

Tree Purchase Order



Advisor

Date received	Order number
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Personal details		
Full name (s)		
Company name if applicable		
Address		
City		
Postcode	County	Country
Telephone (home)		Telephone (work)
Telephone (mobile)	Email	
Date of birth	Nationality	

Order details: (please specify number of units required -1 unit is 100 trees – the species you require and your total purchase price)		
I / We wish to purchase (No of units)		Species required
		<input type="checkbox"/> Teak <input type="checkbox"/> Acacia
Total purchase price		<input type="checkbox"/> Formaleta <input type="checkbox"/> Mixed Species

Payment method: (please tick the appropriate box)	
<input type="checkbox"/> Cheque made payable to: Ethical Forestry Ltd.	<input type="checkbox"/> Bank Transfer to: Ethical Forestry Ltd, Barclays Bank plc. Sort code: 20-69-34 Account number: 03120791 Swift code: BARCGB22 Routing code: 026002574 IBAN: GB13BARC 2069 3403 1207 91
<input type="checkbox"/> If Escrow Facilities are required (Charged at £750.00 per transaction - Please tick box and see separate sheet for terms and conditions of escrow)	
In order to comply with THE MONEY LAUNDERING REGULATIONS 2007: You are required to provide photocopies of the following:	I Confirm that I have read and understood the terms and conditions (on the back) of this tree purchase order and (If required) the Escrow Terms and Conditions provided on separate sheet.
<input type="checkbox"/> Driving License (Photo ID Type only) or Passport	Signed
<input type="checkbox"/> Electricity, Water, Telephone, Gas or Council Tax Bill (only 1 required, dated within the last 3 months)	Print name

Please print name and address of person/company you wish the title documents and cropping contract to be assigned:	
Name	
Address	
	Postcode
Telephone	Date of birth

This contract is signed between the person or persons listed overleaf hereafter defined as "The Buyers" And
Ethical Forestry Limited, a company registered in England and Wales under company number 6455149 of Bristol and West House, Post Office Road, Bournemouth, Dorset. BH1 1BL hereafter known as "The Sellers".

DEFINITIONS:

1. Unless the context shall otherwise require the male shall include the female, the singular shall include the plural, a reference to a person shall include a corporate body and vice versa.
2. Words and phrases that have been defined are, generally, highlighted in bold in this document but this shall have no effect upon the legal interpretation of this contract.
3. The following words and phrases shall, unless the context otherwise requires, have the following meanings:

Term	Meaning
Buyers, the	Defined Above
Cropping Period, the	Defined in Clause 1.1
Crops, the	Defined in Main Subject Matter Clause A
EFT	Defined in Clause 3.3
Land, the	Defined in Main Subject Matter Clause A
Price, the	Defined in Clause 3.1
Sellers, the	Defined Above

CAPACITY

- A. **The Sellers** enter this contract on their own behalf.
- B. **The Buyers** enter this contract on their own behalf/through the intervention of a person duly appointed by Power of Attorney. The person signing under the Power of Attorney shall not assume any personal responsibility under this contract but merely signs for and on behalf of **the Buyers**. A copy of this Power of Attorney needs to be provided.

THE MAIN SUBJECT MATTER OF THIS CONTRACT

- A. The subject matter of this contract is the sale to **the Buyers** of the rights to certain crops ("**the Crops**") now growing or shortly to be planted on land located in Costa Rica and comprising the area contained within the GPS coordinates to be provided and linked in a clockwise direction ("**the Land**"), the subsequent replanting of **the Land** with indigenous species of trees and its long term management as protected forest land.
- B. **The Crops** comprise: Defined overleaf.
- C. **The Land** is registered at the local Land Registry under the title reference shown on the cropping rights.
- D. **The Sellers** have the authority of the registered owner of **the Land** to grant cropping rights in relation to **the Land** and to arrange for the long term and sustainable management of **the Land** as protected indigenous forest.

BACKGROUND TO AND REASONS FOR THE CONTRACT

1. **The Sellers** are a company dealing in forestry rights and the long term protection of forests in Costa Rica.
2. **The Buyers** are interested in the purchase of the rights to **the Crops** and, just as importantly, the subsequent restoration and long term preservation of **the Land** as part of a natural forest of indigenous trees.
3. **The Buyers and the Sellers** have agreed that they shall now enter into a contract on the following:

