

ARCHITECTURE FOR REDD+ TRANSACTIONS REGISTRY

TERMS OF USE

June 2020

The following are the Terms of Use for the Architecture for REDD+ Transactions Registry (“ART” or “Registry”), operated and administered by Winrock International Institute for Agricultural Development (“Winrock International”), acting as Secretariat for the ART (“Administrator”). “Architecture for REDD+ Transactions Registry”, “The REDD+ Environmental Excellence Standard” (“TREES”) and ART’s system for greenhouse gas reduction and removal programs and credits, are owned by and constitute the valuable intellectual property of Administrator. These Terms of Use are in addition to the Operating Procedures. TREES and other ART guidance applicable to your use of the Registry website located online at www.artredd.org (the “Registry Site”).

1. Acceptance of Terms. Your use of the Registry and the Registry Site is subject to the following Terms of Use, which constitute a binding contract between you (also referred to herein as “Account Holder”) as user of the Registry and Administrator as administrator and owner of the Registry (Account Holder and Administrator, are individually referred to herein as a “Party”, and collectively referred to herein as the “Parties”). BY USING OR ACCESSING THE REGISTRY, YOU ACCEPT AND AGREE TO BE BOUND BY THESE TERMS OF USE AS MODIFIED FROM TIME-TO-TIME IN ACCORDANCE WITH THE TERMS HEREOF, AND YOU AGREE TO TAKE AFFIRMATIVE RESPONSIBILITY FOR THE COMPLIANCE OF YOUR AUTHORIZED REPRESENTATIVE(S) AND AGENT (“USERS”) WITH THESE TERMS OF USE. You can review the current version of the Terms of Use at any time at the Registry Site. Account holders will be notified of modifications to the Terms of Use, which will go into effect and be binding forty-five (45) days after such notice is provided. MAINTENANCE OF YOUR ACCOUNT AS WELL AS CONTINUED USE AND ACCESS OF THE REGISTRY BY YOU AND/OR YOUR USERS AFTER MODIFICATION OF THE TERMS OF USE SIGNIFIES YOUR AGREEMENT TO BE BOUND BY THE MODIFIED TERMS OF USE AND YOUR AGREEMENT TO TAKE AFFIRMATIVE RESPONSIBILITY FOR THE COMPLIANCE OF YOUR USERS WITH THESE MODIFIED TERMS OF USE. In addition, when using the Registry, you shall be subject to any rules, guidelines and/or operating procedures applicable to such use which may be posted at the Registry Site from time-to-time, including but not limited to the Registry’s Operating Procedures, Privacy Policy, TREES, Board-approved published Guidance and the Fee Schedule, each as modified or restated from time-to-time (collectively, the “Operative Documents”). All Operative Documents are incorporated by reference into these Terms of Use. If you do not agree to these Terms of Use, you and your Users may not access or otherwise use the Registry.

2. Capitalized Terms; Definitions.

Defined terms in these Terms of Use, which may be identified by the capitalization of the first letter of each principal word thereof, have the meanings assigned to them in Appendix A, which is hereby incorporated herein. Any capitalized terms contained herein that are not otherwise defined herein shall have the meanings as such terms are defined in the Operative Documents.

3. Description of Service.

(a) The Registry serves as an informative system for the listing, registration and independent verification of greenhouse gas emission reductions and removal credits from the forest and land use sector under ART as well as the Issuance, transfer, cancellation, and retirement of, and custodial services for, ART Credits within the Registry.

(b) Administrator reserves the right, in its sole discretion, to amend, modify, augment, segment, reformat, reconfigure or otherwise alter at any time the content or methods of transmission of the Registry, the Operative Documents or these Terms of Use and create new types or versions of the Registry, the Operative Documents or these Terms of Use. Administrator may refuse approval of documentation submitted to the ART Registry as required under ART Standards including, but not limited to the TREES Concept, the TREES Registration Document and TREES Monitoring Report, Verification documents in the event that it determines, in its reasonable discretion, that ART requirements are not met. Administrator may refuse Issuance, transfer, cancellation or retirement of ART Credits in the event it determines, in its reasonable discretion, that such activity shall have an adverse effect on the Registry, ART or TREES. Administrator shall not be required to comply with any provisions of any Operative Documents to the extent that Administrator determines in its reasonable discretion that such compliance would have an adverse effect on the Registry, ART or TREES; provided, that Administrator shall report to Account Holder any such non-compliance within thirty (30) days after such non-compliance first occurs. Administrator shall provide Account Holder with at least thirty (30) days prior notice of material changes to the Registry or these Terms of Use, and such changes shall be effective upon the date set forth in the notice, which may be given by any means including, without limitation, posting on the Registry Site, or by electronic or conventional mail. All other changes shall be effective upon their being posted on the Registry Site. Any use of the Registry by Account Holder after a change has gone into effect shall be deemed to constitute acceptance of such change. The rights and obligations of these Terms of Use shall run to the named Parties and their successors in interest and authorized assigns.

4. Account Authorization

(a) Account Holder may apply to open an account on the Registry by submitting the necessary documentation as set forth in the Operative Documents and procedures set out by the Administrator, including satisfying other background check requirements in accordance with the Operative Documents ("Applicant Approval Process"). By applying to open an account, Account Holder shall be bound by these Terms of Use.

(b) The following requirements must be satisfied to open an account: (i) Account Holder has submitted complete and signed original or certified electronic versions of all documentation required by the Administrator and Operative Documents to Administrator's satisfaction, including satisfying the Applicant Approval Process; (ii) Account Holder has paid any applicable fees set forth in the Fee Schedule; and (iii) Account Holder has complied with any other requirements specified in the Operative Documents or by Administrator from time to time. Administrator shall review such documentation and, may, in its discretion, determine to approve Account Holder's account application ("Account Approval"). Account Holder cannot hold, transfer, surrender or retire ART Credits on the Registry until the Account Holder has obtained Account Approval.

(c) In the event the Account Holder is a Sovereign, Administrator may, in its discretion, allow the Account Holder preliminary limited access to the Registry while the Applicant Approval Process is ongoing ("Preliminary Approval"). For the avoidance of doubt, Preliminary Approval does not constitute Account Approval and does not authorize Account Holder to hold, transfer, surrender or retire ART Credits on the Registry.

(d) Account Holder will be notified by email of Account Approval and Preliminary Account Approval, if applicable. In the event any information submitted to Administrator under this Section 4 changes, Account Holder shall update such information within fifteen (15) days of the change and notify Administrator in writing of such change.

5. Personal Data

(a) Having applied to participate in the Registry, Account Holder accepts that Administrator, its representatives, successors and assigns, will need to collect certain Personal Data in connection with its application or transaction with Administrator, including Account Holder's name, address, and contact information, as set forth in the Registry's Privacy Policy ("Personal Data"). Account Holder confirms that it is entitled to and has all necessary rights, permissions and consents (including from the applicable data subjects to whom the Personal Data relates) and provided all necessary notices and disclosures (including to the data subjects to whom the Personal Data relates) to (a) transfer the Personal Data to Administrator, (b) permit Administrator to process the Personal Data as described herein (including for the Uses, as defined below) and

in the Privacy Policy, and (c) transfer the Personal Data to the United States, where such Personal Data originates from another country. Account Holder hereby expressly and freely consents and authorizes Administrator to process, use or export such Personal Data in order to achieve the purposes of these Terms of Use, including to process Account Holder's application for services relating to ART and participation in the Registry; to complete all verification processes whether the verification is made by the Registry or by third party service providers on their behalf, Account Holder's Personal Data with the ART Registry platform services provider ("Registry Platform Services Provider") as well as any third party service providers, associated companies and agents, as needed and appropriate; and to comply with all of Administrator's legal and regulatory obligations relating to the ART, the ART database and its operator and their compliance obligations in any jurisdiction (collectively, the "Uses"). Account Holder acknowledges and agrees that Registry Platform Services Provider and its affiliates may from time to time acquire, access, retain and use, from publicly available source (including, without limitation, public portions of the Registry Site) information that may contain information identical to Personal Data ("Public Personal Data"). Nothing contained herein shall restrict the Registry Platform Services Provider and/or its affiliates from accessing, retaining and using such publicly available information for its own purposes, even if such Public Personal Data is identical to Personal Data.

