CARBON TRADE EXCHANGE
RULES AND REGULATIONS FOR
THE VOLUNTARY CARBON MARKET 22 May 2018

The purpose of the following Carbon Trade Exchange rules and regulations ("Rules") is to facilitate carbon trading among members by promoting a system of good business practice and understanding of the Rules of Carbon Trade Exchange. These Rules supersede any previous publication submitted by Carbon Trade Exchange.

The following Rules form part of, and are included in, the Carbon Trade Exchange Agreement (CTX Trading Agreement), which the Member has entered into with Carbon Trade Exchange. If any term in the CTX Trading Agreement conflicts with any term set out in these Rules, the terms in the Rules will prevail.

1. DEFINED TERMS AND INTERPRETATION

1.1 Definitions in the Dictionary

A term or expression starting with a capital letter which is defined in the Dictionary in Schedule 1 (Dictionary), has the meaning given to it in the Dictionary

1.2 Interpretation

The interpretation clause in Schedule 2 (Interpretation) sets out rules of interpretation for these Rules

2. RECITALS

2.1 Subject to clause 3, Carbon Trade Exchange is a company that also acts as a clearing house and third party record keeper of Transactions among its Members and directs its Members to each other for the purpose of trading.

2.2 The Member is a legitimate business or individual that wants to sell or buy Units with other members within the CTX Trading Platform, and wants to subscribe to Carbon Trade Exchange administrative and trade services.

2.3 A Buying Member is a purchaser of Units to either:

2.3.1 retire the Units; and/or

2.3.2 trade the Units; and/or

2.3.3 own or bank the Units for future trade, retirement or to be held as an asset; and

2.3.4 in respect to CERs, the voluntary cancelation.

2.4 A Selling Member warrants that it owns the Units it lists in the CTX Order Book on the CTX Trading Platform, or is a Broker acting on behalf of the owner or beneficial owner for the purposes of selling Units on the CTX Trading Platform.

2.5 THE CTX TRADING AGREEMENT AND CHANGE IN TERMS / NON ASSIGNABILITY

2.6 These Rules are incorporated by reference in the CTX Trading Agreement. Carbon Trade Exchange may, at its absolute discretion, change the terms of these Rules and the CTX Trading Agreement at any time by giving the Member at least five (5) calendar days prior written Notice, or by notification and acceptance in the online portal of the CTX Trading Platform. Any Transaction made by a Member after the five (5) day Notice period constitutes acceptance of the new terms.

2.7 These Rules and the Carbon Trade Exchange Agreement cannot be amended verbally and any changes must be in writing and signed by a director of Carbon Trade Exchange. The Member is not entitled to assign its rights

and obligations under these Rules and/or the Carbon Trade Exchange Agreement. These Rules are binding upon the Member, his heirs, successors, permitted assignees and/or administrators of the Member's estate.

3. BECOMING A MEMBER

3.1 In order to become a Member and a participant on the CTX Trading Platform, an applicant must complete an online Application including the CTX Trading Agreement with Carbon Trade Exchange, pay the Application Fee and meet the Member criteria. Acceptance of membership is solely at the discretion of Carbon Trade Exchange. While the application fee is currently set at €0.00, Carbon Trade exchange reserves the right to make amendments to is fee structure.

3.2 Upon receipt of the CTX Trading Agreement, which has been executed by the participant, Carbon Trade Exchange will verify the participant's application and supporting documents. The CTX Trading Agreement will be deemed to be completed and in force when Carbon Trade Exchange countersigns the CTX Trading Agreement and returns a copy to the new Participant. A copy can be returned by post or email at the discretion of Carbon Trade Exchange.

3.3 In the event that Carbon Trade Exchange deem that an applicant is not suitable and refuse to enter into a CTX Trading Agreement with the applicant, it may, but is not obliged to, give reasons for its decision, and its decision to enter into a CTX Trading Agreement is solely at the discretion of Carbon Trade Exchange. In the event that Carbon Trade Exchange deems that an applicant is not suitable and/or refuses to enter into a CTX Trading Agreement (which may be by reason that the applicant does not comply or adhere with Carbon Trade Exchange's AML Policy) an administration fee of €200.00 will be deducted from the applicant's Application Fee, and all documentation and the balance of the Application Fee will be returned to the applicant.

3.4 Once the CTX Trading Agreement has been accepted and entered into by Carbon Trade Exchange, the Application Fee will be deemed non-refundable.

3.5 The Member will have access to the CTX Trading Platform subject to these rules.

3.6 The Member's access to the CTX Trading Platform will be cancelled in the event that the CTX Trading Agreement is terminated for any breach of the terms and conditions contained therein.

3.7 Carbon Trade Exchange is required to undertake due diligence on the Member and its business under relevant Anti-Money Laundering and Counter-Terrorism Financing Laws and are required to collect certain information on the Member, as outlined in the CTX Application Form. Following the internal assessment, if at any time Carbon Trade Exchange requires additional information (either prior to, or at any time during membership), the Member undertakes to provide it.

4. AUTHORISED REPRESENTATIVES AND BROKERS

4.1 The Member may appoint one or more Authorised Representatives to exercise and fulfil the Member's rights and obligations under these Rules, once a CTX Trading Agreement is in place with Carbon Trade Exchange.

4.2 The Member represents and warrants that where it has notified Carbon Trade Exchange that a Broker will be acting on its behalf, that Broker has the requisite power and authority to deal on behalf of the Member's CTX Trading Account. The Member will ensure that it provides evidence of such authority to Carbon Trade Exchange upon written Notice. Where a Member has notified Carbon Trade Exchange that a Broker will be acting on the Member's behalf, Carbon Trade Exchange is entitled to accept instructions from that Broker in respect of the Member's CTX Trading Account, as though such instructions had been received from the Member. If the agency or other arrangement between a Broker and the Member is revoked, the Member must notify Carbon Trade Exchange immediately. The Member on whose behalf the Broker is acting shall be fully liable for all acts and omissions of the Broker in accordance with the laws governing these Rules.

4.3 Any Authorised Representative appointed by a Member must agree to, and will be bound by, these Rules as if they themselves are the Member.

4.4 It is the sole responsibility of the Member to ensure that any Authorised Representative and Broker complies with these Rules and all relevant laws.

4.5 Carbon Trade Exchange may assume that any request or instruction Carbon Trade Exchange receives from an Authorised Representative or its appointed Broker is authorised by the Member if accompanied by suitable verification, including, but not limited to, the Member's Access Code.

4.6 In respect to CERs and their voluntary cancellation, the Authorised Representative is the Focal Point Representative declared in the CDM-FWD-FORM Annex 1.

5. REGISTRY ALLOWANCE ACCOUNT

5.1 An applicant Member who is an Approved Registry account holder must provide Carbon Trade Exchange with the registration and reference details for their Registry Allowance Account in their CTX Trading Agreement. The Member agrees to authorise the Approved Registry to provide Carbon Trade Exchange with any due diligence information it has on record which may be required to be collected by Carbon Trade Exchange in order to comply with relevant Anti-Money Laundering and Counter-Terrorism Financing Laws.

5.2 An applicant Member who is not an Approved Registry account holder is required to open a Registry Allowance Account, or agree to the opening of a Registry Allowance account on their behalf by Carbon Trade Exchange, and the Member agrees to authorise Carbon Trade Exchange to provide the Approved Registry with copies of all information and documents provided to Carbon Trade Exchange in the CTX Application Form to enable the Registry Allowance Account to be opened. If at any time the Approved Registry requires additional information (either prior to or at anytime during membership), the Member undertakes to provide it.

5.3 The Member agrees to authorise Carbon Trade Exchange, the Clearing Bank and the Approved Registry to exchange copies of all due diligence documents they have on record for the Member whilst the CTX Trading Agreement remains in force.

5.4 A Member must hold a Registry Allowance Account before commencement of trading on the CTX Trading Platform.

5.5 Except as outlined in clause 6.6 herein, Carbon Trade Exchange will pay the Registry Fees on behalf of the Member following the completion, execution and settlement of each Transaction of Units held in an Approved Registry. It reserves the right, however, to pass on part or all of these fees to the Member.

5.6 Unless agreed otherwise in writing, Carbon Trade Exchange will not pay the Registry Fees on behalf of the Member for any Transaction of Units held in the American Carbon Registry or the Climate Action Reserve Registry which shall be payable by the Member in accordance with the rules of the American Carbon Registry and/or the Climate Action Reserve Registry.

