviews.

The review file includes:

- the OPP and GHG Assertion;
- decisions on the level of materiality and the components of review risk;
- documentation on the Project Proponent's internal controls;
- descriptions of the controls assessment work and results;
- descriptions of the substantive testing procedures that were carried out and the results;
- copies of relevant records, spreadsheets and other data files; and
- copies of any correspondence with the Project Proponent or other parties relevant to the review.

The review file is the property of ICF and access to it is normally restricted to the Verifier and the Client. ICF will retain and safeguard the file for a minimum of 7 years.

3.4. Completing the Verification

This engagement will be formally closed after the verification has been executed and this Verification Report has been finalized.

Preparing the Verification Report

The purpose of the Verification Report is to document the verification findings and process. All errors are described and compared to the materiality threshold individually and in aggregate. The final Verification Statement which presents ICF's opinion on the GHG Assertion is also included in the report.

Closing the Engagement

The review engagement will be closed out upon delivery of the final Verification Report and a meeting with the Client. The following internal tasks will be carried out:

- Addition of the Verification Report to the review file; and
- Organization of the review file and sign-off by the Lead Verifier.

4. Verification Schedule

The verification was completed between the initial engagement in April, 2010 and the issuance of the Verification Report on May 25, 2010 and included the following activities:

Preplanning the Engagement

- April 15, 2010: The Client requested a project specific proposal for the verification of a GHG Assertion made by the Project Proponent with emissions reductions generated from their offset project.
- April 15, 2010: ICF reviewed previous engagements and conducted an independence threat analysis. As well, ICF completed its standard preplanning worksheet.
- April 15, 2010: ICF provided a project specific proposal for verification services to the Client.

Verification Planning

- May 13, 2010: ICF conducted a verification kickoff meeting with the Project Proponent (conducted by conference call).
- May 14, 2010: ICF completed a draft Verification Plan.
- May 17 and 18, 2010: ICF conducted a Site visit to the Project Proponent's office in Airdrie, Alberta.
- May 20, 2010: ICF completed the Verification and Sampling plan.

Execution of the Verification

- May 17, 2010 to May 21, 2010: ICF executed the Verification and Sampling Plan.

Completion of the Verification

- May 25, 2010: ICF issued the Verification Report to the Client.

5. Verification Procedures and Findings

The procedures employed in the verification of the GHG Assertion were initially documented in the Verification and Sampling Plan. These procedures are referenced here with the specific findings from each procedure listed.

5.1. Material Discrepancies

No material discrepancies were detected during the review of the GHG assertion or the supporting documentation through the execution of the verification and sampling plan.

5.2. Immaterial Discrepancies

No immaterial discrepancies were detected during the review of the GHG assertion or the supporting documentation through the execution of the verification and sampling plan.

Procedure	Sample Size	Immaterial Discrepancy	Status
B1: Documentation of Boundaries – Offset Project Plan	N/A	None detected	No discrepancies
O1: Confirmation of Contractual Relationship – Landowner and Aggregator	All Contracts	None detected	No discrepancies
O2: Confirmation of Ownership – Documentation Control	5% of fields and GHG assertion	None detected	No discrepancies
C1: Emission Reduction Calculation – Appropriate Methodology	N/A	None detected	No discrepancies
C2: Emission Reduction Calculation – Database Calculations	N/A	None detected	No discrepancies
D1: Data Handling	5% of fields and GHG assertion	None detected	No discrepancies
D2: Internal Review Control	All project files	None detected	No discrepancies
D3: Declaration of Eco-Zone	All land areas asserted	None detected	No discrepancies
D4: Declaration of Crop Type	All land areas asserted	None detected	No discrepancies
A1: Confirmation of Asserted Data – Landowner Certificates	All contracts	None detected	No discrepancies
A2: Greenhouse Gas Emission Reduction Assertion	N/A	None detected	No discrepancies

5.3. Aggregate Materiality

No material or immaterial discrepancies were detected in the GHG assertion or the supporting documentation through the execution of the verification and sampling plan.

5.4. Other Findings

The requirement for proof of ownership in the Project is limited to the current owner of the land where the Project activity occurred. There has been no official guidance from Alberta Environment requiring contractual documentation from previous owners where the attestation is being made for the time period prior to the sale to the current owner.

In all cases where an emission reduction assertion was made for a vintage prior to the sale of land to the current owner, CCS has proof of land activity on file (attestation from the producer that land was under production in a manner that conforms to the Protocol).

