

Cristalino – Reference 16 - English

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AGREEMENT FOR THE DEVELOPMENT OF THE PROJECT “CRISTALINO” UNDER THE CDM RULES

In the city of Manoel Ribas – PR, Brazil, on May 30th, 2006, CRISTALINO ENERGIA LTDA. (CE) (...) and MGM INTERNATIONAL LTDA. (MGM) (...)

INTRODUCTION

The objective of this agreement is the development of “Cristalino” Project according to the provisions of the Clean Development Mechanism (CDM) ...

(...)

fourth page:

(...)

FOURTH: CE OBLIGATIONS

(..)

4. Compensation. CE shall offer to MGM the following options:

- a. To buy, through MGM Carbon Portfolio, all the CERs generated by the project at Euros 8 (eight euros) per unit;
- b. Alternatively, to buy through MGM Carbon Portfolio, 50% of the CERs generated by the project at Euros 8 (eight euros) per unit, as follows:
 - i. CE will transfer 18,28% of all CERs generated by the project, including MGM as the beneficiary in the CERSAs;
 - ii. For the Verification process, MGM will be obliged to hire the DOE and to pay for the first Verification;

(...)

In all options mentioned above the agreed compensation will cover all expenses incurred or to incur by MGM within this agreement, including every kind of expense and cost.

(...)

eighth page:

The present contract is signed in two (02) identical copies with the same content and effect, on the date of May 30, 2006.

Cristalino Energia Ltda.

Jonathan Mafra Tambosi and Antonio Marcos Iastreski, Partner Administrators

MGM International

Marco G Monroy, President