5.7 In respect to CERs and their voluntary cancellation, Sellers of CERs must have a project that has issued CERs, paid their Share of Proceeds (SOP) fee (to the relevant entity), the CERs must be held in the Pending Account or a Permanent Holding Account of the CDM Registry and not listed on the UN Platform for voluntary cancellation of CERs.

5.8 In order for Sellers to list CERs on the CTX trading platform they must first have their CTX membership approved. They must then forward their CERs to a transitory (reservation) account for CTX through the regular forwarding process (CDM-FWD-FORM) and authorize CTX to manage the cancellation of sold CERs (CDM-FWD-FORM Annex 1). Both the CDM-FWD-FORM and CDM-FWD-FORM Annex 1 must be completed and submitted to cdm-registry@unfccc.int. Copies of the CDM-FWD-FORM Annex 1can be found in Schedule 5 of these Rules and Regulations or requested by emailing operations@ctxglobal.com or cdm-registry@unfccc.int.

6. CASH SETTLEMENT ACCOUNT AND TRADING ACCOUNT

6.1 Before Carbon Trade Exchange will open a Trading Account on behalf of a Member to facilitate a Transaction on the CTX Trading Platform, the Member must advise Carbon Trade Exchange of the bank account and branch from which their payments will be transferred from, and thereafter, either:

6.1.1 deposit money into a Cash Settlement Client Account operated by Carbon Trade Exchange, to which payments for Transactions will be debited or credited; and/or

6.1.2 open a Cash Settlement Account by signing and entering into an opening agreement with a Clearing Bank, to which payments for Transactions will be debited or credited. The Cash Settlement Account will be debited or credited in the name of the Member and processed immediately. Prior to the settlement of any Transaction, funds must be deposited in the Cash Settlement Client Account operated by Carbon Trade Exchange.

6.2 Members must provide Carbon Trade Exchange with the identity and role assignment for any Authorised Representative or Broker who intends to trade on behalf of the Member using its Trading Account.

6.3 On completion of a Transaction, Carbon Trade Exchange will be authorised to deduct the Transaction Fee from both the Buying Member and Selling Member's Cash Settlement Account or Cash Settlement Client Account and the CTX Cash Transaction Fee (and any Sales Taxes applicable to the exchange services provided by CTX (if any)) from both the Buying Member and Selling Member's Cash Settlement Account or Cash Settlement Client Account.

6.4 Carbon Trade Exchange will not be liable for any loss or damages caused by an Authorised Representative trading on behalf of the Member, regardless of whether such Authorised Representative is trading under the Member's authority, until Carbon Trade Exchange has received a Notice request, in accordance with clause 35 herein, for the suspension of this Authorised Representative from the Member.

7. PAYMENT OF FEES

7.1 All fees and charges including set-up fees, transaction fees, annual fees, maintenance fees, and other charges assessed for Members and received by Carbon Trade Exchange are payments to Carbon Trade Exchange for services rendered in processing Members' applications, operating the CTX Trading Platform, brokerage, administering these Rules, maintaining records, and facilitating Member's use of the CTX Trading Platform. The Transaction Fee and CTX Cash Transaction Fee (and any other associated fees or taxes) are payable on settlement of Transactions and are not refundable.

7.2 Any fees payable for use of the CTX Trading Platform will be published by Carbon Trade Exchange from time to time.

7.3 The Member will bear all such costs, taxes and other charges in connection with the Member's use of the CTX Trading Platform.

7.4 The Member shall pay all fees, costs, taxes and other charges in connection with the Member's use of the CTX Trading Platform, on or prior to the settlement of any Transaction on the CTX Trading Platform.

7.5 The Member will be liable for any and all fees incurred (and any Sales Tax applicable) as a result from any use of the CTX Trading Platform through the Member's username and password.

7.6 The Application Fee is non refundable once the CTX Trading Agreement has been received and accepted by Carbon Trade Exchange.

7.7 The Member agrees to pay Carbon Trade Exchange the full amount of any fees not paid on settlement of a Transaction within fifteen (15) days of the date of the issue of a monthly statement; otherwise, Carbon Trade Exchange shall charge the Member a late penalty fee on the outstanding balance at the rate of ten percent (10%) per calendar month or part thereof for a period not exceeding sixty (60) days or until the member has paid the monies owing in full, whichever comes first. In the event that the Member is in arrears for any cash fees beyond

fifteen (15) days, the Member waives all rights to trade any Units credited in their Registry Allowance Account, and grants Carbon Trade Exchange the right to freeze any Unit(s) balances until all monies owing to Carbon Trade Exchange are paid in full. In the event the outstanding amount remains unpaid for thirty (30) days, CTX can sell the Units in a Member's Registry Allowance Account to repay the debt.

8. INFORMATION TO BE PROVIDED BY A MEMBER PRIOR TO BEING PROVIDED WITH AN ACCESS CODE

8.1 A Member must provide the following documents and information to Carbon Trade Exchange before an Access Code will be provided:

8.1.1 a Carbon Trade Exchange Member application form, completed to Carbon Trade Exchange's satisfaction;

8.1.2 the Member's Registry Allowance Account registration number;

8.1.3 Depository Bank Account Details for settlement including Bank code and Account Number

8.1.4 identity of the Trading Account;

8.1.5 Member's jurisdiction of establishment and Sales Tax number, where applicable;

8.1.6 the list and identification of any Authorised Representatives (if any) whom the Member has appointed, together with the requisite authorised signatures; and

8.1.7 the list and identification of any Brokers whom the Member has appointed (if any).

8.2 Carbon Trade Exchange reserves the right to request any further documents and information from a Member, if it deems necessary, prior to an Access Code being issued.

8.3 The Access Code provided to a Member must not be given to any third parties by the Member, unless appointed as an Authorised Representative.

8.4 The Member will promptly inform Carbon Trade Exchange if any Authorised Representative is no longer working with or for the Member. It is the sole responsibility of the Member to provide this advice before Carbon Trade Exchange can withdraw the Access Code(s) and/or issue the Member with a new Access Code(s). This will be completed as soon as possible, following the receipt of such advice.

8.5 The Member is solely responsible for the security and use of the Access Code and Carbon Trade Exchange can assume until notified to the contrary that the person using the Member's Access Code at any particular time is authorised to do so by the Member.

8.6 Carbon Trade Exchange will not be responsible or liable for any damages suffered by the Member in the event that the Member, or an Authorised Representative of the Member, loses or allows any persons not being authorised to have access to its Access Code. Carbon Trade Exchange will assume that this Access Code is being used by an Authorised Representative unless they have been advised otherwise and have acknowledged receipt of this advice.

8.7 The Member guarantees the validity of any documents and information it provides Carbon Trade Exchange, and substantiates it, where appropriate, by providing certified copies of any original documents which Carbon Trade Exchange request.

8.8 All documents and information provided to Carbon Trade Exchange shall be provided or translated into English (unless Carbon Trade Exchange deem otherwise). The English translations will be verified as accurate by the Member.

8.9 The Member shall be responsible for updating the documentation and information that it provides Carbon Trade Exchange in the event that such document expires, becomes invalid, or changes for any reason.

9. COMMENCEMENT OF TRADING ON THE CTX TRADING PLATFORM

9.1 Members will access the CTX Trading Platform through an internet based interface, the use of which is governed by these Rules.

9.2 Members must have suitable internet, computer hardware, software and communication connections to use the CTX Trading Platform. Carbon Trade Exchange does not provide any warranty with regard the response times for viewing, querying, or transferring data on the CTX Trading Platform, as these are characteristics which are inherent to the limitations of global telecommunications networks.

9.3 Following the acceptance and completion requirements outlined in clauses 4.1, 4.2and 7.1of these Rules, Carbon Trade Exchange will supply the Member with the Access Code which will enable the Member to access their Trading Account and the CTX Trading Platform, which will enable them to enter Sales Listings and Purchase Orders on the CTX Trading Platform.

9.4 Members must appoint a contact person chosen from their list of Authorised Representatives who will be Carbon Trade Exchange's direct contact for any administrative formalities that arise from these Rules and the operation of the CTX Trading Platform.

9.5 In respect to CERs and their voluntary cancellation, the Authorised Representative is the Focal Point Representative declared in the CDM-FWD-FORM Annex 1.