6. Verification Statement

May 25, 2010

Alberta Environment
12th Floor, Oxbridge Place
9820 – 106 Street
Edmonton A.B. T5K 2J6

**RE: Statement of Verification – Carbon Credit Solutions Inc., Tillage Project #4
(January 1, 2002 – December 31, 2009)**

Scope

Carbon Credit Solutions Inc (“CCS”) engaged ICF Consulting Canada Inc. (“ICF”) to review their *GHG Assertion – Notice of Creation of Emission Reduction Credits* and supporting evidence, covering the period January 1, 2002 – December 31, 2009 (“GHG Assertion”). The GHG Assertion, dated May 17, 2010, specifies a claim for 106,120 tonnes CO₂e over the aforementioned period. CCS is responsible for the preparation and presentation of the information within the GHG Assertion. Our responsibility is to express a conclusion as to whether anything has come to our attention to suggest that the GHG Assertion is not presented fairly in accordance with Alberta Environment’s approved quantification methodology (*Quantification Protocol for Tillage System Management v1.3*, AENV, Feb. 2009) (“Protocol”) for this project; the *Specified Gas Emitters Regulation* (Alta. Reg. 139, 2007) (“Regulation”), and the associated guidance documents.

Methodology

We completed our review in accordance with the ISO 14064 Part 3: *Greenhouse Gases: Specification with guidance for the validation and verification of greenhouse gas assertions* (ISO, 2006). As such, we planned and performed our work in order to provide limited, rather than absolute assurance with respect to the GHG Assertion. Our review criteria were based on the Protocol; the Regulation, and the associated guidance documents. We reviewed CCS’ Offset Project Plan (*Offset Project Plan for Carbon Credit Solutions Inc. Tillage Project #4*); GHG Assertion; and associated documentation. We believe our work provides a reasonable basis for our conclusion.

Conclusion

Based on our review, nothing has come to our attention which causes us to believe that the GHG emission reduction contained in the GHG Assertion is not presented fairly in accordance with the relevant criteria.

(original signed)

Aaron Schroeder, P.Eng.
Professional Engineer, Alberta (75566)
Lead Verifier
Calgary, Alberta, Canada

Duncan Rotherham
Vice President, ICF International
Lead Reviewer
Toronto, Ontario, Canada

7. Appendices

7.1. Appendix A: Verification Plan

7.2. Appendix B: Sampling Plan

7.3. Appendix C: Statement of Verification

7.4. Appendix D: Statement of Qualifications

7.5. Appendix E: Conflict of Interest Statement



Verification Plan

Carbon Credit Solutions Inc. – Carbon Credit Solutions Inc. Tillage Project #4

Lead Verifier: Aaron Schroeder, P.Eng. (Ontario)

Lead Reviewer: Duncan Rotherham

Associate Verifiers: Craig Sabine

Verification Timeframe: May, 2010

Objective of the verification: Limited level of assurance on GHG Assertion for Emission Reduction Credits

Assurance being provided to: Alberta Environment

Standard being verified to: ISO 14064-3 (ISO, 2006)

Verification criteria employed: *Specified Gas Emitters Regulation (Alta. Reg.139, 2007);
Offset Credit Verification Guidance Document v.1 (AENV, Sept. 2007);
Quantification Protocol for Tillage System Management v1.3 (AENV, Feb. 2009).*

Verification scope – Gases: Carbon Dioxide, Methane, Nitrous Oxide

Project: Carbon Credit Solutions Inc. – Carbon Credit Solutions Tillage Project #4

Location(s): Project Locations: Various agricultural lands throughout Alberta
Head Office Location: Airdrie, Alberta

Emission Reduction
Temporal period: January 1, 2002 – December 31, 2009 (2002 – 2009 Vintage Years)

Main Contact
(Verifier): Aaron Schroeder, P.Eng.
Calgary Manager, ICF International
1600, 144 – Fourth Avenue SW
Calgary, AB T2P 3N4
403.303.3330
aschroeder@icfi.com

Main Contact
(Responsible Party): Laurence Ray
Carbon Credit Solutions Inc.
Suite 5 – 118 Main Street NE
Airdrie, AB T4B 0R3
403.912.9132
Laurence@carboncreditsolutions.ca

1. Introduction

Carbon Credit Solutions Inc., (“CCS”) has been working with agricultural producers who have implemented no-till and reduced till systems on the lands they manage. Carbon Credit Solutions Inc. engaged ICF Consulting Canada Inc. (“ICF”) to provide a third party verification of the emission reductions asserted by CCS.

The quantification of the emission reductions associated with reduced till and no-till agricultural operations is defined by AENV’s *Quantification Protocol for Tillage System Management, Version 1.3* (AENV Feb. 2009) (“Protocol”). Producers in Alberta worked with CCS to pool the emission reduction achieved on their individual lands into an aggregated project, as allowed by the protocol for administrative purposes. The emission reduction assertion made by CCS on behalf of all producers in the project contains producer land in both the Parkland and Dry Prairie eco-zones of the province and includes both producers who employ reduced tillage and/or no-till operations. Additionally, there is diversity in the aggregated lands as some producers own all of the land they manage, while other producers own only a portion or none of the land they manage. In the latter case, CCS has established a contractual relationship with the owner of the land.

