

PARTICIPATING Producer Agreement

Name: \_\_\_\_\_ (the “**Producer**”) seeks to participate in a pilot program (the “**Program**”) established by the Ecosystem Services Market Consortium LLC (“**ESMC**”) at the property that is identified as:

Name of Farm/Owner: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Enrolled Acreage: \_\_\_\_\_

If the Enrolled Acreage is less than all managed agricultural acreage, include legal description or equivalent: \_\_\_\_\_  
(the “**Farm**”).

In order to participate in this Program, the Producer and ESMC confirm and agree to the following:

1. Purpose: The purpose of the Program is to collect and analyze environmental data related to enrolled land within the Producer’s Farm to assess and quantify the positive ecological outcomes stemming from the implementation of eligible agricultural management practices (the “**Assets**”). The Program will monetize the Assets through the creation of tradable certificates or credits representing measured improvements in ecosystem services (the “**Credits**”). The Program does this by collecting data relating to soil carbon sequestration, changes in greenhouse gas emissions, improvements in water quality, and/or water use efficiencies. The Program then processes this data for Asset quantification, verification, and certification and the generation of Credits. ESMC’s goal in the Program is to identify Assets, generate Credits and facilitate the sale of the Credits to third parties, resulting in a payment to the Producer based on a market-based value for the Assets. This Program is based on similar initiatives in other sectors that have generated comparable assets for ecosystem services.

The Program will also create a proprietary registry and platform for trading Credits that are generated by the Producer’s and ESMC’s collaboration under the Program. The Producer acknowledges that ESMC is working to pilot the sale of Credits generated during the Program to third parties, which may result in revenues to be paid to Producers representing the value of the Assets and in ESMC receiving compensation for its creation of the Credits and facilitation of the sale of Credits.

ESMC intends to develop a registry on which registered persons (including Producers) would record the creation of Credits and transactions involving the purchase or sale of Credits (referred to in this document as the “**Platform**”). The Platform will be used by ESMC to conduct sufficient trading to establish a working “market” for buying and selling the Credits. The Program will be terminated by ESMC when the Platform is capable of supporting the generation and transfer of Credits in a functional market.

Producers will not pay to participate in the Program. Producers will not be required to purchase products as a requirement of participation. Producers will be able to terminate participation in the Program and still be able to participate in the Platform and future ESMC markets available (see Section 2). The Producer authorizes ESMC to use the Assets to generate Credits and to engage in the other activities described in this Agreement.

2. Timeframe: The duration of the Program begins with the execution of this Participating Producer Agreement (Agreement) and will end when ESMC notifies the Producer in writing that the Platform is operating and supporting a working market for Credits. The requirements of this Agreement will apply to eligible agricultural management practices at the Farm that began on the date of this Agreement or such earlier date as is set forth here: \_\_\_\_\_ [enter date of implementation of eligible agricultural management practices].

The ESMC Platform is anticipated to launch sometime in 2022. Establishment of the market will allow for the continued generation and selling of Credits using Assets generated in the Program. Producers wishing to continue enrollment after the Program period will be allowed to continue participation following market launch.

3. Asset Ownership: Any Assets generated by the Producer by participating in the Program using eligible agricultural management practices conducted on enrolled land within the Producer's Farm will initially belong to the Producer except to the extent the Producer transfers rights to such Assets to ESMC. Producer agrees to transfer Assets to ESMC to the extent and in the manner required for ESMC to generate Credits and operate the Platform. Credits produced from the Producer's Assets shall be jointly owned by Producer and ESMC, subject to this Agreement. ESMC shall not sell, trade or otherwise dispose of Credits generated from Producer's Assets without Producer's prior written consent and the payment of a share of revenues towards ESMC's management costs.

Unless otherwise reflected in writing, the Producer is the owner or lessee of the Farm and holds all rights to the enrolled land necessary to permit ESMC to conduct the Program on the Farm, generate the Assets, and transfer rights in the Assets, free and clear of liens or other restrictions, to ESMC and/or third parties. If the Producer is a tenant, the Producer is responsible for obtaining any authorization or prior and informed consent from the landowner necessary for the Producer to retain and transfer ownership of the Assets and Credits. If the Producer effects any sale or change in eligibility of enrolled land in the Program, the Producer must notify ESMC per Section 7 of this Agreement. A new owner or tenant may become the Producer with respect to the Farm by providing notice to ESMC regarding its assumption of Producer's role under this Agreement.

4. Regulatory Compliance: Producer confirms that it conducts its business at the Farm in material compliance with any and all applicable laws, statutes, rules, regulations, ordinances, court orders, enforcement actions, or other legally binding mandates, including, but not limited, to those related to:

- Natural resources (such as water, wetlands, land erosion, and conservation areas) and cultural, historic and religious resources,
- Endangered species (including protection of habitats),
- Pollution and waste management (including hazardous materials),
- Use and application of pesticides, fungicides, and rodenticides, and
- Occupational health and safety requirements for the agricultural sector

Producer understands and acknowledges that participation in the Program is voluntarily, and that Credits can only be generated for the implementation of agricultural practices that exceed regulatory requirements.

