

**PROCEDURE FOR INTERACTION BETWEEN THE CLIENT AND THE REGISTRY
ADMINISTRATOR FOR TRADING OF LABELED CARBON UNITS AND (OR) QUOTA
FULFILLMENT UNITS DURING ORGANIZED TRADING**

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I. Terms and Definitions

1.1 For the purposes of this Procedure for Interaction between the Client and the Registry Administrator for Trading Labeled Carbon Units and (or) Quota Fulfillment Units during Organized Trading (hereinafter referred to as the Interaction Procedure), the following terms and definitions shall apply:

Terms	Description
Client	A participant in the carbon units trading and (or) a regional regulated organization (unless such organization is a participant in the carbon units trading) that has entered into a Model Agreement.
Labeling	Allocation of carbon units traded (to be traded) in organized trading out of the Client's carbon units and (or) greenhouse gas emissions quota fulfillment units (hereinafter referred to as the quota fulfillment unit) on an account in the Carbon Units Registry.
Register Administrator	The legal entity in charge of keeping the Carbon Units Registry, specifically AO Kontur.
Trade Organizer	A person in charge of organized trading services.
Client Interaction Procedure	The procedure established by this document for interaction between the Client and the Registry Administrator in order to trade labeled carbon units and (or) quota fulfillment units during organized trading in accordance with Resolution No. 905 of the Government of the Russian Federation dated Mai 20, 2022 (as amended on November 30, 2022) <i>“On Approval of the Model Form of Agreement for Registry Administrator's Services on Conducting Transactions in the Carbon Units Registry.”</i>
Interaction Procedure	The established procedure for interaction between the Registry Administrator and the Trade Organizer under the agreements concluded between them. The Interaction Agreement is concluded by the Registry Administrator with the Trade Organizer in accordance with Resolution No. 905 of the Government of the Russian Federation dated Mai 20, 2022 (as amended on November 30, 2022) <i>“On Approval of the Model Form of Agreement for Registry Administrator's Services on Conducting Transactions in the Carbon Units Registry.”</i>
Rules	Resolution No. 790 of the Government of the Russian Federation dated April 30, 2022 (as amended on November 30, 2022) <i>“On Approval of the Rules for Compiling and Maintaining a Carbon Units Registry and Conducting Transactions with Carbon Units in the Carbon Units Registry.”</i>
Registry	Registry of Carbon Units and Transactions with Carbon Units.
Registry of Contracts	An extract from the registry of contracts concluded on the basis of organized trading, which is maintained by the Trade Organizer in accordance with Part 14 of Article 5 of

	the Federal Act “ <i>On Organized Trading</i> ” generated in the form of an electronic document.
Registry Administrator’s Website	The official website of the Carbon Units Registry Administrator at www.carbonreg.ru .
Transaction	A contract or any other transaction based on which a carbon units and (or) quota fulfillment units were transferred.
Model Agreement	The Agreement for Registry Administrator’s Services on Conducting Transactions in the Carbon Units Registry concluded by the Client with the Registry Administrator pursuant to the provisions of Resolution No. 905 of the Government of the Russian Federation dated Mai 20, 2022 (as amended on November 30, 2022) and Resolution No. 905 of the Government of the Russian Federation dated Mai 20, 2022 ” <i>On Approval of the Model Form of Agreement for Registry Administrator’s Services on Conducting Transactions in the Carbon Unit Registry</i> (as amended on November 30, 2022).
Services	The services on conducting transactions in the carbon units registry, including transactions with carbon units and (or) quota fulfillment units on an account in the specified registry.

1.2 The terms and definitions not specifically defined in this Interaction Procedure shall be used in the meanings established in the regulatory legal acts of the Russian Federation.

II. General Provisions

2.1 This Procedure has been developed in accordance with Federal Act No. 296-FZ dated July 02, 2021 “*On Mitigating Greenhouse Gas Emissions*”, Resolution No. 790 of the Government of the Russian Federation dated April 30, 2022 (as amended on November 30, 2022) “*On Approval of the Rules for Compiling and Maintaining a Carbon Units Registry and Conducting Transactions with Carbon Units in the Carbon Units Registry*”, Resolution No. 905 of the Government of the Russian Federation dated Mai 20, 2022 (as amended on November 30, 2022) “*On Approval of the Model Form of Agreement for Registry Administrator’s Services on Conducting Transactions in the Carbon Units Registry*”, the legislation of the Russian Federation and the Articles of Association of AO Kontur and the duly approved Procedure for Interaction between the Carbon Units Registry Administrator and the Trade Organizer.

2.2 This document establishes the procedure and conditions for interaction between the Registry Administrator and the Client regarding the submission of a labeling request and a labeling termination request by the Client; the deadlines and procedure for disclosing (providing) information based on the results of the provided service.

2.3 The Client shall independently check for any changes to the Procedure on the Website. It shall be the Client’s responsibility to obtain this information.

2.4 This Procedure is a standard procedure applicable to all Clients. In accordance with this Procedure, the Registry Administrator shall create equal opportunities for all Clients with regard to labeling, as well as obtaining information and reporting documents.

2.5 All appendices hereto shall be an integral part hereof.

2.6 This Procedure and the Registry Administrator’s rates shall be posted on the Registry Administrator’s Website.

2.7 The procedure for approval, amendment and entry into force of the Procedure:

- The Procedure shall be approved by the Registry Administrator’s authorized authority. Any amendments and supplements to the Procedure shall be made by approving a new revision of the Procedure
- The Procedure approved by the Registry Administrator, including its new revision, shall enter into force no later than three (3) days following the date of approval of the Procedure and upon its posting on the Registry Administrator’s Website
- The original hard copy of the Procedure shall be kept at the Registry Administrator’s location.