TERMS

1. The Crops

- 1.1 **The Sellers** shall, if they have not already done so, plant **the Crops** upon **the Land** and they shall use their best professional expertise to nurture **the crops** for a period of 12–25 years dependent on species or until **the Buyers** decide to harvest **the Crops**, whichever shall be the sooner ("**the Cropping Period**").
- 1.2 **The Sellers** warrant that **the Crops** are or will, when planted and for the first year, be healthy and suitable for the location in which they are planted but (other than as a result of their negligent lack of professional skill when tending **the Crops**) accept no liability in respect of **the Crops'** growth (other than the first 3 years) or the financial performance of this investment.
- 1.3 At any time during **the Cropping Period** or during the next harvest season after the end of **the Cropping Period**, **the Sellers** shall, at **the Buyers** request and expense, harvest all or part of **the Crops** and either make **the crops** that have been harvested available for collection from **the Land** by **the Buyers** or sell **the Crops** on behalf of **the Buyer**. The harvesting costs for each harvest shall be fixed at 6% of the market value of **the crops** that are harvested.
- 1.4 If **the Crops** are not collected within 3 months of the date of notification by **the Sellers** to **the Buyers** that they are ready for collection, ownership of **the Crops** shall revert to **the Sellers** and all rights under this contract shall then come to an end without further formality.
- 1.5 If **the Buyers** wish, and notify **the Sellers** of their desire, **the Sellers** shall use their best endeavours to sell **the Crops** that have been harvested on behalf of **the Buyers** and shall account to **the Buyers** in full for the sum received, minus the harvesting costs (calculated on the price received for the crops that have been sold).
- 1.6 **The Sellers** shall assist **the Sellers** by completing any necessary paperwork and/or other formalities reasonably required in connection with the planting, growth, harvesting and sale of **the Crops**.
- 1.7 **The Buyers** shall be liable for all taxes, third party fees and other similar expenses related to the sale of **the Crops** but all other expenses in connection with the planting and care of **the Crops** shall be born by **the Sellers**.
- 1.8 Some of **the Crops** will need to be harvested before the final harvest to make room for the remaining trees to keep growing. In consultation with a forester, **the Sellers** will advise **the Buyers** as to how much of **the Crops** should be removed in each of the selected harvests. Factors that will be taken into consideration include, but are not limited to, the growth profile and size of **the Crops** to be thinned and the prospects for improved growth of the rest of **the Crops**. **The Sellers** will harvest all remaining crops at the end of **the Buyers** cropping period.

2. The Reforestation and Preservation of the Forest

- 2.1 Once **the Crops** and other crops on neighbouring land, sold to other people on contracts similar to this contract, have been harvested **the Sellers** shall, at their expense, replant **the Land** with indigenous trees and shrubs to a design and plan chosen entirely at their discretion.
- 2.2 Once **the Land** has been replanted **The Sellers** shall, without charge to **the Buyers** and at their own expense, manage it as a sustainable forest of indigenous trees and use their best and continuing endeavours to secure the long term use of **the land** only for this purpose.

3. The Price

- 3.1 **The price** of the rights relating to **the Crops** and the subsequent reforestation of **the Land** shall be the fixed sum specified overleaf ("**the Price**").
- 3.2 **The Price** shall be paid in the following way:
 - 3.2.1 **The Price** shall be paid, in full, at the time of **the Buyers'** signing of this contract by an electronic funds transfer ("**EFT**") in favour of **the Ethical Forestry Ltd** to the following account:

Bank: Barclays Bank PLC
Sort Code: 20-69-34
Account Number: 03120791
Account Name: Ethical Forestry Ltd
Reference: EF/Your Surname/Contract Number
IBAN Number.: GB13 BARC 2069 3403 1207 91
SwiftBIC: BARCGB22

4. Subrogation of Rights & Onwards Sale

- 4.1 **The Buyers** shall be permitted to subrogate their rights under this contract to third parties, subject to their obtaining **the Sellers'** written consent to the transaction, such consent not to be unreasonably withheld.
- 4.2 **The Buyers** shall be responsible for paying **the Sellers'** reasonable legal expenses and other costs incurred in connection with their subrogation of this contract, which are agreed as £500. They will also be responsible for paying their own estate agents', legal and other fees and expenses in relation to that transaction.
- 4.3 **The Sellers** shall be entitled to subrogate their rights under this contract and/or sub-contract their responsibilities under this contract but they shall remain liable for their obligations under this contract to the full extent that would have been the case if they had performed their duties themselves.

5. Variations to this Contract

Changes to this contract may only be made and agreed in writing.