6. Authorized Representatives

(a) Account Holder shall appoint an individual as its primary representative to exercise and fulfil the Account Holder's rights and obligations under these Terms of Use and the Operative Documents ("Account Manager"). Account Holder may appoint, or may authorize Account Manager to appoint, one or more representatives to fulfill rights and obligations under these Terms of Use and the Operative Documents (each of Account Manager and one or more representatives, an "Authorized Representative"). Each Authorized Representative must agree to, and will be bound by, these Terms of Use as if they themselves are Account Holder. For any proposed Authorized Representative that will have the ability to transfer, retire or surrender ART Credits, the Account Holder shall first notify and request approval from the Administrator for such Account Representative. Administrator shall have the right to request identification and other information for any proposed Authorized Representative, including satisfying any Applicant Approval Process.

(b) It is the sole responsibility of Account Holder to ensure that any Authorized Representative complies with these Terms of Use, the Operative Documents and all relevant laws. Account Holder holds primary liability for any action or inaction caused by its Authorized Representatives. Account Holder may change its Authorized Representative at any time upon notification to the Administrator and subject to approval by the Administrator. Notwithstanding such change, all actions, inactions and submissions by an Authorized

Representative prior to the time of such change shall be binding on the Account Holder.

7. Agent

(a) Account Holder shall ensure that the entity or individual appointed as Account Holder's agent ("Agent") agrees to comply with the Operative Documents and these Terms of Use. Account Holder shall execute and return to Administrator for its approval a Declaration of Agency ("Declaration") for any Agent Account Holder requests to have access to Account Holder's Account on the Registry. A form of Declaration is available on the Registry Site. Administrator shall have the right to reject the agent proposed in the Declaration, in its sole discretion.

(b) Administrator shall have the right to request identification and other information for the proposed agent, including satisfying the Applicant Approval Process for the individual. Account Holder understands and agrees that only one entity may be granted access to an Account, and that accordingly if Account Holder grants access to its Account to an Agent, Account Holder shall not have access to that Account unless and until Account Holder revokes the applicable Declaration. An Agent approved to Administrator shall be subject to these Terms of Use as if they themselves were the Account Holder. It is the sole responsibility of the Account Holder to ensure that its Agent complies with these Terms of Use, the Operative Documents and all relevant laws.

(c) Account Holder holds primary liability for any action or inaction caused by its Agent. Account Holder may change its Agent at any time upon notification to the Administrator and subject to approval of the Administrator. Notwithstanding such change, all actions, inactions and submissions by an Agent prior to the time of such change shall be binding on the Account Holder.

(d) Account Holder acknowledges and agrees that the rights and licenses provided under these Terms of Use and the Operative Documents are solely for the benefit of Account Holder and are to be exercised only in connection with Account Holder's and its Users' use of the Registry. Without limiting the generality of the foregoing, except as set forth in this Section 7 and in Section 32, or except with respect to Beneficial Ownership Rights that are permitted by these Terms of Use, Account Holder may not transfer or sublicense such rights, licenses or Account, or any portion thereof, to any third party.

8. Transfer of ART Credits.

A transfer initiated by Account Holder in the Registry shall not be processed if such transfer fails to meet the requirements of these Terms of Use or the Operative Documents. Each transfer shall include the information as set forth in the Operative Documents. A transfer involving or related to the following are prohibited (i) fraud or an attempt to defraud another entity; (ii) transfer based on

false, misleading or inaccurate information; or (iii) a transfer that would result in Double-Counting.

9. Retirement of ART Credits

Subject to Section 15(b), Account Holder may retire ART Credits in accordance with the Operative Documents and the procedures set out by Administrator. Account Holder may retire ART Credits for the use by an Account Holder toward satisfying Account Holder's NDC obligations under the Paris Agreement or toward meeting voluntary targets. Account Holder's action to retire ART Credits in accordance with this Section is irrevocable, and Account Holder acknowledges that any such instruction will not be reversed.

10. Surrender of ART Credits

Account Holder may surrender ART Credits in accordance with the Operative Documents and the procedures set out by Administrator. Account Holder may surrender ART Credits for the use of such ART Credits in a compliance program. Account Holder's action to surrender ART Credits in accordance with this Section is irrevocable, and Account Holder acknowledges that any such instruction will not be reversed.

11. Cancellation of ART Credits

- (a) Administrator may cancel ART Credits held in Account Holder's Account in accordance with the Operative Documents and the procedures set out by the Administrator. Administrator may cancel ART Credits on the Registry, including but not limited to, upon the occurrence of the following: (i) suspension of Account Holder's Account pursuant to Section 23(d); (ii) closing of Account Holder's Account pursuant to Section 25; (iii) to re-issue ART Credits on another approved registry; or (iv) in the event of an Over-Issuance.
- (b) Administrator and Account Holder acknowledge and agree that, once Administrator has cancelled the ART Credits, neither Administrator nor Account Holder will take any action to exercise or purport to exercise any right or interest, or deal with or otherwise use, the cancelled ART Credits.

12. Buffer ART Credits

- (a) An amount of ART Credits as determined by applying the buffer contribution percentage under TREES ("Buffer ART Credits") shall be transferred by Administrator to the Buffer Pool Account in accordance with the Operative Documents. Buffer ART Credits shall be held in a non-tradeable account and the transfer of Buffer ART Credits shall be prohibited until such time as

the Operative Documents allow such transfer. If the Operative Documents allow transfer of Buffer ART Credits, Buffer ART Credits shall be treated as ART Credits and eligible for transfer in accordance with Section 8.

- (b) Administrator may utilize Buffer ART Credits held in Account Holder's Account or Buffer ART Credits in the Buffer Pool Account in accordance with the Operative Documents and the procedures set out by the Administrator, including but not limited to the occurrence of a Reversal Event.
- (c) Administrator and Account Holder acknowledge and agree that, once Administrator has utilized the Buffer ART Credits, neither Administrator nor Account Holder will take any action to exercise or purport to exercise any right or interest, or deal with or otherwise use, the utilized Buffer ART Credits.

13. Limited Waiver of Immunity

Each of Account Holder, Authorized Representative and Agent that now or hereafter has a right to claim immunity, whether characterized as Sovereign or otherwise, for itself or any of its assets hereby irrevocably agrees not to claim and irrevocably waives any such immunity to the fullest extent permitted by the laws of any applicable jurisdiction in respect to its obligations under these Terms of Use. This waiver includes immunity from (i) any arbitration proceeding commenced pursuant to these Terms of Use; (ii) any judicial, administrative or other proceedings to aid the arbitration commenced pursuant to these Terms of Use; and (iii) any effort to confirm, enforce, or execute any decision, settlement, award, judgment, service of process, execution order or attachment (including pre-judgment attachment) that results from an arbitration or any judicial or administrative proceedings commenced pursuant to these Terms of Use. Each Account Holder, Authorized Representative and Agent represents, warrants, and acknowledges that its rights and obligations hereunder are of a commercial and not a governmental nature.

14. Ownership and Use of Data and the Registry.

(a) Account Holder acknowledges that Administrator is and shall remain the sole owner or authorized licensee of all data comprising the Registry and of the Registry operating system, including any components, modifications, adaptations and copies thereof. Without limiting any of the foregoing, Account Holder further acknowledges and agrees that any and all Software is proprietary software of Administrator and/or its affiliates and third party providers. Except as provided herein, Account Holder shall not obtain, have or retain any right, title or interest in or to the Registry or the Software or any part thereof. Account Holder acknowledges and agrees that Administrator is and shall remain the sole owner of any registration required to access or use the Registry, including without

limitation any and all intellectual property rights therein. The rights granted to Account Holder are solely defined by these Terms of Use and the Operative Documents as in effect from time-to-time and include, but are not limited to, permission to use the Registry as set forth herein and therein. Account Holder's rights under these Terms of Use do not include a transfer of title or any other ownership interest in the Registry, its content or any part thereof to Account Holder. Account Holder agrees not to contest or challenge Administrator's or its third-party suppliers' ownership of the data comprising the Registry, the Software and associated intellectual property rights and not to take any action that would infringe, misappropriate, constitute unfair competition with respect to, or otherwise violate the ART Standards, including TREES, Administrator's or their third-party suppliers' ownership of or rights in the data comprising the Registry, the Registry or the Software.