10. RULES OF CONDUCT AND BEHAVIOUR ON THE CTX TRADING PLATFORM

10.1 Members must comply with these Rules at all times whilst operating on the CTX Trading Platform and whilst the CTX Trading Agreement is in force.

10.2 Buying Members must ensure that they have sufficient money in their Cash Settlement Account for payment and delivery on any Transaction executed on the CTX Trading Platform prior to settlement.

10.3 The Selling Member guarantees that it has the legal title to the Units that it offers on the CTX Trading Platform or is a Broker acting on behalf of the legal owner, and that such Units are not subject to any Encumbrances.

10.4 Members will at all times observe the general principles of honesty, integrity and good conduct whilst conducting business on the CTX Trading Platform and will refrain from using any procedures or techniques which intentionally mislead other Members and or reduce, influence or impair the liquidity and price of the Units traded on the CTX Trading Platform.

11. CHANGES TO MEMBERSHIP STATUS AND SUSPENSION

11.1 Members must inform Carbon Trade Exchange immediately of any changes to any of the information or documentation provided to Carbon Trade Exchange, and in particular changes to any of the following:

11.1.1 closure, termination or unavailability of their Registry Allowance Account;

11.1.2 the sale of any Units listed on the CTX Trading Platform which occur outside the CTX Trading Platform for any reason;

11.1.3 closure, termination or unavailability of their Cash Settlement Account;

11.1.4 withdrawal of authorisation of any persons acting as their Authorised Representatives;

11.1.5 the withdrawal or modification of a Selling Member's Units by a Standard;

11.1.6 any suspension or cessation of the Member's business operations;

11.1.7 the Member becomes insolvent; and/or

11.1.8 the Member voluntarily files, or has filed against it, a petition under applicable bankruptcy or insolvency laws.

11.2 Carbon Trade Exchange is entitled to suspend or temporarily restrict access to the CTX Trading Platform without Notice in the event that:

11.2.1 a Suspension Event occurs;

11.2.2 the CTX Trading Platform experiences IT and technical problems; and/or

11.2.3 if it seems fit or advisable in the interests to ensure that a fair and orderly market can be maintained.

11.3 Carbon Trade Exchange will inform the Member of any proposed suspension or temporary restriction and the expected date of resumption of the CTX Trading Platform as soon as possible. For the avoidance of doubt, Carbon Trade Exchange will not be liable for any loss or damages suffered by the Member as a result of such suspension.

11.4 Carbon Trade Exchange may, but is not obliged to, temporarily suspend the Member's Access Code and Trading Account and access to the CTX Trading Platform, and/or the Member's ability to deal with any disputed Units if Carbon Trade Exchange forms a reasonable belief that:

11.4.1 the Member fails to comply with these Rules;

11.4.2 any Units listed by or on behalf of the Member are reasonably suspected to have been fraudulently created or issued illegally;

11.4.3 any Member's activity is considered to be fraudulent;

11.4.4 the Member's Registry Account Allowance is suspended by an Approved Registry;

11.4.5 the Member's Cash Settlement Account is suspended;

11.4.6 accreditation or approval for any Units listed by or on behalf of the Member is withdrawn or threatened to be withdrawn for any reason other than such Units having been issued in error;

11.4.7 any Units listed by or on behalf of the Member are subject of, or become the subject of, a Dispute other than that of erroneous issue;

11.4.8 if the Member is acting as a Broker or an Authorised Representative any authorisation to act in that capacity has been revoked by the principal Member;

11.4.9 the Member becomes insolvent; and/or

11.4.10 the Member voluntarily files, or has filed against it, a petition under applicable bankruptcy or insolvency laws.

11.5 Carbon Trade Exchange may temporarily suspend the Member's ability to deal with any disputed Units if Carbon Trade Exchange forms a reasonable belief that:

11.5.1 any Units listed by or on behalf of the Member have been created or issued in error;

11.5.2 accreditation or approval for any Units listed by or on behalf of the Member is withdrawn or threatened to be withdrawn because such units have been issued in error;

11.5.3 any Units listed by or on behalf of the Member are the subject of, or become the subject of, a Dispute concerning such Units being issued in error; or

11.5.4 the Member, Authorised Representative or Broker is reasonably suspected not to have full legal and/or beneficial legal title to any Units listed by or on behalf of the Member and no fraud or illegal activity has taken place.

11.6 While a Member's access to the CTX Trading Platform and/or account is temporarily suspended:

11.6.1 the Member will have no right to trade any Units in their Registry Allowance Account on the CTX Trading Platform and any instruction by the Member to their Approved Registry to list, record the transfer of, or retire Units in the Registry Allowance Account via the CTX Trading Platform will be declined; and

11.6.2 the Member's access to the monies in their Cash Settlement Account or Cash Settlement Client Account will be frozen.

11.7 Upon notification by Carbon Trade Exchange of its temporary suspension, the Member will have fifteen (15) Business Days to show cause in writing as to why the Member should not be permanently suspended from the CTX Trading Platform by directly addressing the issue which gave right to the suspension under the provisions of clause 11.4 of these Rules.

11.8 If within the fifteen (15) Business Day period, Carbon Trade Exchange is reasonably satisfied that the circumstances giving rise to such suspension no longer apply, Carbon Trade Exchange may reactivate the Member's Access Code and Trading Account, and shall notify the Member thereafter.

11.9 If, following the expiration of the fifteen (15) Business Day period outlined in clause 11.7 above, the Member fails, to the satisfaction of Carbon Trade Exchange, to provide a satisfactory response to the cause of the suspension, Carbon trade Exchange may exercise one or more of the following rights:

11.9.1 permanently suspend the Member from the CTX Trading Platform;

11.9.2 close the Member's Trading Account(s) in the CTX Trading Platform;

11.9.3 terminate the Member's CTX Trading Agreement (in which case the provisions of clause 30 will apply); and/or

11.9.4 suspend the Member's Trading Account for a further fifteen (15) Business Days to allow the Member further time to provide its written response.

11.10 Any Dispute in relation to Units shall be between the Member and the Approved Registry.

11.11 For the avoidance of doubt, in the event that a listing or a transaction on the CTX Trading Platform is found to be fraudulent or illegal, Carbon Trade Exchange reserves the right to refer the matter to the appropriate Government, and/or legal authorities, and IETA or any other industry body as appropriate.

SECTION 2 – TRADING ON THE CTX TRADING PLATFORM

12. DEFINITION OF SALES LISTINGS AND PURCHASE ORDERS EXECUTED ON THE CTX TRADING PLATFORM

12.1 The Member shall use the CTX Trading Platform, the CTX Listing Portal and/or a Registry Listing Platform to place Sales Listings and Purchase Orders to execute Transactions.

12.2 Only Members, their Authorised Representatives and or their Brokers are entitled to place Sales Listings and Purchase Orders and execute Transactions on the CTX Trading Platform.

12.3 These Rules outline the terms and validity of all Sales Listings and Purchase Orders. All Sales Listings and Purchase Orders submitted by Brokers via the Brokers Electronic Interface will be considered to have met the conditions outlined in clauses 13.4. 14, and 15 below.

12.4 The Member is responsible for and guarantees the accuracy and correctness of the figures, information, and data that they, their Authorised Representative(s) or their Broker(s) inserts on all Sales Listings and Purchase Orders on the CTX Trading Platform.

12.5 All Sales Listings and Purchase Orders will remain open in the CTX Order Book until such time as they are removed in accordance with the provisions of the Rules.

12.6 All Sales Listings and Purchase Orders will be deemed to have indisputably originated from a Member when the Member's Access Code is used to access the CTX Trading Platform, the CTX Listing Portal and/or a Registry Listing Platform when submitting the Sales Listing or Purchase Order and the message is sent via an Electronic Link to the CTX Trading Platform.

12.7 Carbon Trade Exchange is not responsible or obliged to verify the accuracy and correctness of the figures, information, and data contained in any Order entered on the CTX Trading Platform by a Member, their Authorised Representative(s) or their appointed Broker(s).

12.8 A Sales Listing can be withdrawn in accordance with clause 13.4 of these Rules at any time before it is Matched by a Member, their Authorised Representative(s) or their appointed Broker(s), however, it cannot be cancelled or reversed once it has been Matched, unless the provisions of clause 21 of these Rules apply.

12.9 A Sales Listing can be cancelled at any time before it is Matched by Carbon Trade Exchange in the event that it does comply with any provisions of these Rules.