This document describes the terms and scope of this verification. It serves to guide the verification team, communicate the parameters of the verification to the intended users of its findings and inform the development of the verification procedures described in the Sampling Plan (attached).

2. Objective

The primary objective of this verification is to determine if the project described in the Offset Project Plan (“OPP”) resulted in the greenhouse gas (“GHG”) emission reduction reported in the *Notice of Creation of Emission Reduction Credits* (“GHG Assertion”). This assessment will be based on the verification criteria defined by the scope of the project.

3. Parties and Users

As defined in Section 2.15 of ISO 14064-3:2006 the individual or organization that has overall control and responsibility for the GHG project is the “Project Proponent”. For this verification, CCS is the Project Proponent.

ICF the “Verifier,” has been engaged by CCS the “Client”, to provide a third party verification of the emission reduction.

The “Intended User,” is defined in Section 2.26 of ISO 14064-3:2006 as the individual or organization identified by those reporting GHG-related information that relies on that information to make decisions. The client, buyers of serialized credits resulting from the GHG Assertion and Alberta Environment are intended users of the information contained in this verification.

4. Scope

Boundaries

During the initial verification planning, the organizational boundaries and the sources, sinks and reservoirs (“SSRs”) defined in the OPP were reviewed for conformity with the approved Protocol. The procedures utilized to review the emission reductions reported in the GHG Assertion were designed to support a *limited level* of assurance. These procedures systematically review:

- the contracts between CCS, producers and landlords;
- the land included in the quantification;
- the agricultural tillage practices attested to by the producers;
- the methodology for aggregating producers together;
- the systems utilized for recording, tracking and safeguarding the data associated with the aggregation;

- the application of the Offset Project Plan;
- the Project Report; and
- the GHG Assertion.

Verification Criteria

The verification criteria employed in the development of the review procedures documented in the verification plan include:

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Quantitative discrepancies will be calculated individually and in aggregate to determine the percentage of the GHG Assertion that is affected. Alberta Environment has defined quantitative discrepancies as material if they represent error of greater than or equal to 5% of the GHG Assertion.

All discrepancies that are outstanding at the conclusion of the verification are documented in the verification report and classified on an individual basis as either material or immaterial.

Materiality Threshold

The calculation of the emission reduction in this GHG Assertion for this project is simply the product of the land area being asserted and the emission factor in the baseline scenario. This calculation is repeated for each of the following types of land and the resulting sum forms the GHG Assertion.

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6. Principles

ISO 14064-3:2006 defines six principles that should be upheld in the development of the GHG Assertion. These principles “are intended to ensure a fair representation and a credible and balanced account of GHG emission reductions and removal enhancements from projects” (ISO 14064-3:2006). The verification procedures developed and executed during the course of this verification present evidence such that each of these principles is satisfied.

a. Relevance

Appropriate data sources are used to quantify, monitor or estimate GHG sources, and SSRs. Appropriate minimum thresholds are used to justify the exclusion or the aggregation of minor GHG sources or the number of data points monitored.

b. Completeness

All SSRs identified in the protocol are established in the Offset Project Plan and all emissions in the project are included within an identified SSR.

c. Consistency

Uniform calculations are employed between the baseline and project condition and through the entire crediting period. Emission calculations for each SSR are calculated uniformly. If more accurate procedures and methodologies become available, documentation should be provided to justify the changes and show that all other principles are upheld.

d. Accuracy

Measurements and estimates are presented, without bias as far as is practical. Where sufficient accuracy is not possible or practical, measurements and estimates should be used while maintaining the principle of conservativeness.

e. Transparency

Information is presented in an open, clear, factual, neutral and coherent manner that facilitates independent review. All assumptions are stated clearly and explicitly and all calculation methodologies and background material are clearly referenced.

f. Conservativeness

Appropriate parameters affecting the project’s SSRs are utilized in the calculation of the GHG Assertion. When parameters or data sources are highly uncertain, the choice of parameter or data source to be utilized results in an underestimation in the GHG Assertion (i.e. baseline emissions are under-estimated, project emissions are overestimated).

7. Risk Assessment

There are three types of risk associated with the GHG Assertion defined in ISO 14064-3:

- Inherent Risk
- Control Risk
- Detection Risk

The assessment of risk for this verification affects the level of scrutiny planned for the verification procedures described in the sampling plan. A risk assessment was completed based on observations made following an initial review of the Offset Project Plan and interviews with key individuals responsible for the project.

The *inherent risk* in CCS' emission reduction assertion emanates from the large number of unique producers aggregated in the project. There is reduced inherent risk because ICF has previously reviewed CCS' assertions related to tillage management projects.

Control risk relates to the likelihood that a material misstatement in the GHG assertion will not be prevented or detected by CCS' internal control system. This risk was assessed through professional judgement after gaining an understanding of CCS' internal controls.