(b) Except as otherwise provided in the Operative Documents, Account Holder acknowledges that once Account Holder transmits data (including Personal Data) to the Registry, such data becomes the property of Administrator. Except in accordance with Administrator's normal operating procedures, data in the Registry cannot and will not be deleted, removed, or otherwise expunged or segregated, including in the event Account Holder terminates its use of the Registry or any Account in the Registry or is terminated pursuant to Section 25 hereof. Notwithstanding anything to the contrary, Account Holder grants Administrator a perpetual, irrevocable, worldwide, royalty-free and non-exclusive license to retain and use such data in the Registry.

(c) Account Holder acknowledges that the data transmitted by the Registry is derived from proprietary and public third-party sources, including but not limited to data from Registry participants other than Account Holder, Administrator and VVBs.

(d) Account Holder will not use the Registry for any unlawful purpose or in an unlawful manner. Account Holder shall prevent the use or copying of the Registry and any other supporting materials by Account Holder's Representatives except as permitted by the terms of these Terms of Use.

(e) Account Holder represents that it has legal title to, or has been authorized to act on behalf of the holder of legal title to, the data provided to the Registry by Account Holder and acknowledges that Administrator cannot be held liable in the event of misrepresentation of ownership thereof by Account Holder. In the event Account Holder has been authorized to act on behalf of the holder of legal title to data, Account Holder agrees to provide the Administrator with a legally binding document confirming such authorization, which document will be reasonably acceptable to Administrator. Account Holder represents that all data and other information it provides to the Registry shall be true, is complete and is correct to the best of its knowledge, information and belief.

(f) In the event Account Holder is not a Sovereign, Administrator grants Account Holder non-exclusive permission to access, retrieve and download from, and upload data to, the Registry subject to these Terms of Use and the Operative Documents, which grant shall not be effective until Account Holder has obtained Account Approval.

(g) In the event Account Holder is a Sovereign, Administrator grants Account Holder a non-exclusive permission to access, retrieve and download from, and upload to data to, the Registry subject to these Terms of Use and the Operative Documents, which grant shall not be effective until Account Holder has obtained Preliminary Approval.

(h) Administrator will not Issue ART Credits to an Account Holder's Account until Account Holder has obtained Account Approval.

(i) Account Holder will take all appropriate steps and precautions to safeguard and protect the access, use and security of the Registry and Account Holder's user access information from unauthorized users.

(j) Administrator reserves all rights in the Registry not expressly granted to Account Holder in these Terms of Use.

(k) To Administrator's actual knowledge, the Software does not infringe any intellectual property rights of third parties.

15. Ownership of ART Credits; Action with Respect to ART Credits on Behalf of Third Parties.

(a) **General Prohibition on Third Party Ownership.** Except as otherwise permitted under Sections 15(b) or 15(c) below:

(i) Account Holder will only hold, surrender or retire in its Account ART Credits for which it is the sole holder of all legal title and all Beneficial Ownership Rights, and

(ii) Account Holder may not hold any Accounts on behalf of one or more third parties, or hold, surrender or retire in its Accounts any ART Credits on behalf of one or more third parties.

(b) **Aggregator Exception.** Account Holder may retire or surrender ART Credits on behalf of one or more third parties, provided that:

(i) any such retirement or surrender may be affected only in the manner set forth in the Operating Procedures;

(ii) all legal title to and all Beneficial Ownership Rights in any ART Credits retired or surrendered on behalf of a third party must be held

by one or more individuals or organizations (collectively, the “Indirect Owners”) that have authorized Account Holder in writing to retire or surrender such ART Credits on their behalf and to provide any data or other information relating to such ART Credit to Administrator (except to the extent that Account Holder may be deemed to hold or share with the applicable Indirect Owners any legal title to or Beneficial Ownership Rights in such ART Credits); and

(iii) any retirement or surrender of any ART Credits shall be affected solely on behalf of the applicable Indirect Owners.

(c) **Optional Omnibus Account.** Account Holder may hold ART Credits in its Account(s) on behalf of one or more Indirect Owners, provided that:

(i) Account Holder is a Regulated Person and has provided Administrator a signed Regulated Person Attestation, available on the Registry Site; provided, however, that Administrator may, in its sole discretion, waive the requirements set forth in this paragraph (i) with respect to Account Holder by providing Account Holder with written notice of such waiver;

(ii) All legal title to and all Beneficial Ownership Rights in any ART Credit so held by Account Holder is held by one or more Indirect Owners that have authorized Account Holder in writing to hold ART Credits on their behalf and to provide any data or other information relating to such ART Credits to Administrator (except to the extent that Account Holder may be deemed to hold or share with the applicable Indirect Owners any legal title to or Beneficial Ownership Rights in such ART Credits);

(iii) Account Holder complies with all applicable laws, regulations or other legally enforceable requirements, including without limitation applicable provisions of the USA PATRIOT Act and the regulations of the Office of Foreign Assets Control of the U.S. Department of the Treasury;

(iv) Account Holder maintains a customer identification program that contains reasonable procedures to verify the identity of any individual or organization on whose behalf Account Holder is holding ART Credits and maintains records of the information used to verify such identity, which records will be made available to Administrator upon request; and

(v) Account Holder complies with the requirements of Section 15(b) in connection with any retirement of ART Credits it holds on behalf of one or more Indirect Owners.

(d) Account Holder acknowledges that neither the Registry nor Administrator (or its third party providers) shall have any liability in connection with any misrepresentation by Account Holder or another Registry participant relating to the ownership of any ART Credit in any Account held by Account Holder (including without limitation the identity of the person(s) holding any legal title thereto or Beneficial Ownership Rights therein).

16. Representations and Warranties. Throughout the term of these Terms of Use, including without limitation upon each Issuance, transfer, retirement or cancellation of an ART Credit, Account Holder represents and warrants to Administrator as follows:

(a) If other than a natural person, Account Holder is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Account Holder has all corporate and other authority and all constitutional, statutory, regulatory and other consents, approvals and authorizations necessary for it to legally (i) enter into and perform its obligations under these Terms of Use and the Operative Documents; and (ii) engage in all of its activity (including the registration, Issuance, transfer, surrender and retirement of ART Credits) on or relating to the Registry;

(c) The signatory of these Terms of Use has the authority to execute these Terms of Use on behalf of Account Holder, and these Terms of Use constitute legal, valid and binding obligations on and enforceable against Account Holder in accordance with their terms;

(d) All of the information provided by Account Holder to the Administrator is true, accurate and correct and may be relied upon by the Administrator and Account Holder will notify the Administrator in writing as soon as it is aware of any change to such information;

(e) Account Holder has acted in compliance with the Operative Documents and these Terms of Use and all applicable law and will continue to do so;

(f) There are no actions, suits or proceedings pending or, to Account Holder's knowledge, threatened against or affecting Account Holder, the ART Credits, or the activities generating the ART Credits before any court or administrative body or arbitral tribunal which could reasonably be expected to materially and adversely affect the ability of the Account Holder to meet and carry out its obligations under these Terms of Use;

(g) Account Holder has no outstanding agreements or liabilities, contingent or otherwise (including Taxes), that could reasonably be expected to materially and adversely affect the ability of the Account Holder to meet and carry out its obligations under these Terms of Use;