12.10 An OTC Transaction cannot be cancelled once it has been submitted to the CTX Trading Platform, unless mutually agreed by both counterparties, the Clearing Bank and Carbon Trade Exchange. In the event that the OTC Transaction is cancelled, the Reversal Fee will be payable by both Members who are a party to the said OTC Transaction.

13. SELLING MEMBERS INSTRUCTIONS TO CARBON TRADE EXCHANGE FOR SALES LISTINGS

13.1 On or before a Selling Member is able to place a Sales Listing in the CTX Order Book, the Member is required to deposit or hold already the number of Units into the Registry Allowance Account to fill the Sales Listing in full.

13.2 In order for a Selling Member to post a Sales Listing in the CTX Order Book they must select and submit the following details in the Listing Platform:

13.2.1 the intention to list such Units on the CTX Trading Platform;

13.2.2 the Standard and type of Unit to which the Sales Listing relates;

13.2.3 the vintage year of the Unit to which the Sales Listing relates;

13.2.4 the Quantity of the Units to which the Sales Listing relates, the minimum number of which will be one hundred (100) per Order;

13.2.5 the intention of whether or not to accept a partial bid for the Units;

13.2.6 the Price of the Units to which the Sales Listing relates, expressed as a base price in the currency the Member stipulates.

13.3 Once a Sales Listing has been placed into the CTX Order Book by a Selling Member, in accordance with clause 13.2 above, the Selling Member may amend the Price, the intention of whether or not to accept a partial bid for the Units, and the base currency of the said Units directly on the CTX Trading Platform. In the event that the Selling Member does not amend the Price, the partial bid status and/or the base currency of the said Units, the details of the Sales Listing will remain the same as originally posted by the Selling Member in the Listing Platform.

13.4 A Sales Listing may not be listed on the CTX Trading Platform below the Floor Price. In the event that a Selling Member would like to post a Sales Listing below the Floor Price, Notice must be given in accordance with clause 34 herein. A Sales Listing will only be able to be posted below the Floor Price by manual intervention in the event the proposed listing is signed off by an Executive Director of Carbon Trade Exchange.

13.5 Once a Sales Listing has been placed into the CTX Order Book by a Selling Member, such Units will not be eligible to be sold elsewhere to avoid the issue of double selling. In the event that a Selling Member wishes to withdraw a Sales Listing from the CTX Order Book the following conditions will apply:

13.5.1 in the event the withdrawal is made directly from a Registry Listing Platform, a minimum of two (2) Business Days notice will be required to be given to the Approved Registry before the Sales Listing will be removed from the CTX Order Book in accordance with the terms and conditions of the Approved Registry and these Rules;

13.5.2 upon notification Carbon Trade Exchange will remove any unsold Units from the CTX Order Book; and

13.5.3 within two (2) Business Days, all unsold Units will be returned to the Member's Registry Allowance Account.

13.6 Carbon Trade Exchange shall be entitled not to act upon any instructions from the Member, pursuant to these Rules, if it is unable to act due to circumstances outside its reasonable control, including but not limited to, any Suspension Event.

14. BUYING MEMBERS INSTRUCTIONS TO CARBON TRADE EXCHANGE FOR PURCHASE ORDERS

14.1 On or before a Buying Member is able to place a Purchase Order in the CTX Order Book, the Member is required to either:

14.1.1 hold or deposit the appropriate cash into the Cash Settlement Account or the Cash Settlement Client Account to cover the cost of any Transaction, including the CTX Cash Transaction Fees (including the Discounted Unit Transaction Fee if relevant) and any associated Sales Taxes (if any) payable to Carbon Trade Exchange; and/or

14.1.2 have the appropriate Credit Line in place to cover the cost of any Transaction, including the CTX Cash Transaction Fees (including the Discounted Unit Transaction Fee if relevant) and any associated Sales Taxes (if any) payable to Carbon Trade Exchange.

14.2 The Buying Member shall wire the funds to complete the transfers, in accordance with clause 14.1, to the CTX designated account provided to the Member in the CTX membership pack.

14.3 In order for a Buying Member to post a Purchase Order in the CTX Order Book they must place a bid on a Sales Listing and submit the following details in the CTX Trading Platform:

14.3.1 the Standard and type of Unit to which the Purchase Order relates;

14.3.2 the vintage year of the Unit to which the Purchase Order relates;

14.3.3 the Quantity of the Units to which the Purchase Order relates, the minimum number of which will be one hundred (100) per Order;

14.3.4 the intention of whether or not to accept a partial purchase of the Units; and

14.3.5 the bid Price of the Units to which the Purchase Order relates.

14.4 Carbon Trade Exchange shall be entitled not to act upon any instructions from the Member, pursuant to these Rules, if it is unable to act due to circumstances outside its reasonable control, including but not limited to, any Suspension Event.

15. DETAILS OF SALES LISTINGS AND PURCHASE ORDERS TRANSMISSION

15.1 Sales Listings and Purchase Orders are sent electronically by the Member or its Authorised Representative(s) to the CTX Trading Platform to be Matched and executed.

15.2 In the event that the CTX Trading Platform is not functioning or an Electronic Link is disabled, a Member or its Authorised Representative(s) may submit a Sales Listing or a Purchase Order to Carbon Trade Exchange by email or facsimile, whereby the Member's Access Code will be required to be submitted before it is accepted to the CTX Order Book. Any email or facsimile may also require Member's signatories at the discretion of Carbon Trade Exchange, and all Transactions completed by this method will be T+1 Business Day.

16. DETAILS OF THE CTX ORDER BOOK AND OTC TRANSACTIONS

16.1 During the trading session, Members will be able to view the CTX Order Book, which will contain the following information for each Units:

16.1.1 the Quantity and Price of all current Purchase Orders and Sales Listings; and

16.1.2 the Quantity, Price and time of execution of the last Online Order, which will be updated on completion of each Transaction.

16.2 During the trading session, Members will be able to view the details of the last traded OTC Transactions, including the Quantity, vintage, and type of execution of the last OTC Transaction.

16.3 The CTX Order Book will be, at all times, anonymous and the identity and information of the counterparties to all Transactions conducted on the CTX Trading Platform by a Member or its Authorised Representative(s) will not be disclosed in it.

16.4 In relation to the execution of all OTC Transactions, the identity and information of the counterparties will only be revealed to those Members and Authorised Representative(s) involved in the said OTC Transaction.

17. AUTHORISATION AND CHECKING OF SALES LISTINGS AND PURCHASE ORDERS

17.1 Once a Sales Listing is Matched in the CTX Order Book, the CTX Trading Platform will instantly check and ensure that either:

17.1.1 the Buying Member has sufficient cleared funds in their Cash Settlement Account or in the Cash Settlement Client Account; or

17.1.2 the Buying Member has an approved Credit Line in place;

to fulfil the Matched order in the event the Transaction is executed at the bid price, which includes the payment of the Transaction Fee, the CTX Cash Transaction Fee (including the Discounted Unit Transaction Fee if relevant) and associated Sales Taxes (if any).

17.2 In the event that the checks are positive, the Matched order will be immediately processed in the CTX Order Book as a Pending Transaction, and the transaction log will be updated confirming the Pending Transaction status and the following details:

17.2.1 the Standard and type of Unit;

17.2.2 the vintage year of the Units;

17.2.3 the Quantity of the Units; and

17.2.4 the Transaction Fee payable.

17.3 For the avoidance of doubt, in the event that the Member has insufficient funds or Credit Line, the Transaction will automatically be declined and reversed in the CTX Order Book.

18. PAYMENT DELIVERY WHEN PURCHASING UNITS USING A CREDIT LINE

18.1 In the event that a Buying Member purchases Units using a Credit Line, the monies due to settle a Transaction in accordance with clause 14.1 must be sent immediately to the Cash Settlement Client Account to affect the transfer and completion of the Transaction.

18.2 If the funds required to settle the Transaction in accordance with clause 14.1 are not deposited by the Buying Member into the Cash Settlement Client Account within two (2) Business Days from the time it is Matched, the Transaction will be considered as an incomplete transaction and will be reversed by Carbon Trade Exchange, and the Reversal Fee shall be payable by the Member.

18.3 If the Member is found to be consistently attempting or conducting incomplete transactions as outlined in clause 18.2 above, Carbon Trade Exchange may, but is not obliged to, withdraw or reduce the Credit Line facility of the Member without prior notice.