The *detection risk* is a measure of the risk that the verification evidence will fail to detect material misstatements, should such misstatements exist. This risk is inversely proportional to the inherent and control risk and directly affects the amount of verification evidence required to reach a conclusion related to the assertion.

8. Verification Schedule

The verification activities for this GHG assertion will be carried out in May 2010. An initial site visit to CCS' head office in Airdrie will be conducted on May 17 and 18th, 2010. This visit will include, interviews with key staff, a review of information management and security and a desktop review of key documentation required to complete this verification.

9. Verification Procedures

The specific procedures utilized to gather evidence supporting the principles underlying the GHG assertion are described in the Sampling Plan.



Sampling Plan

Carbon Credit Solutions Inc. – Carbon Credit Solutions Inc. Tillage Project #4

Lead Verifier: Aaron Schroeder, P.Eng. (Ontario)

Lead Reviewer: Duncan Rotherham

Associate Verifiers: Craig Sabine

Verification Timeframe: May, 2010

Objective of the verification: Limited level of assurance on GHG Assertion for Emission Reduction Credits

Assurance being provided to: Alberta Environment

Standard being verified to: ISO 14064-3 (ISO, 2006)

Verification criteria employed: *Specified Gas Emitters Regulation (Alta. Reg.139, 2007);
Offset Credit Verification Guidance Document v.1 (AENV, Sept. 2007);
Quantification Protocol for Tillage System Management v1.3 (AENV, Feb. 2009).*

Verification scope – Gases: Carbon Dioxide, Methane, Nitrous Oxide

Project: Carbon Credit Solutions Inc. – Carbon Credit Solutions Tillage Project #4

Location(s): Project Locations: Various agricultural lands throughout Alberta
Head Office Location: Airdrie, Alberta

Emission Reduction
Temporal period: January 1, 2002 – December 31, 2009 (2002 – 2009 Vintage Years)

Main Contact
(Verifier): Aaron Schroeder, P.Eng.
Calgary Manager, ICF International
1600, 144 – 4th Avenue SW
Calgary, AB T2P 3N4
403.303.3330
aschroeder@icfi.com

Main Contact
(Responsible Party): Laurence Ray
Carbon Credit Solutions Inc.
Suite 5 – 118 Main Street NE
Airdrie, AB T4B 0R3
403.912.9132
Laurence@carboncreditsolutions.ca

Objective:

The primary objectives of completing verification procedures is to collect evidence in support of the principles and quantification methodology underlying the emission reduction assertion made by the Project Proponent and to reveal any material discrepancies in the GHG assertion, should they exist.

Testing Procedures:

This plan describes the testing procedures that will be utilized. The specific procedures are summarised in separate tables for each process or activity involved in the quantification and reporting of the GHG emission reduction assertion. Materiality is specified for each specific procedure. Aggregate materiality is determined separately.

The table on the following page provides information on the details that are included for each verification procedure.

Summary of Procedures:

Project Boundaries

B1: Documentation of Boundaries – Offset Project Plan (OPP)

Ownership

O1: Confirmation of Contractual Relationship – Landowner and Aggregator

O2: Confirmation of Ownership – Documentation Control

Calculation

C1: Emission Reduction Calculation – Appropriate Methodology

C2: Emission Reduction Calculation – Database Calculations

Data Sources and Supporting Data

D1: Data Handling

D2: Internal Review Control

D3: Declaration of Eco-Zone

D4: Declaration of Crop Type

Assertion:

A1: Confirmation of Asserted Data – Land Owner Certificates

A2: Greenhouse Gas Emission Reduction Assertion

Procedure Definition Table Explained

Z1 – Procedure Title	
Introduction: This introduction serves to explain the reason the verification team has interest in the procedure described below. For instance the inclusion of all emission sources ensures that that quantification of the total direct emission satisfies the principle of completeness.	
Type of Evidence	The Type of Evidence can usually be grouped as: Physical Examination, Confirmation, Documentation, Observation, Inquiries of the Client, Reperformance, or Analytical Procedures.
Data Sources	The <i>Data Sources</i> describes the form in which the evidence is presumed to be available to the verification team. Specific Documents or Assigned Positions, for example.
Objective (specific principles)	The objective serves to focus the procedure as pursuant to one of the audit principles of: <i>Relevance, Completeness, Consistency, Accuracy, Transparency, or Conservativeness.</i>
Specific Activities	.1 The <i>Specific Activities</i> are outlined here.
Potential Error Conditions	<ul style="list-style-type: none"> • Bullet form; • The anticipated <i>Potential Error Conditions</i> are listed here to aid the verification team; • As the sampling plan is a living document until the end of the verification process additional error conditions may be identified during the execution of the procedures.
Sample Unit	The <i>Sample Unit</i> describes the individual record unit required to define the <i>Sample Size</i> . ie. one parcel of land
Sample Size	The <i>Sample Size</i> represents the original planned depth of the sampling, as a percent. ie. 15% of the parcels of land in the aggregated assertion
Materiality Threshold	Two options exist for the definition of the <i>Materiality Threshold</i> ; <ul style="list-style-type: none"> • A <u>Quantitative</u> description describing the threshold in tonnes, .eg. 5% of the emission reduction assertion; • A <u>Qualitative</u> statement where the nature of the error not a quantitative one. eg. Qualitative errors will be reviewed on a case by case basis for materiality.

