

AUTHORISATION OF THE EXECUTION OF TRANSFERS TO ACCOUNTS NOT INCLUDED IN THE TRUSTED ACCOUNTS LIST

Through this document, Mr/Ms [name and surnames of the Legal Representative], acting in their capacity as Legal Representative of [indicate Account Holder]¹ (hereinafter, the "Account Holder"), and in relation to the account(s) held by it in the Spanish Area of the Union Registry, number(s) EU-[complete account number(s)], notifies Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (hereinafter, "IBERCLEAR"), pursuant to article 55.3 of Commission Delegated Regulation (EU) 2019/1122, of 12 March 2019, which completes Directive 2003/87/EC of the European Parliament and of the Council on the operation of the Union Registry, which stipulates the following:

"Holders of facility owner holding accounts and aircraft operator holding accounts will have the option of deciding that transfers may be made from their account to accounts that do not appear on the trusted accounts list established under article 23. Holders of facility owner holding accounts and aircraft operator holding accounts may revoke this decision. The decision and the revocation of the decision shall be communicated to the national administrator by means of a duly signed declaration."

That they authorise and agree that it can be transferred, originating from the indicated account, to destination accounts that are not included on the trusted accounts list.

Likewise, they declare that they are fully aware of the risks arising from this change in the execution of transactions destined for accounts not included on the trusted accounts list, detailed in the Annex to this document.

In [town/city], on [select date]

[name and surnames of Legal Representative]

¹ Name of the Holder of the account opened in the Spanish Area of the Union Registry.

ANNEX - INFORMATION RELATING TO THE MODIFICATION OF THE CONFIGURATION FOR THE EXECUTION OF TRANSFERS WITH DESTINATION TO ACCOUNTS NOT INCLUDED ON THE TRUSTED ACCOUNTS LIST

Article 55.3 of Commission Delegated Regulation (EU) 2019/1122, of 12 March 2019, which completes Directive 2003/87/EC of the European Parliament and of the Council with regard to the operation of the Union Registry, establishes that holders of facility owner holding accounts and aircraft operator holding accounts will have the option of deciding that transfers can be made from their account to accounts that are not on the trusted accounts list. Both the decision and the revocation of the decision shall be communicated to the national administrator by means of a duly signed declaration.

On the other hand, the trusted accounts list is a tool that allows transactions proposed in the Union Registry to become more secure, so the holder confirms they know the destination account of an intended transaction with issue allowances, as well as its owner, by prior addition to the trusted accounts list. Likewise, the deadline for the addition of an account to this list to become effective is four business days from the approval of the task in the Registry, which allows enough time to detect if there is an error in the addition of said account, or it has not been authorised by the account holder. This list, together with the use of the double validation principle, establishes the environment of the Union Registry as an environment to carry out secure transactions, avoiding errors when entering the data of the destination account, as well as fraudulent conduct, the result of which would be the execution of unwanted transfers by the account holder.

Consequently, the elimination of the double validation principle implies a reduction in the security levels established by community regulations to operate from the account, and particularly the following:

1. The execution of the transfer to the destination account will take place in a much shorter period (24 hours maximum from the first business day following the approval of the transfer) than if the account is proposed for addition to the trusted account list (four business days + execution, in line with the time windows defined in article 35.2, that is, between 10:00 a.m. and 4:00 p.m.).
2. Once the trade is executed, it will be considered to be final and irrevocable and cannot be cancelled². In addition, its consignment in the destination account will be presumed to be accurate and valid, the transfer of rights taking place at the time of its registration in the Registry, which produces the corresponding effects as long as the judicial declaration of its inaccuracy or nullity is not registered.
3. In accordance with article 21.5 of Law 1/2005 of 9 March, which regulates the regime for trading greenhouse gas emission allowances, as well as article 13 of Royal Decree 1264/2005, of 21 October, which regulates the organisation and operation of the national registry of emission allowances, the ownership published by the registry is presumed to be legitimate and the third party that acquires from whoever is registered, for onerous title and without bad faith, will not be subject to claims or serious fault.

The increased risk associated with transferring to accounts outside the trusted accounts list is a decision of the owner, and could be mitigated by the account owner through a more rigorous verification of the destination account code, as well as the identity of the owner of said account and the transfer data, which should be valued.

² With the exception of the transactions to deliver or eliminate emission allowances that meet the conditions stipulated in article 58 of the Delegated Regulation.