19. DELIVERY OF UNITS AND TRANSACTION FEES BETWEEN MEMBERS

19.1 Subject to the completion of the requirements outlined in clause 12, clause 13, clause 14, clause 17.1. and clause 18.1 herein, on completion of a Transaction, Carbon Trade Exchange will simultaneously:

19.1.1 deduct the CTX Cash Transaction Fee associated Sales Taxes (if any) from both the Buying Member and Selling Member's Cash Settlement Account or Cash Settlement Client Account;

19.1.2 instruct the relevant Approved Registry to effect the transfer of the Units from the Selling Member to the Buying Member's Registry Allowance Account;

19.1.3 instruct the Clearing Bank to transfer the Transaction Fee to complete the purchase from the Buying Member's Cash Settlement Account, or Cash Settlement Client Account to the Selling Member's Cash Settlement Account or Cash Settlement Client Account, then upon instruction by the Member transfer the Transaction Fee to:

19.1.3.1 the Selling Member's third party beneficiary account identified by the Selling Member in the CTX Application Form, which will be subject to a settlement delivery timetable.

19.1.4 deduct the Discounted Unit Transaction Fee from the Buying Member in the event that a Transaction occurred below the Discounted Unit Price Threshold.

to effect the execution and final completion of a Transaction and subsequently prepare and send to each Member a statement and invoice specifying the details of the Transaction.

19.2 Unless otherwise instructed, available balances standing to the credit of a Member's Cash Settlement Account, or its balance in the Cash Settlement Client Account, will be available for payment to or to the order of the Member on the Settlement Date. All Transaction Fees paid to Members' third party beneficiary accounts will only be deposited into that account(s), identified by the Member in the CTX Application Form. Monies will only be deposited to an alternate account in circumstances where such request complies with Carbon Trade Exchange's AML Policy.

20. REVERSALS

20.1 Carbon Trade Exchange reserves the right to reverse a Transaction in circumstances where:

20.1.1 the Units listed by or on behalf of the Member and subject to the Transaction are reasonably suspected to have been fraudulently created or issued illegally;

20.1.2 in its opinion, it is required to do so by court order or otherwise by law;

20.1.3 there is an agreed erroneous credit or debit in an Allowance Registry Account, the Cash Settlement Account and/or the Cash Settlement Client Account which results in the Transaction being unable to be fulfilled;

20.1.4 the Member, Authorised Representative or Broker is reasonably suspected not to have full legal and/or beneficial legal title to any Units listed by or on behalf of the Member and no fraud or illegal activity has taken place;

20.1.5 the Buying Member is deemed to have insufficient funds to complete the Transaction; and/or

20.1.6 for any other reason other than as outlined above, Carbon Trade Exchange believes a Transaction should be reversed at its sole discretion.

20.2 In the event a Transaction is reversed in accordance with the provisions of this clause, the Reversal Fee will be payable by that Member which is deemed to have caused the reversal.

20.3 If a Member wants to de-list their CERs from the CTX exchange platform, they must complete and submit a revocation form to cdm-registry@unfccc.int. A revocation form can be requested from cdm-registry@unfccc.int. Upon receipt of the revocation form the UNFCCC will transfer the balance of the CERs back to the Members Pending Account or Permanent Holding Account with the UNFCCC.

20.4 All Transactions involving the voluntary cancellation of CERs is irreversible. CTX is not liable for any purchase of CERs between the time the Member submits the revocation form and the transfer of the balance of the members CERs back to their Pending Account or Permanent Holding Account with the UNFCCC.

21. RETIREMENT AND CANCELLATION OF UNITS

21.1 In order to validly offset GHG emissions, Members are required to retire or cancel the Units purchased on the CTX Trading Platform from the market.

21.2 In order to retire the Units, Members must effect this through their Approved Registry, and any additional Registry Fees which are payable to effect the retirement of the Units will be payable by the Member.

21.3 In respect to CERs and their voluntary cancellation, the cancellation will take effect upon receipt of payment. Once payment is received, the Member will be sent written confirmation from CTX of the cancellation. The written confirmation will be sent within 48 hrs of the cancellation.

22. CTX TRADING PLATFORM OPENING HOURS

22.1 In principle, the CTX Trading Platform will be available for trading 24 hours a day, 7 days a week. Certain parts of the operational systems required to complete a Transaction may, however, only be available during Business Day hours, and Carbon Trade Exchange reserves the right to determine what those Business Day hours will be, in which country or time zone. Business Day hours will be posted on the Carbon Trade Exchange website.

23. TRADING LIMITS

23.1 Carbon Trade Exchange reserves the right to apply Trading Limits to Members who join the CTX Trading Platform.

24. TAXES

24.1 The Selling Member shall charge the Sales Taxes and collect and record the tax as required by law. Under no circumstances will Carbon Trade Exchange be responsible to pay any Sales Taxes on behalf of any Member. The Member agrees not to hold Carbon Trade Exchange liable for any action by any competent tax or other authority.

24.2 Carbon Trade Exchange is not responsible for the payment of any Sales Taxes on behalf of its Members and cannot be held liable for any damages that may be incurred as a result of default in any payment of any Sales Taxes by a Member, an Approved Registry or a Clearing Bank.

24.3 Without limiting the generality of the foregoing, the Member will pay any Sales Taxes and any other taxes, fees or duties to which these Rules or the settlement or holding of Units may be subject.

24.4 The statement and invoice prepared in accordance with clause 24.1 will specify the amount of Sales Tax (if any) payable by a Member in relation to the exchange services provided by CTX for the relevant Transaction.

25. INTELLECTUAL PROPERTY RIGHTS

25.1 Global Environmental Markets Ltd previously known as Carbon Trade Exchange Ltd owns all the Intellectual Property Rights and other material elements of the CTX Trading Platform and all Registry Interface's.

25.2 All Intellectual Property Rights to, or in connection with, the CTX Trading Platform are vested solely in Global Environmental Markets Ltd and any of its wholly owned subsidiaries or by any party that has licensed the materials to Carbon Trade Exchange.

25.3 Other than with Global Environmental Markets Ltd's written permission, reproduction of part or all of the contents in any form of the CTX Trading Platform is prohibited, other than for individual use only and may not be copied and shared with a third party. The permission to copy by an individual does not allow for incorporation of material or any part of it in any work, presentation or publication, whether in electronic, hard copy, or any other form.

26. CREDIT LINES

26.1 The Member grants Carbon Trade Exchange and/or the Clearing Bank the right and power to inspect Credit Lines available to any Member on such terms and conditions as Carbon Trade Exchange shall in its absolute discretion decide.

26.2 In order to execute Purchase Orders on the CTX Trading Platform using a Credit Line, a Member must complete an application and pay the relevant Credit Line Application Fee to Carbon Trade Exchange.

26.3 Carbon Trade Exchange may require whatever financial, credit reference or other details or security or collateral (including prepayment) it considers appropriate when considering or granting its approval for a Credit Line and shall be entitled to refuse a Credit Line in its absolute discretion. Once a Credit Line is granted to a Member, Carbon Trade Exchange will use its reasonable endeavours to enforce any security provided by a Member in relation to a Credit Line. The Member will be held liable in cash to Carbon Trade Exchange for any expenditure exceeding an allocated Credit Line on seven (7) days notice of demand by Carbon Trade Exchange and/or an interest charge of two percent (2%) per calendar month or part thereof.

27. JURISDICTION AND LAWS

27.1 Subject to clause 27.2 the parties irrevocably agree that the courts of England and Wales are to have exclusive jurisdiction for the purpose of hearing and determining any suit, action or proceedings and/or to settle any disputes arising out of or in any way relating to this Agreement or its formation or validity ("Proceedings") and for the purpose of enforcement of any judgment against its property or assets.

27.2 Nothing in this clause shall (or shall be construed so as to) limit the right of Carbon Trade Exchange to take Proceedings against a Member in the courts of any country in which the Member has assets or in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

27.3 Members shall abide by all relevant central or local government laws or regulations applicable to any Transaction, and Carbon Trade Exchange shall not be responsible for any failure on the part of the Member to

comply. The Member agrees not to hold Carbon Trade Exchange liable for any action Carbon Trade Exchange takes to comply with applicable laws or regulations.

28. ENFORCEMENT

28.1 If any part or provision of these Rules should be judged or found to be void or unenforceable, it shall not affect the validity and enforceability of all other parts and provisions of these Rules and shall be severable from every other part and provision of these Rules, to the intent that these Rules shall continue in force and effect to the fullest extent possible after severance of the part of the provision which is void or unenforceable.