- (h) Subject to Section 15, Account Holder holds legal title and all beneficial title in each ART Credit in its Account;
- (i) Account Holder has not, and to the best of its knowledge and belief, none of its shareholders, directors, agents, officers, affiliates, or employees has engaged in any Sanctionable Practices;
- (j) Account Holder will only use the Registry for lawful purposes and in a manner that does not infringe upon the rights of the Administrator or any third party;
- (k) Account Holder will only use the Registry for the registration, Issuance, transfer, retirement and/or surrender of ART Credits that are attributable to the GHG emission reduction and removal activities included in the ART Standards and specifically acknowledges that it shall not use any other database or registry for the same purpose at the same time as such GHG emission reduction and removal activities are registered in the Registry;
- (l) Account Holder will maintain the security of its password and username for access to the Registry at all times and will not interfere with or disrupt the operation of the Registry (or its underlying software);
- (m) Account Holder will not undertake any activity or action that may in any way bring the Administrator into disrepute, including but not limited to listing ART Credits that are the subject of any dispute or claim or which have been used for other purposes;
- (n) Account Holder has not registered and will not register any GHG reduction or removal simultaneously both in the Registry and in any other system, platform or exchange that tracks, trades, exchanges, transfers or otherwise deals with the emissions, emission reductions, emission offsets, emission credits, or other environmental attributes related to emission reduction projects or activities nor will any transaction of the same emissions, emission reductions, emission offsets, or other environmental attributes related to emission reduction projects or activities be conducted outside of the Registry;
- (o) Except as allowed under ART, Account Holder commits not to claim ART Credits which have already been or are expected to be registered with another compliance or voluntary emissions reduction program;
- (p) Account Holder meets all of the requirements for participation in the Registry, as set forth in the Operative Documents;
- (q) Where an Account Holder is a sub-national Sovereign, such Account Holder meets the eligibility criteria under TREES, including holding all necessary approvals from national authorities;

(r) Neither Account Holder nor any Indirect Owner, if any, has retired, sold, claimed, represented elsewhere or used, nor will it retire, sell, claim or represent elsewhere or use to satisfy obligations in any jurisdiction outside of the Registry, any of the GHG reductions by the activities associated with Account Holder's ART Credits without reporting such disposition within the Registry;

(s) Collectively, Account Holder and the Indirect Owners, if any, having a Beneficial Ownership Right in the ART Credits held in one of Account Holder's Accounts have legal title and all Beneficial Ownership Rights with respect to the ART Credits issued or to be issued to Account Holder and/or held in Account Holder's Accounts and the GHG reductions for which Account Holder is seeking credit, and no other person or entity can claim the right to the ART Credits or to the GHG reductions for which Account Holder is seeking credit;

(t) Account Holder has been authorized to act on behalf of the Indirect Owners, if any, having a Beneficial Ownership Right in the ART Credits held in Account Holder's Accounts;

(u) Account Holder has acted in compliance with any regulatory system or other requirements underlying the GHG reductions and removals for which Account Holder is seeking credit, including requirements to monitor, report and verify and compensate for reversals for a minimum of four crediting periods (20 years) in order for ART Credits to be eligible for use under the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA); and

(v) All data and other information being provided to ART, Administrator and the Registry by Account Holder and/or its Representatives are owned legally and beneficially by Account Holder, are derived from public third party sources or, with respect to ART Credits held by Account Holder on behalf of an Indirect Owner, by a person or entity on whose behalf Account Holder has been authorized to act, and all such data and other information are true, correct and complete in all material respects.

17. Account Holder Acknowledgements. Account Holder agrees and acknowledges the following:

(a) the Administrator does not in any way guarantee legal title to the ART Credits and the Account Holder relies on any information obtained through the Registry at its own risk;

(b) the Administrator is not determining legal title to the ART Credits or the underlying emission reductions by virtue of issuing ART Credits and the burden of determining legal title is solely on the Account Holder;

(c) Administrator will not Issue ART Credits to Account Holder's Account until Account Holder has obtained Account Approval;

(d) the use of the Registry by the Account Holder in no way creates any right or entitlement on the part of the Account Holder to make claims in relation to ownership of any ART Credit and the Administrator makes no warranties or representations regarding ownership of ART Credits;

(e) the Administrator has no fiduciary or other relationship with the Account Holder;

(f) the Administrator, in its role of administering the Registry, does not assume any responsibility for settling or performing any third party agreements that may affect the ART Credits on the Registry;

(g) it is responsible for obtaining and properly using any computer equipment and software necessary to use the Registry and it is solely responsible for any damage to computer systems or loss of data that may result from the Account Holder's access to the Registry;

(h) the access to and use of the Registry is provided "as is" and at the Account Holder's own risk and the Administrator does not represent or make any warranty in respect of the accuracy, reliability and/or completeness of information contained in the Registry, including but not limited to the ownership of any ART Credits;

(i) nothing in these Terms of Use is intended, and nothing herein should be interpreted or construed, to induce or require Administrator to act or refrain from acting (or agreeing to act or refrain from acting) in any manner which is inconsistent with, penalized or prohibited under Trade Control Laws applicable to Administrator; and

(j) it has the right and the obligation to instruct the Administrator to correct any incorrect or inaccurate information in the Registry and inform the Administrator in writing of any changes to that information.

18. No Double-Counting. Account Holder shall not engage in Double-Counting of ART Credits in any of its forms. In the event Account Holder becomes aware that any ART Credits may be or have been subject to Double-Counting, Account Holder shall immediately notify the Administrator in writing with the details of such Double-Counting. In the event the Administrator becomes aware or reasonably believes that any ART Credits may be or have been subject to Double-Counting, the Administrator may immediately suspend the Accounts associated with such Double-Counting and take action in accordance with these Terms of Use, including Section 23, and the Operative Documents.

19. Anti-Corruption. Account Holder shall not engage in, or authorize or permit any affiliate, Users or any other person acting on its behalf to engage in any coercive, fraudulent, corrupt, obstructive or collusive practice. Account Holder further represents, warrants and undertakes to the Administrator that

Account Holder shall not, directly or indirectly, pay, offer, give or promise to pay or receive or authorize the payment or receipt of, any monies or other things of value to a Government Official in violation of any Anti-Bribery Laws or Anti Money Laundering Laws. Account Holder shall as promptly as possible after becoming aware of any potential or alleged breach of this Section disclose in writing to the Administrator details of any potential breach or alleged breach and use all reasonable efforts to cooperate with the Administrator to ensure and monitor compliance with this Section, including furnishing documentary support to assist Administrator in determining whether a violation of this Section has occurred.

20. Fees. Account Holder agrees to pay all fees (collectively referred to herein as the "Fees") that Administrator may charge for use of the Registry from time-to-time. The Fees are included in the Registry Fee Schedule (the "Fee Schedule") posted on the Registry Site by Administrator. Account Holder acknowledges that it has received and reviewed the Fee Schedule. Administrator may, upon forty-five (45) days' notice to Account Holder and in its sole discretion, modify the fee schedule to include new fees as well as increase or decrease any or all of the Fees at any time. In no event shall any portion of the Fees be prorated or refunded to Account Holder upon termination of the Terms of Use or of any Account.

21. Payments and Taxes. Invoices for Fees will be posted on a secure page on the Registry Site and/or emailed to the billing contact for the account. Account Holder shall pay any Fees charged hereunder by check or wire transfer of immediately available funds in United States dollars on the date and to the account identified by Administrator from time-to-time on the invoice, or if no date is indicated, no later than thirty (30) days from the date of the invoice (the "Due Date"), without offset or reduction of any kind. Credits will not be activated, transferred, retired or surrendered until applicable fees have been paid. The Fees shall be non-refundable. Account Holder assumes the legal obligation for payment of Fees upon ART's Issuance of the ART Credits. The payment is not due until invoiced, which will be no later than one hundred and twenty (120) days after ART Credit Issuance unless otherwise agreed by the Parties in writing. Account Holder will pay all wire transfer fees and all sales, use, value added taxes, and other consumption taxes, personal property taxes and other taxes and charges imposed by any governmental entity (other than those based on Administrator's net income)(collectively, "Taxes") related to the use of the Registry unless Account Holder furnishes satisfactory proof of exemption. Taxes, if any, are not included in the Fees and, to the extent that Administrator is required to pay those Taxes, those Taxes will be added to Account Holder's invoices. If not so added, such Taxes are the exclusive responsibility of Account Holder.