Project Boundaries

B1: Documentation of Boundaries – Offset Project Plan (OPP)	
Introduction: The Offset Project Plan details the quantification methodology, data management and quality assurance/quality controls that are employed by the aggregator. This verification procedure compares the details of the OPP to the Protocol to ensure the OPP is in conformance with approved procedures.	
Type of Evidence	Documentation
Data Sources	Offset Project Plan (OPP)
Objective (specific principles)	Completeness, Relevance
Specific Activities	.1 Compare each SSR listed in the OPP to those listed in the Protocol
Error Conditions	<ul style="list-style-type: none"> • SSR defined in protocol was wrongfully excluded in OPP • Use of a flexibility mechanism without justification • Divergence from the protocol that is not in conformance with ISO 14064 and associated guidance documents
Sample Unit	NA
Sample Size	NA
Materiality	Any inconsistencies are evaluated for qualitative materiality.

Ownership

O1: Confirmation of Contractual Relationship – Landowner and Aggregator	
CCSI methodology is to establish a contractual relationship with each landowner in the aggregated project. In the case that landowners are leasing land to the producer, landowner a landowner agreement between the tenant and landlord establishes the landowner's intent to participate in the project. This procedure reviews every contract within the aggregated project to ensure a documented contractual arrangement has been established.	
Type of Evidence	Documentation
Data Sources	Producer Contracts, CCSI Database
Objective (specific principles)	Completeness, Transparency
Specific Activities	.1 Review landowner contract for each landowner within each project
Error Conditions	<ul style="list-style-type: none"> • Missing signatures (landowner or CCSI) • Expired contract
Sample Unit	One contract
Sample Size	All contracts
Materiality	No exceptions in the aggregated assertion

O2: Confirmation of Ownership – Documentation Control	
CCSI uses Tax Assessment documents and/or Alberta Land Title documents as further evidence of ownership for each parcel of land included in the aggregated project. This procedure verifies that a current ownership document is on file for every parcel of land and reviews the associated information related to the aggregated project.	
Type of Evidence	Documentation, Confirmation
Data Sources	Tax Assessment Documents, Alberta Land Titles, CCSI Database
Objective (specific principles)	Completeness, Transparency, Accuracy
Specific Activities	<p>.1 Review tax assessment and/or land title information compared against CCSI database</p> <ul style="list-style-type: none"> - Ownership (name and date) - Land Area <p>.2 Review date document was created to establish that it is a current document</p>
Error Conditions	<ul style="list-style-type: none"> • Missing ownership document for land asserted • Ownership document shows land asserted is not currently in landowner's name • Ownership document shows less land area than area asserted
Sample Unit	One land area (generally a quarter section)
Sample Size	Initial Sample: 5% of all producers representing at minimum 5% of total GHG assertion
Materiality	The lesser of 5% or 5,000 tonnes CO ₂ e of total GHG assertion when sample is generalized to the population

Calculation

C1: Emission Reduction Calculation – Appropriate Methodology	
This procedure compares the quantification methodology documented in the OPP against the methodology actually employed in the calculation spreadsheets.	
Type of Evidence	Documentation
Data Sources	Formulas and Emission Factors used in Offset Project Plan and Database
Objective (specific principles)	Completeness, Consistency
Specific Activities	.1 Compare the calculation methodologies detailed in the Offset Project Plan and utilized in the database with those detailed in the Protocol
Error Conditions	<ul style="list-style-type: none"> Any changes of methodology without justification that conforms to the principles of ISO 14064
Sample Unit	N/A
Sample Size	N/A
Materiality	Any inconsistencies are evaluated for qualitative materiality.

C2: Emission Reduction Calculation – Database Calculations	
This procedure recalculates the emission reduction calculation that is completed in the CCSI database.	
Type of Evidence	Reperformance
Data Sources	CCSI Database
Objective (specific principles)	Accuracy, Completeness, Consistency, Transparency, Conservativeness
Specific Activities	.1 Check application of emission factor based on land use information .2 Calculate emission reduction using sum of land and emission factor provided in the protocol for each year asserted .3 Check application of significant figures in calculation
Error Conditions	<ul style="list-style-type: none"> Difference between calculation in CCSI database and manual calculation Incorrect significant figures applied Rounding figures inappropriately
Sample Unit	Each land area asserted under each eco-zone and tillage management type: <ul style="list-style-type: none"> Parkland (or irrigated Dry Prairie) No-Till Parkland (or irrigated Dry Prairie) Reduced Till Dry Prairie No-Till
Sample Size	All land areas asserted
Materiality	The lesser of 5% or 5,000 tonnes CO ₂ e of total GHG assertion when sample is generalized to the population