6. Administration & Interpretation

- 6.1 The headings in this contract are for convenience only and shall be of no legal significance.
- 6.2 The words and phrases in this contract shall bear the meanings set out in the Definitions section of the contract.
- 6.3 **The Buyers** and **the Sellers** acknowledge that this contract contains the entire agreement between the parties and that they have not relied on any statements, written or oral, that are not included in this contract.
- 6.4 This agreement replaces completely any earlier agreements made between the parties in relation to the subject matter of this contract.
- 6.5 If any clause in this contract is determined by a court of competent jurisdiction to be unenforceable then the rest of this contract shall survive and shall be interpreted by the court so as to give effect as closely as possible to the wishes of the parties as revealed by the overall terms of this contract.
- 6.6 **The Buyers** and **the Sellers** each hereby expressly declare and confirm that the address given by them in this contract shall be deemed their valid legal address and any that legal or other papers sent to that address shall be deemed as properly and legally notified unless the party to whom the papers are sent has previously notified their change of address to the other.
- 6.7 All notifications required under this contract shall be in writing and sent by recorded delivery mail or equivalent, by fax with electronic or other proof of delivery, by email with electronic or other proof of the email having been read, in any other way agreed by the parties or by such other method of delivery as is customary and legally acceptable as proof of delivery to the courts in the country in which delivery takes place.
- 6.8 This contract may be signed in any number of copies, each of which need not necessarily be signed by **The Buyers** and **the Sellers**, which shall be taken together and treated as one contract.
- 6.9 It is expressly agreed that this contract may be brought into legal effect by **The Buyers** and **the Sellers** sending to each other party a copy of the contract signed by the sending party. The copy contract may be sent by post, by fax or by email provided that there is electronic or other proof or receipt or a specific acknowledgement or receipt.

7. Exclusive Ownership.

The Buyers exclusively own **the Crops** and the lumber and proceeds from them. **The Buyers** agree that you have no right or claim to any trees, lumber, or proceeds other than those specific trees within your GPS coordinates. No other tree owner has any rights to **the Buyers** trees, lumber, or proceeds. As a tree owner, **the Buyers** will also have a lease on the land, **the Buyers** trees are planted on.

8. Disclaimers

- 8.1 **The Buyers** confirm that they have taken all the legal advice they feel appropriate before entering into this agreement.
- 8.2 As appropriate, the Sellers will make decisions about the Crops the Buyers own, including without limitation decisions related to the planting, care, and if the Buyers select us, the harvesting of the Buyers trees, the transportation and processing of the Buyers logs, and, if the Buyers elect to have the Sellers sell your hardwoods, the sale of the Buyers hardwoods, the Buyers, however are responsible for the harvesting dates. The Sellers agree to make all such decisions in good faith and with reasonable care.
- 8.3 The Buyers agree that the Sellers may rely upon the advice of foresters or others experienced in the affairs of planting, growing, caring for, or harvesting trees, and processing and marketing hardwoods, and that any decisions that the Sellers may make upon the advice of such persons, or any decisions we may make regarding the Buyers trees or hardwoods will be deemed conclusively to have been made in good faith and with reasonable care and prudence. The Buyers agree to hold the Sellers, and our officers, stockholders, agents, representatives, employees, and other tree owners, harmless for acts of God and for accidents, and further agree that you will not seek to hold any of the Sellers liable for direct, indirect, or consequential damages.
- 8.4 The Buyers also agree to hold the Sellers, and our agents, officers, stockholders, representatives, employees, and other tree owners, harmless if you incur any injury, loss, damage, or expense arising out of this agreement or the use of the Buyers hardwoods, or while in, on, or near the Sellers tree plantations, offices, property, animals, or vehicles, or while at or near any sawmill or while using any accommodations the Sellers suggest or arrange for, or while travelling to or from Costa Rica or the Sellers plantations.
- 8.5 The Buyers understand and agree that there are no warranties express or implied other than the guarantees and promises contained in this agreement, and that the Sellers cannot guarantee the growth or value of your trees, or the quality, quantity, or value of hardwoods they produce. The Buyers agree that in any and every event the Sellers liability to the Buyers is limited to the amount the Buyers have paid the Sellers.
- 8.6 The projections and explanation notes included with any promotional materials or with any correspondence are provided for the Buyer to better understand the process of growing and harvesting Tropical trees. Whilst the Sellers believe these estimates of growth, costs and yields to be fair and reasonable, the Sellers cannot guarantee the future value of the Buyers trees, nor the lumber proceeds the Buyers will receive from their harvest. The Sellers encourage you to seek the counsel of an independent professional who can evaluate the reasonableness and accuracy of these projections.

9. Withholding Tax

There is currently a 15% withholding tax on all income taken out of Costa Rica. This tax will be applied to **the Buyers** proceeds at source. **The Buyers** agree that it is **the Buyers** responsibility to reclaim any withholding tax paid in error and there is no obligation on **the Sellers** to alter any terms of this agreement or carry out any other steps to ensure that the withholding tax can be legitimately avoided by offsetting against **the Buyers** UK tax. **The Buyers** should seek independent taxation advice on this matter.

10. Disputes

This contract shall be subject to Costa Rican law and to the exclusive jurisdiction of the Costa Rican courts. This contract will be signed by **the Buyers** and **the Sellers** to show their agreement to these terms.