22. Late Payments. If Account Holder fails to pay any Fees, Taxes or other amounts or charges which Account Holder is obligated to pay under the

Operative Documents or these Terms of Use by the Due Date, then Account Holder shall be responsible to pay interest thereon accruing at a rate of 1½ % per month, or the highest rate permitted by Applicable Law, whichever is lower, together with any additional costs or expenses incurred by Administrator in connection with the collection of such overdue amounts. Acceptance of any interest, cost or expenses shall not constitute a waiver by Administrator of Account Holder's default with respect to such late payment, nor prevent Administrator from exercising any other rights or remedies available to Administrator under the Operative Documents, these Terms of Use or any Applicable Law.

23. Suspension.

(a) Administrator, in its sole discretion and at any time, may suspend the Account Holder's Account, the Account Holder's access to the Registry and/or the Account Holder's ability to transfer, retire or surrender any ART Credits with immediate effect and without notice if the Administrator reasonably believes that: (i) the Account Holder is not in compliance with these Terms of Use or the procedures set out by the Administrator, including the Operative Documents; (ii) any ART Credits listed by or on behalf of the Account Holder are fraudulently or illegally created; (iii) accreditation or approval of emission reduction and removal credits created under the ART Standards or any ART Credits listed by or on behalf of the Account Holder is withdrawn or threatened to be withdrawn for any reason; (iv) if the Account Holder is acting as an Agent, the authorization to act in that capacity has been revoked; (v) any ART Credits have been or are suspected to be subject to Double-Counting in any of its forms; or (vi) any ART Credits (or the program generating the ART Credits) listed by or on behalf of the Account Holder are the subject of, or become the subject of, a Dispute.

(b) While the Account Holder's access to the Registry and/or its Account is temporarily suspended under this Section 23(a), the Account Holder will have no right to any ART Credits in the Registry, no ART Credits shall be Issued to the affected Account and Account Holder and Account Holder shall be prohibited from registering a program, or recording the transfer, surrender, or retirement of ART Credits in the Registry.

(c) Upon notification by the Administrator of temporary suspension pursuant to this Section 23, the Account Holder will have ten (10) days to:

(i) show cause in writing as to why the Account Holder should not be permanently suspended from the Registry and why the ART Credits should not be cancelled; and

(ii) where requested by the Administrator, supply to the Administrator, ART Credits of a quality and quantity specified by the Administrator.

(d) If within the ten (10) day period, the Account Holder fails, to the satisfaction of the Administrator in its sole discretion, to show cause and/or provide replacement ART Credits, the Administrator may exercise one or more of the following rights:

- (i) maintain the temporary suspension;
- (ii) permanently suspend the Account Holder from the Registry;
- (iii) close the Account Holder's Account (in which case the provisions of Section 25(e) shall apply);
- (iv) cancel the disputed ART Credits pursuant to Section 11; and/or
- (v) terminate these Terms of Use under Section 25.

24. Default; Remedies.

(a) **Default.** The occurrence of any of the following shall be considered a "Default":

- (i) Account Holder fails to pay any of the Fees, Taxes or other charges due in accordance with the procedures set forth above within five (5) days of their Due Date;
- (ii) Account Holder alters, tampers with, damages or destroys (1) the Registry or any portion thereof, or (2) the data of other Registry participants;
- (iii) Account Holder uses the Registry in any manner that, directly or indirectly, violates any Applicable Law;
- (iv) All or substantially all of Account Holder's assets are attached or levied under execution (and Account Holder does not discharge the same within sixty (60) days thereafter); a petition in bankruptcy, insolvency, for reorganization or a similar arrangement is filed by or against Account Holder (and Account Holder fails to secure a stay or discharge thereof within sixty (60) days thereafter);
- (v) Account Holder is insolvent and unable to pay its debts as they become due; Account Holder makes a general assignment for the benefit of creditors; Account Holder takes the benefit of any insolvency action or law; the appointment of a receiver or trustee in bankruptcy for Account Holder or its assets if such receivership has not been vacated or

set aside within thirty (30) days thereafter; or, dissolution or other failure to exist of Account Holder if Account Holder is an entity;

(vi) Account Holder falsifies or misrepresents any data or other information submitted to Administrator or inputted into the Registry by Account Holder;

(vii) Account Holder fails to update information in accordance with Section 4(d);

(viii) Account Holder makes any false or inaccurate representations in these Terms of Use;

(ix) Account Holder receives written notice of a violation of the performance of any particular material term or condition of the Operative Documents or these Terms of Use three (3) or more times during any twelve (12) month period, regardless of whether such violations are ultimately cured, which conduct shall represent a separate Default;

(x) Account held by Account Holder involves ART Credits that are the subject Double-Counting in any of its forms;

(xi) Account Holder fails to maintain a valid Host Country Letter of Authorization and Approval as required by the ART Standards; and

(xii) Account Holder fails to perform any other duty or obligation under these Terms of Use or the Operative Documents, which default is not cured to the satisfaction of Administrator in its sole discretion within five (5) days after notice is given to Account Holder specifying such default.

(b) **Remedies.** Upon the occurrence of any Default, Administrator shall have the following rights and remedies, in addition to those stated elsewhere in the Operative Documents and these Terms of Use and those allowed by Applicable Law or in equity, any one or more of which may be exercised without further notice to Account Holder:

(i) Account Holder acknowledges that money damages would not adequately compensate Administrator in the event of a breach by Account Holder of its obligations hereunder and that injunctive relief may be essential for Administrator to adequately protect itself hereunder. Accordingly, Account Holder agrees that, in addition to any other remedies available to Administrator at law or in equity, including but not limited to any monetary damages, Administrator shall be entitled to seek injunctive relief

in the event Account Holder is in breach of any covenant or agreement contained herein; and

(ii) Upon termination of the use of the Registry, Account Holder shall be obligated to pay to Administrator all monies due to it, which in the case of a termination as a result of a Default shall include attorneys' fees incurred to enforce Administrator's rights under the Operative Documents and these Terms of Use, and which in any event shall include any interest and costs and expenses due hereunder.

(c) **Nonwaiver of Defaults.** The failure or delay of Administrator in exercising any of its rights or remedies or other provisions of the Operative Documents or these Terms of Use shall not constitute a waiver thereof or affect Administrator's right thereafter to exercise or enforce such right or remedy or other provision. No waiver of any Default shall be deemed to be a waiver of any other Default. Administrator's receipt of less than the full amount of Fees, Taxes, Reinstatement Fees or other amounts due shall not be construed to be other than a payment on account then due, nor shall any statement on Account Holder's check or any letter accompanying Account Holder's check be deemed an accord and satisfaction.

25. Term and Termination.

(a) **Term.** These Terms of Use become operative on the date on which Account Holder indicates on the Registry Site that Account Holder agrees with and accepts the Terms of Use and shall continue in effect until Administrator or Account Holder terminates access to the Registry pursuant to subsections (b), (c) or (d) below.

(b) **Termination by Administrator.** Prior to accepting your registration to become an Account Holder, Administrator may in its sole discretion reject your registration and terminate your access to the Registry immediately. Administrator may terminate Account Holder's access to the Registry immediately in the event of any Default as set forth in Section 24. Administrator may terminate Account Holder's access to the Registry, for any reason, upon giving thirty (30) days' notice to Account Holder.

(c) **Termination by Account Holder.** Account Holder may terminate use of the Registry, for any reason, by providing at least sixty (60) days written notice to Administrator. Account Holder's obligation to pay any and all Fees due under the Operative Documents and these Terms of Use at the time of termination of use shall survive such termination of use.

(d) **Termination Required by Law.** Administrator shall terminate access to, or Account Holder shall cease use of, the Registry if required to do so by any Applicable Law, or by any order or other decision of a court of law, arbitral panel or governmental agency. At least sixty (60) days' notice of said termination

of access or cessation of use of the Registry shall be given by the Party terminating the access to, or ceasing the use of, the Registry under this subsection, unless a shorter notice period is required by Applicable Law or the relevant order or decision.

(e) **Effect of Termination.** The terms of Sections 20(Fees), 21(Payments and Taxes), 25(Term and Termination), 24(Default; Remedies), 28(Limitation of Liability), 31(Indemnification), 32 through 40 and any other provisions meant to survive termination or expiration of these Terms of Use, shall survive termination of the Terms of Use. Upon closing of the Account Holder's Account, the Administrator shall cancel all ART Credits held in such Account Holder's Account and cancel all Buffer ART Credits associated with such Account Holder.