5. ESMC Program Policies: Producer confirms that it conducts its business at the Farm in material compliance with ESCM Policies and Program Requirements, including the following:

- Non-Discrimination, Harassment, and Anti-Corruption Policy (Appendix 1); and
- Maintenance of a valid Veterinary-Client-Patient-Relationship ([as defined by the AVMA](#)) for Farms with livestock.

Producer confirms that the Farm is not subject to any agreement with another ecosystem service program that generates credits, offsets, assets, or claims related to soil carbon sequestration, changes in greenhouse gas emissions, improvements in water quality, and/or water use efficiencies that could conflict with the creation of or result in double counting of the Assets that are subject to the Program (excluding easements or contracts that restrict the Farm to agricultural uses).

6. Data Privacy: A Producer's individual personal information, e-mail address, data, and model results are for the Producer's use only as described in ESCM's Data Privacy Policy (Appendix 2). ESCM will not share these data with any third party unless the Producer specifically agrees to a data-sharing option. ESCM may disclose certain information in response to subpoenas, governmental requests, legal processes, or to otherwise protect our legal or contractual obligations. ESCM will not sell or otherwise transfer the Producer's personal information to individuals or entities outside of ESCM or to one of ESCM's authorized partners without the Producer's approval. Aggregated, anonymized information including management practices and operational details may be collected, reported to, and used by ESCM and authorized third parties. Such aggregate level information will not identify the Producer's personal information.

7. Term and Termination: The initial term of this Agreement shall end at the conclusion of the Program, per Section 2. Prior to such time, either party may terminate this Agreement by providing the other party with 60 days prior written notice.

8. Disputes: Any disputes arising under this Agreement will be resolved by the Parties directly in discussions involving the principals or, if not resolved informally, shall be conclusively

resolved by referring the dispute to an independent nationally-recognized expert in the subject matter of the dispute who is reasonably acceptable to both Parties.

9. Third-Party Beneficiaries: There are no intended third-party beneficiaries under this Agreement, and no person not a Party to this Agreement (or such Party's authorized representative) may assert claims against either Party under this Agreement.

Acknowledged and Agreed:

\_\_\_\_\_

ESMC

[Insert Producer Name]

\_\_\_\_\_  
Name/Title

\_\_\_\_\_  
Name/Title

Date \_\_\_\_\_

Date \_\_\_\_\_

Contact Information:

Contact Information:

Phone:

Phone:

Email:

Email:

EXAMPLE

**ESMC Non-Discrimination, Harassment, and Anti-Corruption Policy**

This Non-Discrimination, Harassment, and Ant-Corruption Policy applies to all ESMC Pilot Projects and serves as an addendum to ESMC's Producer Agreement. By signing the Pilot Project Participating Producer Agreement, producers are agreeing to abide by the following principles and policies:

**Non-Discrimination:** Neither ESMC nor Pilot Project participants shall discriminate with regards to participation and inclusion in stakeholder consultation, or equitable compensation for comparable work.

**Harassment:** Neither ESMC nor Pilot Project participants shall tolerate harassment of any kind, including forms of harassment that are gender-based, sexual, or restrictive of an individual's rights.

**Anti-Corruption:** Neither ESMC nor Pilot Project participants shall involve, be complicit in, or inadvertently contribute to or reinforce corruption or corrupt Projects.

EXAMPLE

## **ESMC Producer Privacy Policy**

Ecosystem Services Market Consortium (ESMC) is committed to protecting the privacy of producer participants who access and use our online enrollment platform and will only use your personal information in accordance to the following Privacy Policy.

This Privacy Policy (“POLICY”) is applicable to the ESMC portal and subdomains, mobile apps, widgets, Application Programming Interfaces (APIs), and other online products or services (collectively, the “SERVICES”). These SERVICES are developed, managed, maintained, and supported by <VENDOR> (“VENDOR,” “WE,” or “US”). This POLICY is subject to and must be read in conjunction with the Terms and Conditions of Use (“TERMS” or “AGREEMENT”) of the SERVICES and is binding on all SERVICES users. This POLICY is designed to inform you about the types of information that we gather about you and your organization, how we may use that information, whether we disclose it to anyone, and the choices you have regarding our use of that information.

By using the SERVICES you are accepting and agreeing to be bound by each of the terms set forth in this POLICY. VENDOR may modify this POLICY at any time. Amended terms of this POLICY are effective as of the date that they are posted. You should, therefore, review this POLICY from time to time. Your access and use of the SERVICES after the effective date of any amendment to this POLICY means that you have accepted its amended terms. If you do not agree to be bound by (or cannot comply with) the terms of this POLICY as amended from time to time, you agree that your sole remedy is to cease using the SERVICES. Your continued use of the SERVICES constitutes your agreement to be bound by the amended terms of this POLICY.