29. COMMITMENTS & REPRESENTATIONS

29.1 Carbon Trade Exchange is only responsible for obligations accepted and representations made in writing by an Executive Director of Carbon Trade Exchange. Employees, agents, independent contractors, Brokers or agents or employees of Carbon Trade Exchange have no right to bind Carbon Trade Exchange in any way whatsoever without such written authorisation. All information and materials provided by Carbon Trade Exchange are presumed to be accurate, however, Carbon Trade Exchange makes no warranty for the accuracy thereof and shall not be liable for any error or omission therein.

30. TERMINATION AND RENEWAL

30.1 The CTX Trading Agreement is entered into for a period of one (1) year commencing on the date Carbon Trade Exchange countersigns the same, in accordance with clause 3.2 of these Rules, and shall be automatically renewed (each time for a period of one (1) year) on every anniversary thereafter, unless either party provides the other party with a Notice, no later than twenty five (25) Business Days before the current term lapses, that it does not wish to renew the CTX Trading Agreement. On the date the CTX Trading Agreement is automatically renewed, in accordance with these Rules, Carbon Trade Exchange will issue an invoice to the Member for the payment of the Renewal Fee, which shall be payable by the Member within 30 days therein. CTX reserves the right to amend these Rules and Regulations to effect reasonable commercial or legal requirements by providing notice to the Member of the relevant changes and any effect it has on their Membership.

30.2 Either Carbon Trade Exchange or the Member may terminate the CTX Trading Agreement in the event that either party fails to comply with any of its obligations under these Rules which are not remedied within thirty (30) Business Days after being given Notice in detail of such breach.

30.3 For the avoidance of doubt, Carbon Trade Exchange's power to terminate the CTX Trading Agreement pursuant to clause 11.9 of these Rules can be exercised immediately.

30.4 In the event that the CTX Trading Agreement is terminated, Carbon Trade Exchange will, within ten (10) Business Days:

30.4.1 process and settle any Pending Transactions in the CTX Order Book which are lodged in the Member's Trading Account;

30.4.2 settle all outstanding fees due by the Member pursuant to these Rules, following which, it will distribute the balance of any monies held by the Member in their Cash Settlement Account or Cash Settlement Client Account to the Member's third party beneficiary account, identified in the Member's CTX Application Form; and

30.4.3 remove any unsold Units from the CTX Order Book which are owned by the Member to their Registry Allowance Account..

31. HOLD HARMLESS

31.1 The Member agrees that Carbon Trade Exchange is a service organisation and third party record keeper, whose purpose is the provision of the CTX Trading Platform and administrative services. The Member agrees to hold

Carbon Trade Exchange harmless for the failure of other Members to abide by their agreements with Carbon Trade Exchange.

31.2 The Member acknowledges and agrees that Carbon Trade Exchange does not in any way guarantee the legal title or Environmental Benefit of the Units and the Member relies on any content obtained on the CTX Trading Platform at its own risk.

31.3 For the avoidance of doubt, Carbon Trade Exchange has made its best endeavours to confirm, but is under no obligation to verify or otherwise enquire into the validity of, or the legal title to, the Units, including any Environmental Benefit derived therein which have been, in all circumstances, verified by a Standard and issued in an Approved Registry.

32. LIMITATION OF LIABILITY

32.1 For the avoidance of doubt, except in the case of fraud, Carbon Trade Exchange shall not be liable for any damage, whether direct, indirect, special or consequential, or loss of profits suffered by the Member, its Authorised Representative(s) or Broker(s) as a result of any use of the CTX Trading Platform by the Member, or their Authorised Representative(s) or Broker(s); and/or any acts, events, omissions and defaults caused directly or indirectly by any Suspension Event; and/or any technical problems with Carbon Trade Exchange's computer hardware or software; and/or any imperfection, invalidity or defect of any kind with respect to any Unit, including in relation to the legal title of Units or any claims related to the use or characteristics of Units; and/or any acts, omissions and defaults of the administrators of the Approved Registry 's; and/or any changes in market conditions; and/or any third party who gains authorised or unauthorised access to or otherwise makes use of the CTX Trading Platform through the use of the Member's Access Code; and/or any breach by the Member, its Authorised Representatives', Broker or Carbon Trade Exchange of any part of these Rules.

33. PRIVACY POLICY

33.1 Carbon Trade Exchange undertakes to comply with the terms of its privacy policy which can be found at www.ctxglobal.com

33.2 All Members of the CTX Trading Platform agree that they have read the terms of the privacy policy and agree to be bound by the terms contained therein. We've updated our Privacy Policy to adhere to the new data protection law, EU General Data Protection Regulation (GDPR).

33.3 The Member acknowledges that Carbon Trade Exchange may be required by law (including Anti-Money Laundering and Counter-Terrorism Financing Laws and EU General Data Protection Regulation (GDPR)) to conduct background checks on the Member and the Member agrees to use its best endeavours to assist Carbon Trade Exchange in carrying out any such legal obligations.

34. NOTICES

34.1 Notices and other communications under these Rules shall (except to the extent otherwise expressly provided) be in writing and shall:

34.1.1 in the case of notices to Carbon Trade Exchange, be given or made by letter, fax or by Electronic Link, with every such notice marked "Attention: Administration Manager, CTX". Sending electronically does not guarantee any receipt; and

34.1.2 in the case of notices to the Client, be given or made by letter, fax, email, by the CTX Trading Platform online portal or by Electronic Link.

34.2 Every Notice or other communication to the Member shall be sent to the Member's address as specified in the CTX Application Form or such substitute address as the Member may provide to Carbon Trade Exchange in writing, with no less than ten Business Days' notice (the "Member's Address"). Every Notice or other communication to Carbon Trade Exchange shall be sent to the London, United Kingdom office,

operations@ctxglobal.com, or such substitute physical address as Carbon Trade Exchange may provide to the Member in writing, with no less than ten Business Days' notice.

34.3 Any notice or communication will only be effective:

34.3.1 if sent by way of fax, when such fax is duly dispatched and the appropriate answerback is received on a Business Day in the relevant jurisdiction in which the recipient is located; or

34.3.2 if sent by way of letter, two Business Days after being deposited in the post, (postage prepaid) in an envelope addressed to it at that address or at the time of receipt if delivered by hand; or

34.3.3 if sent by email, when such email is duly dispatched and the appropriate answerback and read receipt is received on a Business Day in the relevant jurisdiction in which the recipient is located; or

34.3.4 when available, where the appropriate message is delivered by Electronic Link on the CTX Trading Platform portal, and the recipient click's on the read receipt button, confirming acceptance of the said communication.

SCHEDULE 1

DEFINITIONS

In these Rules the following words and expressions shall have the following meanings:

Access Code	The user name, password and other information provided to the Member by Carbon Trade Exchange for access to the CTX Trading Platform.
American Carbon Registry	The carbon offset program and registry system developed by Winrock International Institute for Agricultural Development which provides registry services for Units issued under their Standard.
AML Policy	The anti-money laundering policy operated by Carbon Trade Exchange in accordance with England and Wale, EU General Data Protection Regulation (GDPR) and Australia's Anti-Money Laundering and Counter-Terrorism Financing Laws.
Application Fee	The application fee paid by the prospective Member to Carbon Trade Exchange to set up an account on the CTX Trading Platform for membership to same for a period of one year, a breakdown of which is outlined in the CTX Application Form.
Approved Registry	Any registry approved by the governing body of any Standard under which the Units are issued, and which has been approved by CTX, a list of which is outlined in Schedule 3.
APX	APX Environmental Markets, Inc., a company registered in the United States and having an office at 111 River Street, Suite 1204, Hoboken, NJ, 07030 United States, and any successor entity thereto.
APX EMA	means the system developed by APX in order to enable the provision of the EMA Services for Units on behalf of a Member.
Associated Account	Where the member is a company body corporate or other legal entity, an account held by a director or officer of that company body corporate or other legal entity. Where the member is a partnership an associated account means any and all accounts of those partners comprised in the partnership from time to time.
Authorised Representative	An employee or other representative of a Member whom that Member has authorised to place Sales Listings and Purchase Orders and conduct Transactions on their behalf on the CTX Trading Platform.
Broker	Any Member of the CTX Trading Platform who does so in the capacity as a broker, agent or Authorised Representative of any kind on behalf of a Selling Member and/or a Buying Member for the purposes of submitting Sales Listings and Purchase Orders on the CTX Trading Platform.
Brokers Electronic Interface	The online portal giving Brokers access to the CTX Trading Platform.
Business Day	A day that is not a Saturday, Sunday, a public holiday or bank holiday in London, United Kingdom.
Buying Member	A Member who buys or acquires Units from a Selling Member pursuant to a Transaction.
Carbon Trade Exchange (CTX)	Environmental Market Services Ltd Trading as Carbon Trade Exchange, Company Number: 9621635, of 1 Fore Street, London, EC2Y 9DT, United Kingdom
Cash Settlement Account	The deposit account opened with any approved Clearance Bank in the name of Carbon Trade Exchange or the Member which is funded by the Member, which the Clearing House has disposal of for the purpose of executing and settling Transaction on the CTX Trading Platform.
Cash Settlement Client Account	The deposit account operated by an approved Clearance Bank in the name of CTX Client Money Account which Member(s) are able to deposit funds which at all times will be held for and on behalf of the Member, which the Clearing House has disposal of for the purpose of executing and settling a Transaction on the CTX Trading Platform.
Certified Emission Reductions (CERs)	An emissions unit (or carbon credits) issued by the Clean Development Mechanism (CDM) Executive Board for emission reductions achieved by CDM projects and verified by a DOE (Designated Operational Entity) under the rules of the Kyoto Protocol.