Data Sources and Supporting Data

D1: Data Handling	
CCSI uses automated procedures for calculation of the asserted emission reduction and for the generation of contracts from data entered into the CCSI database. This procedure reviews the data that is entered into the system to determine the effectiveness of the internal controls employed by CCSI related to data entry and subsequent use of the entered information.	
Type of Evidence	Observation, Documentation
Data Sources	Producer Contracts, CCSI Database
Objective (specific principles)	Accuracy, Transparency, Conservativeness
Specific Activities	<ol style="list-style-type: none"> .1 Observe data entry procedures .2 Check database entries for completeness .3 Check database entries for transcription accuracy from landowner contracts to confirm effectiveness of internal control
Error Conditions	<ul style="list-style-type: none"> • Incomplete database records (missing land location, eco-zone, tillage management information, land area) • Quarter sections of land greater than ~ 160 acres (some exceptions, checked against ownership documents) • Discrepancies in transcription
Sample Unit	One land area (generally a quarter section of land)
Sample Size	Initial Sample: 5% of all fields representing at minimum 5% of all producers and 10% of total GHG assertion
Materiality	The lesser of 5% or 5,000 tonnes CO ₂ e of total GHG assertion when sample is generalized to the population

D2: Internal Review Control	
CCSI uses an internal manual file review for each file before it is cleared for verification. This procedure reviews the completion of this internal review to determine if it is completed consistently. A VID Report must be signed by the landowner or producer before the file enters into the sale cycle.	
Type of Evidence	Documentation
Data Sources	Project File Review Checklist
Objective (specific principles)	Completeness, Accuracy
Specific Activities	<ol style="list-style-type: none"> .1 Review project file review checklist
Error Conditions	<ul style="list-style-type: none"> • Checklist is non-existent for a project • Checklist is not complete and signed off
Sample Unit	One checklist per project
Sample Size	All project files
Materiality	Any inconsistencies are evaluated to determine if this control is functioning properly.

D3: Declaration of Eco-Zone	
Each parcel of land in the aggregated assertion falls within one of two geographical eco-zones, which have significantly different emission reduction potentials. This procedure reviews each parcel of land to determine if the appropriate eco-zone has been assigned.	
Type of Evidence	Confirmation
Data Sources	Landowner Contract information, Alberta Agriculture and Food, CCSI Database
Objective (specific principles)	Completeness, Accuracy
Specific Activities	.1 Match soil type asserted to soil type listed by Alberta Agriculture and Food for land area asserted
Error Conditions	<ul style="list-style-type: none"> Soil type provided by Alberta Agriculture and Food does not match assertion
Sample Unit	One land area (generally a quarter section of land)
Sample Size	All land areas asserted
Materiality	The lesser of 5% or 5,000 tonnes CO ₂ e of total GHG assertion when sample is generalized to the population

D4: Declaration Crop Type	
The Protocol applicability criteria states that “farms must be producing annual crops on the applicable land... in a no-till or reduced till system...”. This procedure reviews the asserted crop type and declared tillage system to ensure it conforms with the Protocol requirements.	
Type of Evidence	Documentation
Data Sources	Producer Contracts, CCSI Database
Objective (specific principles)	Completeness, Transparency
Specific Activities	.1 Check crop types are those specified by the protocol
Error Conditions	<ul style="list-style-type: none"> Crop type is a perennial crop (except for the first year of production as described in the protocol) or other types of land outside of the scope of the protocol
Sample Unit	One field (generally a quarter section of land)
Sample Size	All land areas asserted
Materiality	The lesser of 5% or 5,000 tonnes CO ₂ e of total GHG assertion when sample is generalized to the population

Attestation:

A1: Confirmation of Asserted Data – Producer Certificates	
CCSI uses documentation signed by the Producer to affirm the information in the Project, as detailed in the CCSI database, is accurate and complete. This verification procedure reviews these certificates to ensure that a signed certificate is on file for every producer in the aggregated project.	
Type of Evidence	Documentation
Data Sources	Producer Certificates, Landowner Contracts, Landlord Agreements
Objective (specific principles)	Completeness, Transparency
Specific Activities	.1 Review producer certificate
Error Conditions	<ul style="list-style-type: none"> • Missing certificate for each contract • Missing producer signature
Sample Unit	One contract/certificate pair
Sample Size	All contracts/certificates
Materiality	No exceptions in the aggregated assertion