(f) **Reinstatement.**

(i) Upon the request of Account Holder, Administrator, in its sole discretion, may reinstate Account Holder's access to the Registry after termination for Account Holder's Default, upon Administrator's determination that Account Holder has resolved such Default and upon receipt of Account Holder's full payment of all Fees and Taxes due prior to the termination. Account Holder agrees to pay a reinstatement fee equal to the Fees which would have been due during the period in which Account Holder's Account(s) were terminated ("Reinstatement Fee"). The Reinstatement Fee shall be due prior to reinstatement of Account Holder's access to the Registry.

(ii) Administrator shall reinstate an Account Holder's access to the Registry after termination for Account Holder's Default if directed to do so as a result of the outcome of a dispute resolution proceeding under these Terms of Use. Whether payment of a Reinstatement Fee is required in such an instance shall be determined as part of such dispute resolution proceeding.

26. Intellectual Property.

(a) The ART name and brand, ART Standards including TREES, the Registry, and any and all content of the Registry, are protected by copyright and/or other intellectual property laws and any unauthorized use of such intellectual property or information or the Registry may violate such laws related to their protection.

(b) Account Holder acknowledges that the Administrator is and shall remain the sole owner of all aggregated data in the Registry, and of the selection, arrangement and compilation of such aggregated data.

(c) Except as expressly provided herein and in the Operative Documents, none of Administrator or any of its affiliates grants any express or implied right or license of any kind to Account Holder under any patents, copyrights, trademarks, or trade secret information with respect to such

intellectual property and/or information and/or the Registry. Except as expressly provided by copyright law, the Operative Documents or these Terms of Use, Account Holder may not copy, distribute, modify, publish, sell, transfer, license, transmit, display, participate in the transfer or sale of, or create derivative works of, any of such intellectual property or information or the Registry, either in whole or in part, other than:

(i) reports or other data created for use by or otherwise dissemination to Account Holder (including Agents of Account Holder) under the Operating Procedures;

(ii) as may be required or compelled by Applicable Law;

(iii) information that it has provided to the Registry; or

(iv) as Administrator may agree in its sole discretion.

(d) Account Holder hereby grants to the Administrator and the Registry Platform Services Provider, a perpetual, world-wide, royalty-free license to:

(i) use, reproduce, distribute, display and prepare derivative works from data provided by Account Holder ("Account Holder Data"); and

(ii) grant sublicenses to such User Data to subcontractors and other third parties,

in each case to the extent reasonably necessary to perform any obligations of the Administrator under these Terms of Use, the Operative Documents and to fulfil the purposes of the Registry.

(e) Any authorized use of ART, ART Standards including TREES, the Registry's logo and Administrator's trademarks shall be precisely as described in the Operative Documents, and Account Holder shall not alter such logo or trademarks in any respect (including without limitation changing the color scheme thereof). Account Holder acknowledges that Account Holder does not acquire any ownership rights by downloading copyrighted material.

27. Disclaimer of Warranty.

(a) The data contained in the Registry has been gathered by Administrator from sources believed by it to be reliable, including but not limited to VVBs, and Account Holder and Account Holder's Users. However, Administrator does not warrant that the information in the Registry is correct, complete, current or accurate. Administrator has no obligation to audit, validate or otherwise verify any information contained in the Registry.

(b) THE REGISTRY IS PROVIDED "AS IS," AND ADMINISTRATOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THESE TERMS OF USE, THE OPERATIVE DOCUMENTS OR THE ADEQUACY OR PERFORMANCE OF THE REGISTRY, AND ADMINISTRATOR HEREBY DISCLAIMS TO THE EXTENT PERMITTED BY LAW ANY SUCH WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, TITLE OR FITNESS FOR A PARTICULAR PURPOSE OR ANY IMPLIED WARRANTIES ARISING FROM ANY COURSE OF DEALING, USAGE OR TRADE PRACTICE. ADMINISTRATOR DOES NOT WARRANT THAT THE SERVICES PROVIDED HEREUNDER SHALL BE UNINTERRUPTED, BUG- OR ERROR-FREE, OR COMPLETELY SECURE, OR THAT THE PROVISION OF SUCH SERVICES SHALL ALWAYS BE EXECUTED WITHOUT ERRORS OR OMISSIONS.

(c) Administrator shall not be responsible for the acts or omissions of any Account Holder or any other party who inputs data into the Registry or from whom data is obtained for inclusion on the Registry.

(d) Account Holder is solely responsible for the protection, security and management of usage and security of its computer network. Administrator shall not compensate Account Holder for damages incurred due to violations of the security of Account Holder's computer network, nor shall Account Holder make deductions or set offs of any kind for Fees resulting therefrom. Administrator shall not be responsible for and is not liable for any damages to, or viruses that may infect Account Holder's equipment or other property related to its Account or Account Holder's access to and use of the Registry. Account Holder acknowledges that service or maintenance disruptions may occur from time to time on the Registry and that the Administrator shall not be responsible for any delays, omissions or interruptions related to the Registry.

28. Limitation of Liability. ACCOUNT HOLDER ASSUMES FULL RESPONSIBILITY AND RISK OF LOSS RESULTING FROM ITS USE OF THE REGISTRY AND THE REGISTRY SITE. ADMINISTRATOR'S AND REGISTRY PLATFORM SERVICES PROVIDER'S SOLE LIABILITY FOR THE REGISTRY, SERVICE DISRUPTION, PERFORMANCE OR NONPERFORMANCE BY ADMINISTRATOR OR IN ANY WAY RELATED TO THESE TERMS OF USE, REGARDLESS OF WHETHER THE CLAIM FOR DAMAGES IS BASED IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, IS LIMITED, TO THE EXTENT PERMITTED BY LAW, TO AN AGGREGATE AMOUNT EQUAL TO THE LESSER OF (X) THE FEES PAID BY ACCOUNT HOLDER HEREUNDER DURING THE CALENDAR YEAR IMMEDIATELY PRECEDING THE DATE ANY SUCH CLAIM IS OR CLAIMS ARE MADE BY ACCOUNT HOLDER AND (Y) USD 50,000.00 (FIFTY THOUSAND DOLLARS). ADMINISTRATOR AND REGISTRY PLATFORM SERVICE PROVIDER SHALL NOT BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR OTHER INDIRECT DAMAGES REGARDLESS OF CAUSE, NOR FOR ECONOMIC LOSS, LOSS OF USE, LOSS OF DATA,

LOSS OF BUSINESS, PERSONAL INJURIES OR PROPERTY DAMAGES SUSTAINED BY ACCOUNT HOLDER OR ANY THIRD PARTIES, EVEN IF ADMINISTRATOR HAS BEEN ADVISED BY ACCOUNT HOLDER OR ANY THIRD PARTY OF THE POSSIBILITY OF SUCH DAMAGES.

ADMINISTRATOR DISCLAIMS ANY LIABILITY FOR ERRORS, OMISSIONS OR OTHER INACCURACIES IN ANY PART OF THE REGISTRY, OR THE REPORTS, ART CREDITS OR OTHER INFORMATION COMPILED OR PRODUCED BY AND FROM OR INPUT INTO THE REGISTRY, INCLUDING BUT NOT LIMITED TO, ACTIONS BY THE ADMINISTRATOR TO SUSPEND ACCOUNT AND CANCEL ART CREDITS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, ACCOUNT HOLDER HEREBY RELEASES AND DISCHARGES ADMINISTRATOR, ANY SUBSIDIARIES OR OTHER CORPORATE AFFILIATES THEREOF, THEIR SUCCESSORS AND ASSIGNS, AGENTS, CONTRACTORS, SERVICE PROVIDERS AND VENDORS FROM ANY AND ALL LIABILITY WITH RESPECT TO ANY DAMAGES OR INJURIES INCURRED BY ACCOUNT HOLDER AS RELATES TO THE REGISTRY.

29. Logins, Passwords and Registry IDs. Account Holder agrees to assume sole responsibility for the security of any logins, passwords and Registry IDs issued by Administrator to Account Holder, its Account Representative(s), and Agent, if any, for accessing the Registry. Account Holder agrees to immediately notify Administrator of any suspected unauthorized use of Account Holder's login(s), password(s), Registry ID(s) or Account or any other suspected breach of security.