III. Procedure and Conditions for Filing a Labeling Request

3.1 Before filing a labeling request, the Client shall:

- Read this Procedure in full
- Enter into an agreement with the Registry Administrator for registry administrator’s services on conducting transactions in the Carbon Units Registry and open an account in the Carbon Units Registry
- Enter into an agreement with the Trade Organizer in charge of organized trading in carbon units and (or) quota fulfillment units. The list of Trade Organizers who have effective agreements with the Registry Administrator, as well as the Interaction Procedure between the Registry Administrator and the Trade Organizer shall be posted on the Registry Administrator’s website.

3.2 At the time of filing a labeling request, the Client shall confirm that:

- It accepts and agrees to be bound by all terms and conditions of this Procedure without any exceptions
- It intends to buy or sell carbon units (quota fulfillment units) during organized trading
- It gives its consent for the Registry Administrator to provide information about the Client, its account and labeled carbon units and quota fulfillment units to the Trade Organizer specified in the application to the extent and in the manner established in the Procedure for Interaction between the Carbon Units Registry Administrator and the Trade Organizer
- It gives its consent to withdraw and credit carbon units and (or) quota fulfillment units in accordance with the Registry of Contracts received from the Trade Organizer
- It gives its consent that all carbon units and (or) quota fulfillment units credited to its account as specified in the Registry of Contracts will be automatically labeled under the Trade Organizer who sent the Registry of Contracts to the Registry Administrator.

3.3 The labeling request shall not constitute a request submitted by the Client during organized trading to conduct any transactions, but shall rather be a document containing an instruction to the Registry Administrator to allocate the carbon units traded (to be traded) in organized trading out of the Client's carbon units and (or) quota fulfillment units on an account in the Carbon Units Registry; and (or) giving consent to the Registry Administrator to transfer information about the Client to the Trade Organizer.

3.4 The Client shall independently submit a labeling request to the Registry Administrator. The labeling request shall contain information about the Trade Organizer with whom both the Client and the Registry Administrator have an effective agreement, and may indicate the number and specific quantity of carbon units and (or) quota fulfillment units to be labeled in relation to such Trade Organizer.

3.5 The labeling request may not indicate the number and specific quantity of carbon units and (or) quota fulfillment units to be labeled if the Client does not intend to sell the carbon units and (or) quota fulfillment units on its account in the registry via the Trade Organizer and only intends to purchase such units via the Trade Organizer. In this case, no labeling shall be carried out on the basis of the Labeling Request and the request shall serve as a consent to the Registry Administrator to transfer information about the Client to the Trade Organizer and about its account in the Carbon Units Registry.

3.6 If the Client intends to sell carbon units and (or) quota fulfillment units on its account in the registry via the Trade Organizer, the labeling request must indicate the number and specific quantity of carbon units and (or) quota fulfillment units to be labeled.

3.7 The Client shall duly sign the labeling request and send it to the Registry Administrator using the *Unified Portal of State and Municipal Services (Functions)* Federal State Information System or as otherwise established by legislation or the Registry Administrator's internal act.

3.8 The Registry Administrator shall conduct the transactions to transfer the carbon units and (or) quota fulfillment units in the Carbon Units Registry in accordance with the Registry of Contracts, which contains an order for the transfer of carbon units and (or) quota fulfillment units. Such transactions shall be conducted to an extent not exceeding the quantity of labeled carbon units and (or) quota fulfillment units on the account.

3.9 Labeling shall be carried out no later than 5 business days following the date of receipt of the labeling request.

3.10 Based on the results of the service, the Client shall be informed about the provision of the service or the impossibility to provide the same, indicating the reasons for the impossibility to provide the service.

IV. Procedure and Conditions for Filing a Labeling Termination Request

4.1 The following procedure is established for filing a labeling termination request:

4.1.1 To terminate the labeling, the Client shall file a corresponding application to the Registry Administrator.

4.1.2 The labeling termination request shall indicate the specific quantity of carbon units and (or) quota fulfillment units on the account, for which labeling is to be terminated in relation to the selected Trade Organizer.

4.1.3 The labeling termination request may contain the following:

- Termination of labeling for all carbon units and/or quota fulfillment units
- Termination of labeling of the selected quantity of carbon units and (or) quota fulfillment units
- Termination of labeling for all carbon units and/or quota fulfillment units and withdrawal of consent from the current Trade Organizer
- An indication that, along with the termination of labeling in relation to a Trade Organizer, it is necessary to label the specified quantity of carbon units and (or) quota fulfillment units in relation to another Trade Organizer.

4.2 The labeling termination request shall be fulfilled by the Registry Administrator upon execution of the transactions in the Carbon Units Registry. If the Registry of Contracts indicates a contract under which execution for money is expected (with the status indicated as “in progress”), the labeling shall be terminated either upon executing the transaction under such contract or upon receiving information about an event of default under such contract, but in any case no later than 3 business days following the date of receiving the labeling termination request.

4.3 Labeling may be terminated without the expressed will of the Client in the following cases:

- Upon termination of the agreement with the Trade Organizer
- Upon seizure or other restrictions imposed in relation to carbon units and (or) quota fulfillment units as decided by the authorized authority.

4.4 Based on the results of the service, information shall be communicated about the provision of the service or the impossibility to provide the same, indicating the reasons for the impossibility to provide the service.

V. Grounds for Refusal to Fulfill Labeling Requests

5.1 The Registry Administrator shall refuse to fulfill the Client’s labeling request in the following cases:

- The account holder’s outstanding debt for the Registry Administrator’s services
- Absence on the Client’s account of the quantity of carbon units or quota fulfillment units required to fulfill the request

- Availability of an order from an authorized authority resulting in account blocking / prohibition of transactions
- Other cases in which the labeling contradicts this Procedure or the effective legislation.