Clearing Bank	A Bank or other clearing entity approved by Carbon Trade Exchange, a list of which is outlined and will be updated in Schedule 4.
Clearing House	The mechanism provided by Carbon Trade Exchange and a Clearing Bank for the clearing and settlement of the Units and the Transaction Fees following the execution and completion of a Transaction on the CTX Trading Platform by the Member(s).
Credit Line	The credit line facility provided by a Clearing Bank and/or Carbon Trade Exchange in accordance with clause 27 granting the Member the power to execute a Purchase Order without having deposited funds in the Cash Settlement Account or the Cash Settlement Client Account.
Credit Line Application Fee	The application fee payable by a Member to Carbon Trade Exchange in order for it to assess and grant a Credit Line in accordance with clause 27 herein.
CTX Application Form	The membership application form is found at https://www.ctxglobal.net and is completed electronically online by a prospective Member to set up an account on the CTX Trading Platform.
CTX Cash Transaction Fee	The service fee per transaction that is payable to Carbon Trade Exchange by: • the Selling Member is an amount in the currency of the Transaction equal to or greater than 2% of the total value of the Transaction; • the Buying Member is an amount in the currency of the Transaction equal to or greater than 2% of the total value of the Transaction; the fee of which will: • exclude the Registry Allowance Account fee, and Clearing House fees; • exclude associated Sales Taxes or other taxes (if any); and • be subject to the Floor Price per unit as described below. Any variation to these standard transaction fees must be agreed by a Director of Carbon Trade Exchange
CTX Listing Portal	The electronic listing portal which is accessible from a button link on the CTX Trading Platform whereby Members are able to select and/or deselect a number of Units for listing on the CTX Trading Platform.
CTX Order Book	The centralised record system on the CTX Trading Platform of all Online Orders.
CTX Trading Agreement	The agreement entered into between the Member and Carbon Trade Exchange, consisting of a Carbon Trade Exchange Application Form and the Carbon Trade Exchange Trading Rules granting access of the CTX Trading Platform to the Member.
CTX Trading Platform	The electronic trading platform operated and managed by Carbon Trade Exchange, allowing Members to trade Units listed in the CTX Order Book.
Dispute	Any disagreement, claim or allegation concerning the generation, creation, ownership, issuance, validity, legality or registration of any Units that may arise between the Member and any third party, including Carbon Trade Exchange.
EMA Services	means the asset management service provided by APX that provides a common access layer to multiple environmental registries, including those listed Approved Registries.
Encumbrances	Any liens, pledges, loans, security interests, claims and other encumbrances.
Electronic Link	Means any computerised or other electronic information exchange arrangements, including, but not limited to, CVS and or email messaging, which may be agreed by the Member and Carbon Trade Exchange from time to time for the giving and receiving of instructions and other information in connection with these Rules.
Environmental Market Services Ltd (EMS)	Means, Environmental Market Services Ltd Trading as Carbon Trade Exchange (CTX) (Service Receiver), Company Number: 9621635, of 1 Fore Street, London, EC2Y 9DT, United Kingdom which is granted a licence to use Global Environmental Markets Limited's (Service Provider) (Company No. 095 853) Intellectual Property and the Exchange Technology specified in the Master Service Licence Agreement.

Environment Benefit(s)	All legal and equitable right, title, interest and benefit arising from or associated with (i) the protection, conservation or enhancement of the environment and/or biodiversity, or (ii) GHG Reductions, or (iii) any other legal and equitable right, title, interest or benefit relating to the environmental benefit as approved by an Approved Registry.
Ex-ante	The issuing of Units with respect to a project that has been issued an Ex-ante Validation Report but prior to the verification of emission reductions or removals or other Environmental Benefits from that project activity as prescribed by the relevant Standard;
Ex-ante Validation Report	A report from an independent validator that provides an independent confirmation that the project is to be undertaken in accordance with the requirements of the relevant Standard and confirms the estimated volumes of the Environmental Benefits anticipated to be achieved by a project activity, which are determined in accordance with the relevant Standard.
Ex-post	The issuing of Units with respect to a project where verification of emission reductions or removals or other Environmental Benefits from a project as prescribed by the relevant Standard has occurred.
Floor Price	For all VERs excluding NAVCUs the Floor Price will be €0.30 per unit, the currency conversion of which is based on the exchange rate at the time of the Transaction on the CTX Trading Platform. For Non-Activated Verified Carbon Units (NAVCUs) the Floor Price will be €0.90 per unit, the currency conversion of which is based on the exchange rate at the time of the Transaction on the CTX Trading Platform. This Floor Price reflects the higher registry transaction and issuance fees for non-activated Units that are covered by CTX. CTX reserves the right to, with prior agreement, approve transactions below the Floor Price.
Force Majeure	Means an event or circumstance that is outside the control of Carbon Trade Exchange, an Approved Registry, the Clearing House and or a Member which was: (a) unforeseeable at the time of the said event occurring; (b) is unavoidable; (c) cannot reasonably be overcome by the party effected by it; and includes fire, flood, earthquake, epidemic, war, threat of or preparation for war, riot and martial law.
GHG	Greenhouse gas.
IETA	The International Emissions Trading Association, an independent, non-profit organization dedicated to the establishment of effective systems for trading in greenhouse gas emissions by businesses, having its principal office at 24 rue Merle d'Aubigne, Geneva, Switzerland.
Intellectual Property Rights	All rights in any patent, copyright, database rights, registered design or other design right, utility model, trade mark (whether registered or not), brand name, service mark, trade name, eligible layout right, chip topography right and any other rights of a proprietary nature in or to the results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields, whether registrable or not and wherever existing in the world, including all renewals, extensions and revivals of, and all rights to apply for, any of the foregoing rights owned, used, or intended to be used, by a party whether or not registered, registrable or patentable.
Listing Platform	The CTX Listing Portal and/or a Registry Listing Platform whereby Members are able to select and/or deselect a number of Units for listing on the CTX Exchange Platform.
Matched	The combining and matching of both the buy side of a Purchase Order and sell side of a Sales Listing whereby a Transaction is completed and executed.
Member	The person or company who has signed the CTX Trading Agreement with Carbon Trade Exchange and upon acceptance by Carbon Trade Exchange becomes a member of the CTX Trading Platform to enable access and use of the CTX Trading Platform and its services.
Member In Good Standing	A member of the CTX Trading Platform which does not owe any fees or charges to Carbon Trade Exchange, which is trading within its Member Trading Limit, and is otherwise conducting itself in accordance with the terms of the CTX Trading Agreement and these Rules.
Member Trading Limit	The approved limit on the amount of trading per annum agreed between Carbon Trade Exchange and the Member beyond which the Member may not purchase Units per annum on the CTX Trading Platform, which Carbon Trade Exchange reserves the right to impose on Members in accordance with clause 24 herein.