30. Maintenance. Account Holder understands that any ART program of activities not registered within the Registry within two years from the time such ART program of activities is listed or submitted therein shall be deactivated in the Registry, unless a grace period is requested by Account Holder. Deactivation does not preclude Account Holder from registering the ART program of activities with the Registry at a later date.

31. Indemnification. Account Holder agrees to defend, indemnify and hold harmless each of Administrator and its subsidiaries and affiliates and each of their respective owners, directors, trustees, partners, Members, officers, employees, Representatives and Agents (each an "Indemnified Party") from and against any violations by Account Holder or its Users of any Applicable Law and against any and all claims (including third-party claims), causes of action, whether in contract, tort or any other legal theory (including strict liability), demands, damages, costs, liabilities, losses and expenses (including reasonable attorneys' fees and court costs) of any nature whatsoever ("Losses") arising out of, resulting from, attributable to or related to the use of the Registry by Account Holder or its Users, or Account Holder's or its Users' violation of any of the Operative Documents, these Terms of Use or Anti-Money Laundering Laws, Anti-Bribery Laws or Trade Control Laws, including, but not limited to, any Losses arising out of or related to: (a) any inaccuracy, error, or delay in or omission of (i) any data, information, or service, or (ii) the transmission or delivery of any data,

information, or service; (b) any interruption of any such data, information, or service (whether or not caused by such Indemnified Party); or (c) any financial, business, commercial or other judgment, decision, act or omission based upon or related to the information or the Registry. Notwithstanding the foregoing, Account Holder shall not defend, indemnify or hold harmless an Indemnified Party from and against any Losses to the extent that the Losses are caused by the conduct of such Indemnified Party that a court of law or arbitral panel has determined amounted to gross negligence or willful misconduct.

32. No Assignment, Transfer or Encumbrance by Account Holder.

Neither any Operative Document nor these Terms of Use nor any rights hereunder or thereunder may be assigned, sublicensed, encumbered, pledged, mortgaged or otherwise transferred by Account Holder, in whole or in part, whether voluntary or by operation of law, without the express prior written consent of Administrator.

33. Relationship of Parties. Each Party is an independent contractor under these Terms of Use. No Party has the authority to execute documents that purport to bind the others, and nothing in these Terms of Use will be construed to constitute a joint venture, fiduciary relationship, partnership or other joint undertaking.

34. No Third Party Beneficiaries. These Terms of Use and the Operative Documents are for the sole and exclusive benefit of Account Holder and Administrator and each of their successors and permitted assigns, and except as set forth in Sections 28 and 31 or otherwise specifically provided herein, no third party, including without limitation any third party having Beneficial Ownership Rights in an ART Credit, will have any rights under these Terms of Use or the other Operative Documents whatsoever.

35. Force Majeure. No Party shall be deemed to have breached any provision of these Terms of Use as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from events that are outside that Party's reasonable control, including acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, terrorism, energy crises, fires, floods, strikes or other labor disturbances, riots, embargoes, transportation contingencies, fuel shortages, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, and which, by the exercise of due diligence, the claiming Party is unable to overcome or avoid or cause to be avoided; provided, however, that no such occurrences shall excuse Account Holder's obligation to pay amounts due hereunder by the applicable Due Date.

36. Severability. If any part of these Terms of Use is held to be unenforceable or illegal by a court, arbitral panel or governmental administrative agency, such holding shall not affect the validity of the other parts of the Terms of Use, which shall at all times remain in full force and effect.

37. Waiver. The waiver of a breach or the failure to require at any time performance of any provision of these Terms of Use will not operate or be interpreted as a waiver of any other or subsequent breach nor in any way affect the ability of any Party to enforce each and every such provision thereafter. The express waiver by any Party of any provision, condition or requirement of these Terms of Use shall not constitute a waiver of any future obligation to comply with such provision, condition or requirement.

38. Notices. All notices permitted or required under these Terms of Use shall be in writing and shall be delivered in person, by email, facsimile, or first class, registered or certified mail, postage prepaid, or by overnight courier service to the following addresses or such other address as either Party may specify in writing:

If to Administrator:

ART Secretariat
2121 Crystal Drive, Suite 500
Arlington VA 22202
United States of America
Attn: ART Administrator
Facsimile: 703-302-6512
Email: REDD@winrock.org

If to Account Holder:

To the address provided at the time of registration, as updated by Account Holder from time-to-time.

Service shall be effective on the earlier of actual receipt or the second business day after the day of mailing via first class mail. For service of notice via facsimile, it shall be deemed received on the day said notice was sent to the other Party. For service of notice via email, it shall be deemed received when acknowledgement of its receipt has been given by the Party due to receive the notice.

39. Governing Law and Dispute Resolution.

(a) These Terms of Use shall be governed exclusively by the laws of the State of New York without regard to its rules on conflicts of laws.

(b) Administrator and the Account Holder shall endeavor to settle amicably any dispute between them arising out of or relating to these Terms and Conditions or the breach, termination or invalidity thereof ("Dispute"). Upon the written request of either Party ("Initial Request"), the Parties shall meet promptly to consider the Dispute.

(c) If the Dispute has not been resolved by the Parties within thirty (30) calendar days of the date of the Initial Request, any dispute, controversy, or

claim arising out of or relating to these Terms of Use, or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of these Terms of Use. The case shall be administered by the International Centre for Dispute Resolution in accordance with its “Procedures for Cases under the UNCITRAL Arbitration Rules.”

(d) The dispute shall be decided by three independent and neutral arbitrators, with each Party appointing one arbitrator and those two, working in conjunction with the Parties who appointed them, selecting the third. In the event one or both of the Parties do not select their arbitrator or there is an inability to agree on the third, the appointing authority shall be the International Centre for Dispute Resolution.

(e) The place of arbitration shall be New York City, New York and the language of the arbitration shall be English. Any award shall be enforceable in any court of competent jurisdiction.

(f) Each Party shall be responsible for the payment of all of its costs associated with the resolution of said dispute whether in arbitration or before a court of law, including but not limited to any filing fees, arbitrator fees, its attorneys’ fees and other costs incurred in such proceeding, provided that if a dispute is initiated in bad faith, as determined by the arbitrator, the Party initiating the dispute shall be responsible for all of the other Party’s defense costs, and provided further that Administrator shall be entitled to payment of its costs and expenses, including without limitation attorneys’ fees to the extent set forth in Sections 24(b)(ii) and 31.

(g) The Parties agree that neither may bring a claim nor assert a cause of action against the other, in any forum or manner, more than one (1) year after the cause of action accrued, except where the Party could not have reasonably discovered the wrong giving rise to the claim within one (1) year.

40. Entire Agreement. The Operative Documents, including without limitation these Terms of Use, including any and all exhibits attached thereto and hereto, represent the entire agreement of the Parties with respect to the subject matter thereof and hereof and supersede any conflicting terms in any other prior or contemporaneous oral or written agreements and any and all other communication.

41. Long Term Commitments. In the event the ART Secretariat is discontinued in its current form, Winrock International shall be legally responsible for the administration of the long-term commitments related to the Registry, including but not limited to the management of the Buffer Pool. In the event Winrock International is unable to provide this function, Winrock International shall appoint a comparable, qualified organization to manage such commitments.

APPENDIX A

DEFINED TERMS

“Account” means the electronic account held by Account Holder on the Registry from which ART Credits are Issued, transferred, surrendered, retired, or cancelled by Account Holder or by Administrator, as applicable.

“Account Approval” has the meaning set forth in Section 4(b).

“Account Representative” has the meaning set forth in Section 6(a).

“Account Holder” has the meaning set forth in Section 1.

“Account Holder Data” has the meaning set forth in Section 26(d).

“Account Manager” has the meaning set forth in Section 6(a).

“Administrator” has the meaning set forth in the preamble.

“Agent” has the meaning set forth in Section 7(a).