A2: Greenhouse Gas Emission Reduction Assertion	
This procedure reviews the final GHG Assertion/Notice of Creation to verify that the final assertion matches the calculated value in the CCSI database.	
Type of Evidence	Documentation
Data Sources	Notice of Creation of Emission Reduction Credits, CCSI Database
Objective (specific principles)	Consistency, Completeness, Accuracy, Transparency, Conservativeness
Specific Activities	.1 Review assertion language for consistency with language recommended in guidance documents .2 Review annual assertion totals compared to values calculated in the electronic calculator
Error Conditions	<ul style="list-style-type: none"> • Language in assertion is inconsistent with language recommended in guidance documents • Annual totals do not match values calculated in electronic calculator • Annual totals are rounded inappropriately
Sample Unit	N/A
Sample Size	N/A
Materiality	Any inconsistencies are evaluated for qualitative materiality



May 25, 2010

Alberta Environment
12th Floor, Oxbridge Place
9820 – 106 Street
Edmonton A.B. T5K 2J6

**RE: Statement of Verification – Carbon Credit Solutions Inc., Tillage Project #4
(January 1, 2002 – December 31, 2009)**

Scope

Carbon Credit Solutions Inc. (“CCS”) engaged ICF Consulting Canada Inc. (“ICF”) to review their *GHG Assertion – Notice of Creation of Emission Reduction Credits* and supporting evidence, covering the period January 1, 2002 – December 31, 2009 (“**GHG Assertion**”). The GHG Assertion, dated May 17, 2010, specifies a claim for 106,120 tonnes CO₂e over the aforementioned period. CCS is responsible for the preparation and presentation of the information within the GHG Assertion. Our responsibility is to express a conclusion as to whether anything has come to our attention to suggest that the GHG Assertion is not presented fairly in accordance with Alberta Environment’s approved quantification methodology (*Quantification Protocol for Tillage System Management v1.3*, AENV, Feb. 2009) (“**Protocol**”) for this project; the *Specified Gas Emitters Regulation* (Alta. Reg.139, 2007) (“**Regulation**”), and the associated guidance documents.

Methodology

We completed our review in accordance with the ISO 14064 Part 3: *Greenhouse Gases: Specification with guidance for the validation and verification of greenhouse gas assertions* (ISO, 2006). As such, we planned and performed our work in order to provide limited, rather than absolute assurance with respect to the GHG Assertion. Our review criteria were based on the Protocol; the Regulation, and the associated guidance documents. We reviewed CCS’ Offset Project Plan (*Offset Project Plan for Carbon Credit Solutions Inc. Tillage Project #4*); GHG Assertion; and associated documentation. We believe our work provides a reasonable basis for our conclusion.

Conclusion

Based on our review, nothing has come to our attention which causes us to believe that the GHG emission reduction contained in the GHG Assertion is not presented fairly in accordance with the relevant criteria.

A handwritten signature in blue ink, appearing to read "A. Schroeder".

Aaron Schroeder, P.Eng.
Professional Engineer, Alberta (75566)
Lead Verifier
Calgary, Alberta, Canada

A handwritten signature in blue ink, appearing to read "D. Rotherham".

Duncan Rotherham
Vice President, ICF International
Lead Reviewer
Toronto, Ontario, Canada



Statement of Qualification

Founded in 1969, ICF International is a global company employing over 3,000 consultants in areas of energy, environment, transportation, economic and community development, and IT. With over 350 dedicated climate change specialists, ICF has carefully earned an international reputation in the field of climate change consulting for its analytical rigour, in-depth expertise, and technical integrity. ICF has undertaken scores of GHG emissions related assignments over the past two decades for international institutions such as the IPCC, OECD, IEA, Prototype Carbon Fund, International Finance Corporation, World Bank, and UNEP; national, state and local governments in more than 50 countries; and progressive companies including members of the international Fortune 500, that have recognized climate change as an issue which will help to define their competitive advantage.

ICF Consulting Canada Inc. ("ICF"), a fully owned subsidiary of ICF International, has carried out hundreds of facility level GHG verifications and verification of emission reduction projects over the past 10 years. ICF has developed the necessary internal controls to ensure qualified and competent staffing uphold the principles of the relevant standard while quality control processes are utilized to assure data integrity is maintained and safeguarded. Working seamlessly with our offices in London, Washington D.C., New Delhi, Rio de Janeiro, and Moscow, ICF assignments in the private sector have involved the following activities of particular relevance:

- advising organizations as they quantify GHG emissions baselines and periodic inventories;
- developing project documentation with developers of emission reduction projects and technological innovations;
- undertaking GHG verifications of entity level emission inventories and emission reduction projects;
- developing protocols to monitor and quantify GHG emissions for companies and GHG reduction projects; and
- assessing the marginal cost of abatement through internal reduction initiatives and market based mechanisms.