For purposes of this POLICY, to use, access and/or visit the SERVICES includes visiting the SERVICES or any of its pages, in order to buy, request, or obtain any service or product from ESMC, registering (partially or completely) in the SERVICES, and logging in and out.

### **I. Collection and Use of Your Personal Information**

The SERVICES collect personal information (i.e., information that can identify specific individuals, including by name, identification number, mailing address, e-mail address, and other personal characteristics or attributes) and details about your farming practices, land details, land use, infrastructure, management plans, economic conditions, sustainability practices, operational details, customized services and results in order to provide you with customized services, and to allow the creation and maintenance of an “ACCOUNT” to store your information for your future use and review. ESMC will use your personal information for the following purposes:

- Provide, maintain, and improve the SERVICES;
- Research and develop new services;
- Send you technical notices, updates, security alerts, invoices and other support and administrative messages;
- Provide customer service;
- Communicate with you about products, services, offers, promotions, and events, and provide other news and information we think will be of interest to you; and
- Monitor and analyze trends, usage, and activities in connection with our SERVICES.

In addition, the SERVICES collect general data pertaining to each visitor, such as the visitor’s IP address, operating system, browser type and version number, and the web pages viewed. This information is aggregated with all other visitor information.

The SERVICES may also collect financial information provided to us or to our payment processing service provider for the purpose of subscribing to our services. This data is only used to process your payment.

VENDOR will process personal information collected from you fairly and lawfully and will not use such personal information for purposes that are incompatible with the purposes it was requested and received.

## **II. Sharing Your Personal Information**

Your individual personal information, e-mail address, data, and model results are for your use only. ESMC will not share these with any third party unless you specifically agree to a data-sharing option. WE may disclose certain information in response to subpoenas, governmental requests, legal processes, or to otherwise protect our legal or contractual obligations. WE will not sell or otherwise transfer your personal information to individuals or entities outside ESMC or one of our authorized partners without your approval.

Aggregated, anonymized information including management practices and operational details may be collected, reported to, and used by ESMC and authorized third parties. Such aggregate level information will not identify your personal information. Aggregate level information may be used and shared by ESMC and authorized third parties, among other purposes, to improve and develop agriculture and agronomic models, and to promote the understanding and adoption of carbon and water quality and quantity credits. Such uses and purposes of aggregate level information may or may not result in monetary benefit to ESMC or its authorized third parties.

## **III. Cookies**

A cookie is type of identifier sent from a website to your computer system via your web browser to provide tailored features. ESMC uses cookies in order to secure and confirm your information when logging into partner access with your private login name and password. We do not use this information for any other purpose than to grant you access to secured website pages.

## **IV. E-mail Communications**

ESMC provides program participants with announcements to provide program updates, promote the goals of the program and to notify producers of status of program requirements. These announcements can be stopped at any time by selecting the opt-out feature at the bottom of the e-mail. We do not sell or transfer e-mail lists to any of our business partners for any reason.

## **V. Third Party Service: Events and Webinars**

From time to time, ESMC will collect personal information for events and webinars. This information may be disclosed to our third-party partners for the limited purpose of promoting and developing agriculture and agronomic models and assessment tools, and to promote trading and selling of carbon and water quality and quantity credits.

## **VI. Communication Preferences and Reviewing Your Personal Information**

You can manage your communication preferences by sending e-mail to [info@esmportal.com](mailto:info@esmportal.com) or sending a letter to the mailing address below. When contacting us please include your name, e-mail address, and the details of your request. You can also access and update your personal information by sending e-mail to [info@esmportal.com](mailto:info@esmportal.com) or sending a letter to the mailing address below that includes you name, e-mail address, account ID and the purpose of the request.

## **VII. Security of Your Personal Information**

ESMC uses a combination of industry standard security measures to protect your personal information from loss and misuse. For example, we use encryption when transmitting payment card information over the Internet. However, information transmitted via the Internet and/or stored on systems connected to the Internet is not 100% secure. As a result, ESMC does not ensure, warrant or guarantee the security or integrity of such information notwithstanding any other provision of this POLICY.

## **VIII. External Sites**

The SERVICES may contain links to other websites (“External Links”). ESMC is not responsible for the privacy practices of other websites. We encourage users to read the privacy statements of each and every website that collects information.

## **IX. Children’s Privacy**

People under the age of eighteen (18) may not use the SERVICES. If we learn that we have collected children’s personal information without parental consent, we will delete it from our systems.

## **X. How to Contact Us**

You can contact ESMC by sending an e-mail to [info@esmportal.com](mailto:info@esmportal.com). Please include your contact information, name of ESMC web site or service, and a detailed description of your request or privacy concern.

E-mail : [info@esmportal.com](mailto:info@esmportal.com)

ESMC reserves the right to change its practices concerning information gathered from visitors to its websites. If such changes occur, this POLICY will be updated. You should check back periodically to confirm the current terms of this POLICY. This POLICY is not intended to and does not create any contractual or other legal rights in or on behalf of any party.