“Anti-Bribery Laws” means the United States Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010 (as amended from time to time) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, facilitation payments or other benefits to, any Government Officials or any other person;

“Anti-Money Laundering Laws” means the United Kingdom Proceeds of Crime Act 2002; the United Kingdom Money Laundering Regulations 2007; and applicable country legislation implementing the Financial Action Task Force's 40 + 9 Recommendations; the U.S. Bank Secrecy Act, as amended by the USA PATRIOT ACT, and its implementing regulations; and other anti-money laundering regulations, including but not limited to those implemented by federal banking regulators, the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Commodities Futures Trading Commission and the National Futures Authority.

“Applicable Law” means any applicable local, state, national, or international law, statute, regulations, ordinance or other means of establishing legal rights and obligations.

“Applicant Approval Process” has the meaning set forth in Section 4(a).

“ART” or “Registry” means the Architecture for REDD+ Transactions Registry.

“ART Credit” means the tradable instrument issued by Administrator that represents a GHG reduction or GHG removal enhancement of one metric ton of CO_{2e} pursuant to ART Standards, including TREES. The GHG reduction or GHG removal enhancement must be real, additional, quantifiable, permanent, verifiable, and enforceable.

“ART Standard” means TREES and other standards approved by the ART from time to time.

“Bank” means any of the following:

(i) any banking institution chartered by the Office of the Comptroller of the Currency;

(ii) any banking institution organized under the laws of any State, territory, or the District of Columbia, the business of which is substantially confined to banking and is supervised by the State or territorial banking commission or similar official; or

(iii) any savings and loan association, building and loan association, cooperative bank, homestead association, or similar institution, which is supervised and examined by State or federal authority having supervision over any such institution.

“Beneficial Ownership Rights” with respect to any ART Credit (as defined above), means any contractual or other right to direct or control the sale or other disposition of, or the retirement of, such ART Credit.

“Buffer ART Credits” has the meaning set forth in Section 12.

“Declaration” has the meaning set forth in Section 7(a).

“Default” has the meaning set forth in Section 24(a).

“Dispute” has the meaning set forth in Section 39(b).

“Double-Counting” has the meaning set forth in ART Standards including TREES.

“Due Date” has the meaning set forth in Section 21.

“Fees” and “Fees Schedule” have the meanings set forth in Section 20.

“Government Official” means an officer or employee of a government or any department, agency or instrumentality of any government; an officer or employee of a public international organization; any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organization; any political party or

official thereof, or any candidate for political office; any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities, who engage in other acts or transactions, in each case if this is in violation of or inconsistent with the Anti-Bribery Laws or Anti Money Laundering Laws. "Government Official" includes immediate family member (meaning spouse, dependent child or household member) of any of the foregoing.

"Greenhouse Gas" or "GHG" means carbon dioxide (CO₂), methane (CH₄), nitrogen trifluoride (NF₃), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and other fluorinated greenhouse gases.

"Host Country Letter of Approval and Authorization" has the meaning set forth in ART Standards including TREES.

"Indemnified Party" has the meaning set forth in Section 31.

"Indirect Owners" has the meaning set forth in 15(b).

"Initial Request" has the meaning set forth in Section 39(b).

"Issue" or "Issuance" means the creation of serialized ART Credits equivalent to the number of verified GHG reductions or GHG removal enhancements for an approved program over a specified period of time denominated in metric tons of CO₂ equivalent. Issued ART Credits are delivered in the Account Holder's Account for transfer, retirement, surrender or cancelation.

"Losses" has the meaning set forth in Section 31.

"NDC" means the "nationally determined contribution" of a national party under the Paris Agreement.

"Operative Documents" has the meaning set forth in Section 1.

"Over-Issuance" means the unintentional Issuance of ART Credits beyond that generated by the emission reduction or removal activities.

"Paris Agreement" means the treaty contained in the report of the United Nations Framework Convention on Climate Change Conference of the Parties on its twenty-first session, held in Paris from 30 November to 13 December 2015 (FCCC/CP/2015/10/Add.1) and the COP Decision 1-CP.21 and subsequent implementing decisions in furtherance thereof.

"Party" and "Parties" have the meaning set forth in Section 1.

"Personal Data" has the meaning set forth in Section 5(a).

"Public Personal Data" has the meaning set forth in Section 5(a).

“Preliminary Approval” has the meaning set forth in Section 4(c).

“Privacy Policy” shall mean the ART Privacy Policy, as set forth on the Registry Site and amended from time-to-time.

“Registry” has the meaning set forth in the preamble.

“Registry Platform Services Provider” means APX or any other entity approved to provide such services for ART.

“Registry Site” has the meaning set forth in the preamble.

“Regulated Person” means any of the following:

- (i) Any Bank;
- (ii) Any broker or dealer that (A) is registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended; and (B) is a member of all requisite self-regulatory organizations;
- (iii) Any member of the National Futures Association that is registered under the Commodity Exchange Act, as amended, as a futures commission merchant, introducing broker, commodity pool operator, commodity trading advisor or floor broker;
- (iv) (A) any investment company registered under the Investment Company Act of 1940, as amended; (B) any investment adviser registered under the Investment Advisers Act of 1940, as amended; or (C) any fund that has assets under management with an aggregate market value of no less than \$100 million and that is advised or managed by an investment adviser registered under the Investment Advisers Act of 1940, as amended;
- (v) Any “business development company” as defined in (A) Section 2(a)(13) of the Investment Company Act of 1940, as amended, or (B) Section 202(a)(22) of the Investment Advisers Act of 1940, as amended;
- (vi) (A) any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees; (B) any employee benefit plan within the meaning of title I of the Employee Retirement Income Security Act of 1974, as amended; or (C) any trust fund whose trustee is a Bank and whose participants are exclusively plans of the types identified in the above clause (A) or (B), except trust funds that include as participants individual retirement accounts or H.R. 10 plans;
- (vii) any seller that has been granted authorization to engage in sales for resale of electric energy, capacity or ancillary services from the Federal

Energy Regulatory Commission pursuant to Section 205 of the Federal Power Act, as amended, and the requirements of 18 C.F.R. § 35; or

(viii) any person who demonstrates to the satisfaction of the Administrator that it qualifies as the equivalent of one or more of the foregoing types of entities under the laws of the jurisdiction(s) to which it is subject.

“Reinstatement Fee” has the meaning set forth in Section 25(f)(i).

“Restricted Party Lists” means any individual, legal person, entity or organization (i) targeted by national, regional or multilateral trade or economic sanctions under Trade Control Laws; or (ii) directly or indirectly owned or controlled or acting on behalf of such persons, entities or organizations and including their directors, officers or employees.

“Reversal Event” has the meaning set forth in ART Standards including TREES.

“Software” means any software used in providing, accessing (other than commercially available third party internet browsers) or using the Registry.

“Sovereign” means a national jurisdiction (or a sub-national jurisdiction with national approval) which meets the eligibility criteria under the ART Standards including TREES.

“Taxes” has the meaning set forth in Section 21.

“Trade Control Laws” means any applicable trade or economic sanctions or embargoes, Restricted Party Lists, controls on the imports, export, re-export, use, sale, transfer, trade, or otherwise disposal of goods, services or technology, anti-boycott legislation or similar laws or regulations, rules, restrictions, licenses, orders or requirements in force from time to time, including without limitation those of the European Union, the United Kingdom, the United States of America or other government laws applicable to a Party to these Terms of Use.

“TREES” means “The REDD+ Environmental Excellence Standard”, which is ART’s Standard for greenhouse gas emissions reduction programs and credits.

“TREES Concept” has the meaning set forth in TREES.

“TREES Documents” means TREES Concept, TREES Registration Document, TREES Monitoring Report, TREES Validation and Verification Conflict of Interest Document, TREES Validation Report, TREES Verification Report, and TREES Variance Request Form as set forth in TREES.

“TREES Monitoring Report” has the meaning set forth in TREES.

“TREES Registration Document” has the meaning set forth in TREES.

"UNCITRAL" means the United Nations Commission on International Trade Law.

"Users" has the meaning set forth in Section 1.

"Uses" has the meaning set forth in Section 5(a).

"Validation and Verification Body" or "VVB" means a validator or verifier approved pursuant to ART and ART Standards.