



Warsaw, 29th January 2008

MINISTER OF THE ENVIRONMENT

Maciej Nowicki

DGPŚiZKzk/076/5530/92/2008/eb

LETTER OF APPROVAL

Referring to the project “N₂O emissions reduction project at Zakłady Azotowe Anwil S.A.” (the Joint Implementation Project – the JI Project), submitted by Zakłady Azotowe Anwil S.A. in Włocławek (Poland - the Project Host) represented by Vertis Environmental Finance Poland Sp. z o.o., taking into account, that the project will be financed from the sale of emission reduction units, I herewith declare that:

- 1 The Republic of Poland is a Party to the United Nations Framework Convention on Climate Change and the Kyoto Protocol.
- 2 The Republic of Poland will comply with the requirements to participate in Article 6 Kyoto Protocol projects as stated in Dec.9/CMP.1.
- 3 I recognize the JI Project to be a Joint Implementation project in accordance with article 6 of the Kyoto Protocol and its underlying decisions.
- 4 I authorize the Project Host Zakłady Azotowe Anwil S.A. in Włocławek, and any future owner of the JI Project to generate Claims on Emission Reduction Units (ERUs), by operation of the JI Project, in accordance with article 6 of the Kyoto Protocol.
- 5 Using the baseline scenario the transfer of verified ERUs generated through the JI Project during the period 2008 – 2012 is estimated to an amount of **3 537 841 Emission Reduction Units (ERUs)**.
- 6 According to „Term Sheet for the Purchase of Emission Reduction Units” (TS) signed on 29th November 2007 by Zakłady Azotowe Anwil S.A. in Włocławek (Poland) and Citigroup Global Markets Limited (United Kingdom) the amount of verified ERUs generated through the JI Project during the period 2008 – 2012 is estimated to be over 3 300 000 ERUs (that is 100% of verified ERUs).
- 7 I accept the transfer of 50% of total amount of verified ERUs generated through the JI Project during the period 2008 – 2012 to Citigroup Global Markets Limited (United Kingdom). According to „Term Sheet for the Purchase of Emission Reduction Units” (TS - 5. Contracted quantity) the amount of verified ERUs has been estimated, what corresponds to 1 692 839 ERUs to be transferred.

- 8 Transfer of verified ERUs generated through the JI Project during the period 2008 - 2012 to Citigroup Global Markets Limited (United Kingdom) will be proceeded when the Ministry of the Environment receives the writing confirmation from United Kingdom's entity, that affirms that Citigroup Global Markets Limited (United Kingdom) has authorization for participation in the JI Project in accordance with the international and domestic rules.
- 9 Zakłady Azotowe Anwil S.A. in Włocławek will choose the buyer for the rest of verified ERUs generated through the JI Project during the period 2008 - 2012.
- 10 I accept the transfer for the rest of verified ERUs generated through the JI Project during the period 2008 - 2012 to the future buyer of verified ERUs when the Ministry of the Environment receives the writing confirmation that affirms that the future buyer of verified ERUs has authorization for participation in the JI Project in accordance with the international and domestic rules.
- 11 In case of any changes in the legislation for installation Zakłady Azotowe Anwil S.A. in Włocławek that may result in defining the N₂O emission limits, Zakłady Azotowe Anwil S.A. in Włocławek are obliged to verify the baseline and to inform the Ministry of the Environment about the changes and adoption of the new baseline connected with it.
- 12 Provisions of this Letter of Approval will enter into force when the Ministry of the Environment receives the writing confirmation of Emissions Reduction Purchase Agreement (ERPA) between the Project Host and buyers of emission reduction units. The Polish Minister of the Environment will inform the future buyer of emission reduction units in writing that the Letter of Approval has entered into force.
- 13 The transfer of verified ERUs will be free of any taxes or levies, if it is pursuant to the law of European Union and law of Republic of Poland and United Kingdom.
- 14 The verified ERUs generated from the implementation of the project shall not be a subject of any legal or other transfer to third parties.


Zap. Ministera
Sekretarz Stanu
Stanisław Gawlicowski



Warsaw, 6th Feb. 2009

MINISTER OF THE ENVIRONMENT

Maciej Nowicki

DZKiOAzk/076/504/2009/eb

Annex to Letter of Approval issued on January 28, 2008 for the project “N₂O emissions reduction project at Zakłady Azotowe Anwil S.A.”

1 Article 6 of the Letter of Approval is replaced by the following:

“6 According to „Term Sheet for the Purchase of Emission Reduction Units” (TS) signed on 29th November 2007 by Zakłady Azotowe Anwil S.A. in Włocławek (Poland) and Citigroup Global Markets Limited seated in London (United Kingdom) the amount of verified ERUs generated through the JI Project during the period 2008 – 2012 is estimated to be over 3 300 000 ERUs (that is 100% of verified ERUs).”

2 Article 7 of the Letter of Approval is replaced by the following:

“7 I accept the transfer of 50% of total amount of verified ERUs generated through the JI Project during the period 2008 – 2012 to Citigroup Global Markets Limited seated in London. According to „Term Sheet for the Purchase of Emission Reduction Units” (TS - 5. Contracted quantity) the amount of verified ERUs has been estimated, what corresponds to 1 692 839 ERUs to be transferred.”

3 Article 8 of the Letter of Approval is replaced by the following:

“8 Transfer of verified ERUs generated through the JI Project during the period 2008 – 2012 to Citigroup Global Markets Limited seated in London will be proceeded when the Ministry of the Environment receives confirmation in writing that affirms that Citigroup Global Markets Limited seated in London has authorization for participation in the JI Project in accordance with the international and domestic rules.”

4 Article 13 of the Letter of Approval is replaced by the following:

“13 The transfer of verified ERUs will be free of any taxes or levies, if it is pursuant to the law of European Union and law of Republic of Poland and Investor Country.”

5 Article 14 of the Letter of Approval is deleted.

MINISTER ŚRODOWISKA

Maciej Nowicki