**Capital**

- Financing provided for over 50 mitigation projects
- Structured to carry the long term liability associated with mitigation
- Invested in and sponsored mitigation banks throughout the US
- Funds available for large tract conservation acquisitions

**Expertise**

- Broad proficiency with the legal, tax, easement and regulatory requirements of mitigation
  - Stream, wetlands, and habitat restoration; water quality trading and carbon sequestration
- Build project-specific teams with top engineering and ecological firms

**Experience**

- Founded in 1997, EBX is one of the leading mitigation banking firms in the United States
  - Over 50 miles of stream and over 13,000 acres of wetland, forest, buffer and habitat acres restored or under contract
  - Long and successful track record working with rural land-owners
EBX Background

- Viewpoint of practitioner that has developed, financed and sold over $70 million in environmental credits

- Project sponsor that has participated in over 100 turnkey environmental credit projects resulting in the restoration and enhancement of over 50 miles of stream, 6,000 acres of restored wetlands, and the protection of 7,300 acres of critical species habitat, forest and buffer, including nutrient offset projects in the Mid-Atlantic

- Vice President of National Mitigation Banking Association

- Participant in Nutrient Trading Task Forces in Chesapeake Bay, including serving on the Advisory Committee of the Water Quality Fund for the Chesapeake Bay; Advisory Committee to Bay Bank; and Member of the Maryland Climate Change Commission (Mitigation Work Group)

- Early stage private sponsor of Ecosystem Marketplace - www.ecosystemmarketplace.com

- EBX founded Sustainable Land Fund and sold in 2007 to Muni Mae – became MMASLI

- Working with landowners and project developers on the placement of investments

- Primarily focused on U.S. domestic market
Role of Aggregator

- Baseline analysis on market and technical viability (including baseline calculations)
- Complete the sales transaction
- Enter into trading contracts
- Fund and Manage the Project (including landowner payments)
- Assume and manage risk
- Manage diverse portfolio of credits (annual, structural, multiple farms)
- Insure the projects
- Integrate with other environmental markets and programs
Baseline Analysis of Market and Technical Viability

- Demand market analysis
- Preliminary analysis of technical suitability, including baseline and BMP analysis
- Comparative analysis of credits with other BMP credits in the marketplace
Complete the Sales Transaction

- Comparative cost analysis with Buyer’s options (i.e., capital improvements)
- Certification process
- Market pricing discovery
- Credit sales
- Regulatory approval of sale
- Negotiate trading contracts
- Verification
- Registry
- Insurance
Trading Contracts

- Approval by resource agencies?
- Payment schedule
- Duration of trade?
- Price?
- Insurance for credit deficits?
- Financial assurances?
- Liability transfer / include sites or permit?
- Monitoring and maintenance
- Adaptive management?
- Force majeure
- Deed restrictions on land?
- Enforcement provisions?
Fund and Manage the Project

- Cash flow of project may not cover certification process and BMP implementation
- Project management is keystone to delivering
Assume and Manage Risk

Assume risk obligations of projects:

- Construction risk
- Performance risk
- Financial risk
- Market risk
- Regulatory risk
- Portfolio risk
Manage Overall Portfolio

- Contract duration at least 10 years with PS
- This requires a blend of credits, both annual and long-term structural credits
- Diversification of multiple practices and farms helps with delivery risk
Insurance

- Self-insurance or insurance pool?
Integrate with Other Environmental Markets and Programs

- Wetland mitigation banking
- Stream mitigation banking
- Conservation banking
- Carbon sequestration
- Coordinate with farm conservation incentives and other environmental programs
- Property taxes and estate planning
Current Maryland Proposed Rules

- Role of aggregator prominently recognized
- Process for aggregator to be approved
- Standards for aggregator contracts to be adopted
Contact Information

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