Notice	The form of communication between Carbon Trade Exchange and a Member which is deemed to be an accepted form of service, the details of which are outlined in clause 34 of these Rules.
Online Order	A Purchase Order and/or a Sales Listing which is sent online to the CTX Trading Platform by a Member within the CTX Order Book.
OTC Transaction	An over the counter order sent to the CTX Trading Platform for execution with a chosen counterparty whereby both the Buying Member and Selling Member have executed a CTX OTC Contract.
Pending Transaction	The period following the completion and execution of a Transaction whereby the Units are held frozen in the CTX transaction log until the Transaction Fee and the Cash Settlement Fee has been paid and cleared resulting in the Transaction becoming settled in full according to the provisions of clause 19.1of these Rules.
Price	The value of the Units at which a Transaction is executed on the CTX Trading Platform, the base currency of which is stipulated in the Sales Listing by the Selling Member.
Purchase Order	An order to purchase Units from a Sales Listing on the CTX Trading Platform.
Quantity	The whole number of Units stipulated and executed in a Transaction.
Registry Allowance Account	An account opened by a Member in an Approved Registry in which a Member is able to hold and transfer Units.
Registry Fees	The fees payable to an Approved Registry to transfer and / or retire credits.
Renewal Fee	The fee payable by a Member on the automatic renewal date of the Member's CTX Trading Agreement pursuant to the terms of clause 31 of these Rules, the amount of which will listed and updated on the Carbon Trade Exchange website.
Reversal Fee	The fee of €35.00 payable to Carbon Trade Exchange.
Registry Interface	The electronic interface that allows the CTX Trading Platform to interface and send messages to an Approved Registry.
Registry Listing Platform	The electronic platform or listing mechanism of APX EMA or an Approved Registry whereby Members are able to select and/or deselect a number of Units for listing on the CTX Trading Platform.
Sales Listing	An order to sell Units on the CTX Trading Platform.
Sales Taxes	Any sales tax, value added tax, or goods & services tax or any other relevant tax.
Standard	A set of definitions, rules or methodologies, or a plan, scheme or arrangement or other standard under which Units are endorsed, approved or accredited and which have been approved by Carbon Trade Exchange or an Approved Registry.
Selling Member	A Member who sells or disposes Units to a Buying Member pursuant to a Transaction.
Stopped or Refer to Drawer Cheque	A cheque drawn on a clearing or other bank which is not honoured by that bank either because it is stopped by the drawer or because there are insufficient funds in the drawer's account or for any other reason.
Suspension Event	Means any of the following events: (a) there is no functioning link between the Approved Registry, the CTX Trading Platform and the Clearing House, resulting in a situation where Units are unable to be transferred; and/or (b) there is a failure of a Registry Interface; and/or (c) there is an act of Force Majeure; and/or (d) there is an act of fraud by a Member which has or is reasonably expected to effect the operation of the CTX Trading Platform.
Trading Account	The trading account of a Member in which Carbon Trade Exchange records the Transaction effected by Members on the CTX Trading Platform.

Transaction	The acceptance of a Sales Listing by a Buying Member which results in the sale of a Quantity of Units where payment is made from a Trading Account credited and debited to the Trading Account of the Selling Member and Buying Member and the Units are transferred and delivered from the Selling Member to the Buying Member, pursuant to these Rules in accordance with procedures outlined in clause 19.1of the Rules.
Transaction Fee	The fee payable by the Buying Member to the Selling Member for the Quantity of Units purchased in the Transaction.
Transaction Date	The date when the Transaction is made.
Units	Each individual unit issued with respect to an Environmental Benefit under a Standard (being Ex-ante or Ex-post), and eligible to be listed in an Approved Registry, as determined by Carbon Trade Exchange, which has been, or will be, assigned a unique serial number by an Approved Registry acceptable to Carbon Trade Exchange and that has been or will be assigned a unique tracking number by an Approved Registry acceptable to Carbon Trade Exchange.

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SCHEDULE 2

INTERPRETATION

In these Rules the following rules of interpretation apply unless the contrary intention appears:

A. headings are for convenience only and do not affect the interpretation of these Rules;

B. the singular includes the plural and vice versa;

C. words that are gender neutral or gender specific include each gender;

D. where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

E. the words 'such as', 'including', 'particularly' and similar expressions are not used as, nor are intended to be, interpreted as words of limitation;

F. a reference to:

I. a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;

II. a thing (including, but not limited to, a chose in action or other right) includes a part of that thing;

III. a document includes all amendments or supplements to that document;

IV. a clause, term, party, schedule or attachment is a reference to a clause or term of, or party, schedule or attachment to these Rules;

V. these Rules includes all schedules and attachments to it;

VI. a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity [or a rule of an applicable Financial Market] and is a reference to that law as amended, consolidated or replaced;

VII. an agreement other than these Rules includes an undertaking, or legally enforceable arrangement or understanding, whether or not in writing; and

VIII. a monetary amount is in Australian dollars;

G. an agreement on the part of two or more persons binds them jointly and severally;

H. when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day;

I. in determining the time of day, where relevant to these Rules, the relevant time of day is:

J. for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or

K. for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located; and

L. no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of these Rules or any part of it.

SCHEDULE 3

List of Approved Registries

- APX EMA
- American Carbon Registry
- Climate Action Reserve Registry
- The Gold Standard Registry™
- The Verified Carbon Standard (VCS) Registry
- UNFCCC CDM Registry

SCHEDULE 4

List of Clearing Banks

- Westpac Banking Corporation

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Authorization to instruct the voluntary cancellation of certified emission reductions (CERs) from the reserve account for the Carbon Trade Exchange

This annex is to be used by focal point representatives designated in accordance with the modalities of communication statement to authorize a third party (referred to as the authorized entity) to instruct the secretariat to proceed with the voluntary cancellation of CERs as specified in relevant CDM-FWD-FORMs[1], to which this form is an annex, on their behalf at a later date.

This annex, together with the first CDM-FWD-FORM for the CDM activity in section 1 that forwards CERs to the reserve[2] account for the authorized entity, should be submitted by email to CDM-registry@unfccc.int .

SECTION 1: GENERAL INFORMATION	
CDM project activity/programme of activities reference number:	
Title of CDM project activity/programme of activities:	

SECTION 2: AUTHORIZED ENTITY	
I hereby confirm that: a/ I accept the authorization on behalf of the authorized entity; b/ Membership for listing the CDM activity on our Exchange[3] has been approved. **I acknowledge that any contact person as included in the MOU with the secretariat and/or designated as a representative of the reserve account can sign this authorization for acceptance.**	Name of authorized entity: **Carbon Trade eXchange (CTX)** Name of representative: Signature: Date:

SECTION 3: DECLARATION	
I/We hereby authorize the entity specified in section 2 to instruct the secretariat on cancellation of CERs forwarded to the reserve account of the CDM registry in accordance with the CDM-FWD-FORM, to which this form is an annex, and all future CDM-FWD-FORM's that forward CERs to the reserve account and are generated by the focal point for the CDM activity in section 1. **I/We do so with the understanding that:** **a/ The authorized entity can decide on the exact amount and time of each cancellation within the total amount of CERs forwarded to the reserve account for the authorized entity and in accordance with completed transactions on the authorized entity's Exchange;** **b/ The voluntary cancellation of CERs is irreversible.**	Name of focal point entity(ies): Name of focal point representative(s):

[1] The relevant CDM-FWD-FORMs are forwarding requests for the CDM activity as per section 1 to the reserve account for the authorized entity.

[2] The reserve account or the reserve account for the authorized entity in the CDM registry should be understood to be the reserve account for CTX in which CERs earmarked for cancellation are held prior to their final cancellation.

[3] The Exchange is the Carbon Trade Exchange located at https://ctxglobal.net. CERs in the reserve account for CTX will be cancelled in accordance with the Rules of the CTX Exchange.

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I/We acknowledge that: **a/ Changes to the modalities of communication for this CDM activity do not have an effect on this authorization and the authorization remains valid until it is revoked or expires;** **b/ I/We are responsible to inform succeeding focal point representatives for this CDM activity about the authorization;** **I/We confirm that this authorization:** **a/ Is in accordance with the current modalities of communication statement for this CDM project activity/programme of activities.** **b/ Is valid until 31 December of the calendar year subsequent to the year when the latest CDM-FWD-FORM form is signed.**	Signature(s): Date:
FOR SECRETARIAT'S USE ONLY:	Name and signature of approver: Date of approval:

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Document information

Version	*Date*	*Description*
1.01	15.08.2017	Editorial changes. Customization for CTX.

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