Since the genesis of the *Specified Gas Emitters Regulation*, ICF has been working with large emitters to submit baseline emission applications and annual compliance report verifications. This verification work included a review of all information supporting the quantification of emissions from operations of pipelines, cogeneration, natural gas processing and oil sands facilities. Additionally, ICF has completed verification work for emission reduction projects under several protocols in the Alberta Offset System. To date, more than 30 baseline and compliance reports in addition to more than 10 emission reduction assertions have been submitted with a third-party verification completed by ICF.

ICF has established a verification team, qualified and competent in planning, execution, and completion of the verification process. The team employed for the review of this GHG assertion is supervised by Duncan Rotherham, Vice President, who has led the ICF verification practice for eight years and carried out over 50 GHG verifications. Aaron Schroeder P.Eng, Project Manager with ICF is a licensed Engineer in the province of Alberta. Craig Sabine is a Manager with ICF in Toronto and has compiled GHG inventories for several private and public clients.

ICF's quality assurance and quality control approach for all projects includes assigning senior personnel with relevant technical experience to direct and review all project work. Project data is reviewed through a multi-stage process that begins with quality assurance planning (identifying data gaps, quantifying uncertainty and risk of data error), executing mitigation techniques and qualitative review including impact analysis.

Specifically related to the quantification of emissions from tillage management practices, the ICF team has expertise in the agriculture sector including the use of the Dominion Land Survey System and its variant in the Alberta Township system, as well as the application of full, low and no-tillage practices.

The information contained within this statement is complete and correctly represents the qualifications of ICF and the members of the verification team described herein in relation to Carbon Credit Solution Inc.'s Tillage Project #4. Dated this twenty-fifth day of May, 2010.

A handwritten signature in blue ink, appearing to read "A. Schroeder".

Aaron Schroeder, P.Eng., Lead Verifier

A handwritten signature in blue ink, appearing to read "D. Rotherham".

Duncan Rotherham, Lead Reviewer



Conflict of Interest Checklist

Question	Yes	No
1. Can the verifying organization or the verification team members directly benefit from a financial interest in the Project Developer or the Project Developer's Project?		X
<i>For example:</i> <ul style="list-style-type: none"> • <i>Owning shares of the Project Developer;</i> • <i>Having a close business relationship with the Project Developer;</i> • <i>Contingent fees relating to the results of the engagement;</i> • <i>Potential employment with the Project Developer; or</i> • <i>Undue concern about the possibility of losing the verification or other fees from the Project Developer.</i> 		
2. Can the verifying organization or verification team members be in a position of assessing their own work?		X
<i>For example:</i> <ul style="list-style-type: none"> • <i>Involvement of the verification organization in the compilation of the data contained in the GHG assertion.</i> • <i>Involvement of the verification organization in the development of a quantification protocol other than protocol recognized or recommended by the regulatory authority.</i> • <i>A verification organization member performing non-verification services that directly impinge on the client's GHG assertion, such as implementing the GHG data management system, or having performed validation services on the project being reviewed;</i> • <i>A member of the verification engagement team having previously been a GHG data compiler of the Project Developer or who was employed by the Project Developer in a position to exert direct and significant influence over the Project Developer's GHG assertion being verified.</i> 		
3. Does the verifying organization or a member of the verification team, or a person in the chain of command for the verification, promote or be perceived to promote, a Project Developer's position or opinion to the point that objectivity may, or may be perceived to be, compromised?		X
<i>For example:</i> <ul style="list-style-type: none"> • <i>Dealing in, or being a promoter of, GHG credits on behalf of a Project Developer; or</i> • <i>Acting as an advocate on behalf of the Project Developer in litigation or in resolving disputes with third parties.</i> 		
4. Is one or more of the verification team too sympathetic to the Project Developer's interests by virtue of a close relationship with a Project Developer, its directors, officer or employees?		X
<i>For example:</i> <ul style="list-style-type: none"> • <i>A person on the verification team has a close personal relationship with a person who is in a senior GHG compilation role at the Project Developer; or</i> • <i>The verification team or a person of influence on the verification team has accepted significant gifts or hospitality from the Project Developer.</i> 		
5. Is a member of the verification team or a person in the chain of command is deterred from acting objectively and exercising professional skepticism by threats, actual or perceived, from the directors, officers or employees of the Project Developer.		X
<i>For example:</i> <ul style="list-style-type: none"> • <i>The threat of being replaced as a third party verifier due to a disagreement with the application of a GHG quantification protocol;</i> • <i>Fees from the Project Developer represent a large percentage of the overall revenues of the verifying organization.</i> • <i>The application of pressure to inappropriately reduce the extent of work performed in order to reduce or limit fees; or</i> • <i>Threats of litigation from the Project Developer.</i> 		

The declaration made in this statement is correct and truly represents ICF Consulting Canada Inc. and the members of the verification team in relation to Carbon Credit Solution Inc.'s Tillage Management Project #4. Dated this twenty-fifth day of May, 2010.

Aaron Schroeder, P.Eng., Lead Verifier

Duncan Rotherham, Lead Reviewer