

The Baker McKenzie logo is displayed in white, bold, sans-serif font in the top left corner. The background of the slide features a series of parallel lines that create a sense of depth and movement, transitioning from a dark blue on the left to a bright green on the right.

**Baker
McKenzie.**

Standard Master Trading Agreement

for Verified Emission Reductions and Renewable Energy Certificates

■ 19 June 2023

Agenda

1

Standard Master Trading Agreement

2

Scope of the Standard Master Trading Agreement

3

Structure of the Standard Master Trading Agreement

4

Transaction Flowchart

5

Operation in case of Unusual Transaction

1

Standard Master Trading Agreement

Standard Master Trading Agreement

Purposes

STANDARD

To create standard template agreement for trading of verified emission reductions (e.g., T-VER, T-CER (Premium T-VER), Verra, Gold Standard and any other verified carbon credits) and renewable energy certificates (RECs)



FAST

To reduce negotiation time between a buyer and a seller



WIDELY ACCEPTED

To align with international documentation standards (International Emissions Trading Association (IETA) and International Swaps and Derivatives Association (ISDA))



2

Scope of the Standard Master Trading Agreement



Scope of the Standard Master Trading Agreement

1. Thai laws governed agreement*
2. Thai Baht transaction*
3. Spot and Forward transaction
4. Over-the-counter trading
5. Trading of only existing products

(excluding the carbon credits or RECs for future projects or the carbon credits or RECs which are not evidenced by any form of certificates)

3

Structure of the Standard Master Trading Agreement

Structure of the Standard Master Trading Agreement

Master Trading Agreement

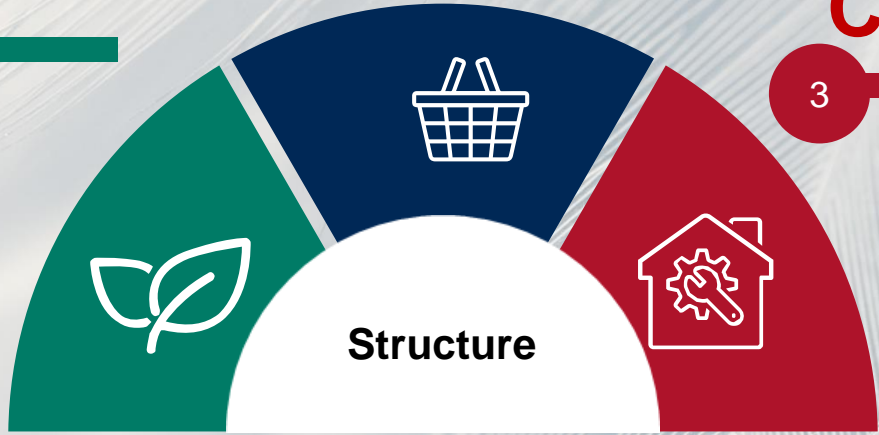
**Schedule 1
Elections**

**Schedule 2
Confirmation**

1

2

3



Structure

Master Trading Agreement

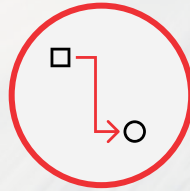
Key terms in the Master Trading Agreement



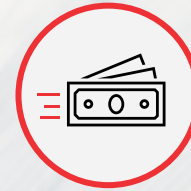
Confirmation
Procedure
(exchange of confirmation)



Product
Transfers



Effecting
Transfers



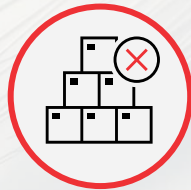
Billing and Payment
(e.g., statement, payment
mechanics and payment netting)



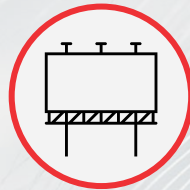
Title and
Risk of Loss



Taxes



Transfer or
Receive Failure



Representations
and Warranties, and
Marketing Materials



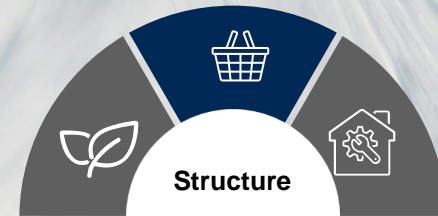
Force Majeure and
Suspension Event
(including Cessation of
Scheme)



Termination
(Events of Default and
Termination Payment)

Schedule 1 (Elections)

Key provisions for parties to elect



Choices

1	Delivery method of a Confirmation (e.g., via email or other means)	Default	or	Option
2	Evidence of a Transaction (e.g., telephone recording)	Default	or	Option
3	Payment Due Date (if not specified in a Confirmation)	Default	or	Option
4	Disputed Payments (to pay full amount or only undisputed amount)	(parties must choose)*		
5	Marketing materials (to apply or not)	Default	or	Option
6	Suspension of obligations following the Force Majeure and Temporary Suspension Event	Default	or	Option
7	Force Majeure Termination Payment	Default	or	Option
8	Consequences of the Temporary Suspension Event and the Cessation of Scheme	(parties must choose)*		
9	Automatic Early Termination (to apply or not)	Default	or	Option
10	Cross Default (to apply or not)	Default	or	Option
11	Termination Payment Method	Default	or	Option
12	Others (i.e., Period for Confidentiality Obligation, Applicable Law, Court, Arbitration)	Default	or	Option

Schedule 2 (Confirmation)

Form of Confirmation for Spot/Forward transactions



- | | | |
|---|---------------------------------|-------------------------------------|
| 1. Seller and contact person | 8. Price(s) and currency | 15. Retirement of Traded Products |
| 2. Buyer and contact person | 9. Contract Amount and currency | 16. Name of Broker (if applicable) |
| 3. Trade Date | 10. Payment Due Date | 17. Bank details |
| 4. Product Type (VERs / RECs) | 11. Applicable Tracking System | 18. Additional Conditions Precedent |
| 5. Specified Period (if applicable) | 12. Applicable Scheme | 19. Default Rate |
| 6. Quantity (for each Specified Period) | 13. Buyer's Holding Account(s) | 20. Non-Default Rate |
| 7. Delivery Date (for each Quantity) | 14. Seller's Holding Account(s) | 21. Special Conditions |



= Commercial details



= Transfer details



= Product details

4

Transaction Flowchart

Transaction Flowchart



A and B can be either buyer or seller in any transaction

Master Trading Agreement

Elections (schedule 1)

Agreement of a transaction (trading of products)

Trade Date

In case of written confirmation

3 business days from Trade Date

Confirmation (schedule 2)

Seller submits a confirmation to Buyer

3 business days from Buyer's receipt of confirmation

Buyer countersigns such confirmation and returns the same to Seller

Seller countersigns and returns the same to Buyer

Buyer submits a confirmation to Seller

If Buyer does not receive a confirmation from Seller within 3 business days from Trade Date

Seller and Buyer to effect a transfer of the traded products

Billing

Seller to submit a statement to Buyer

Delivery Date

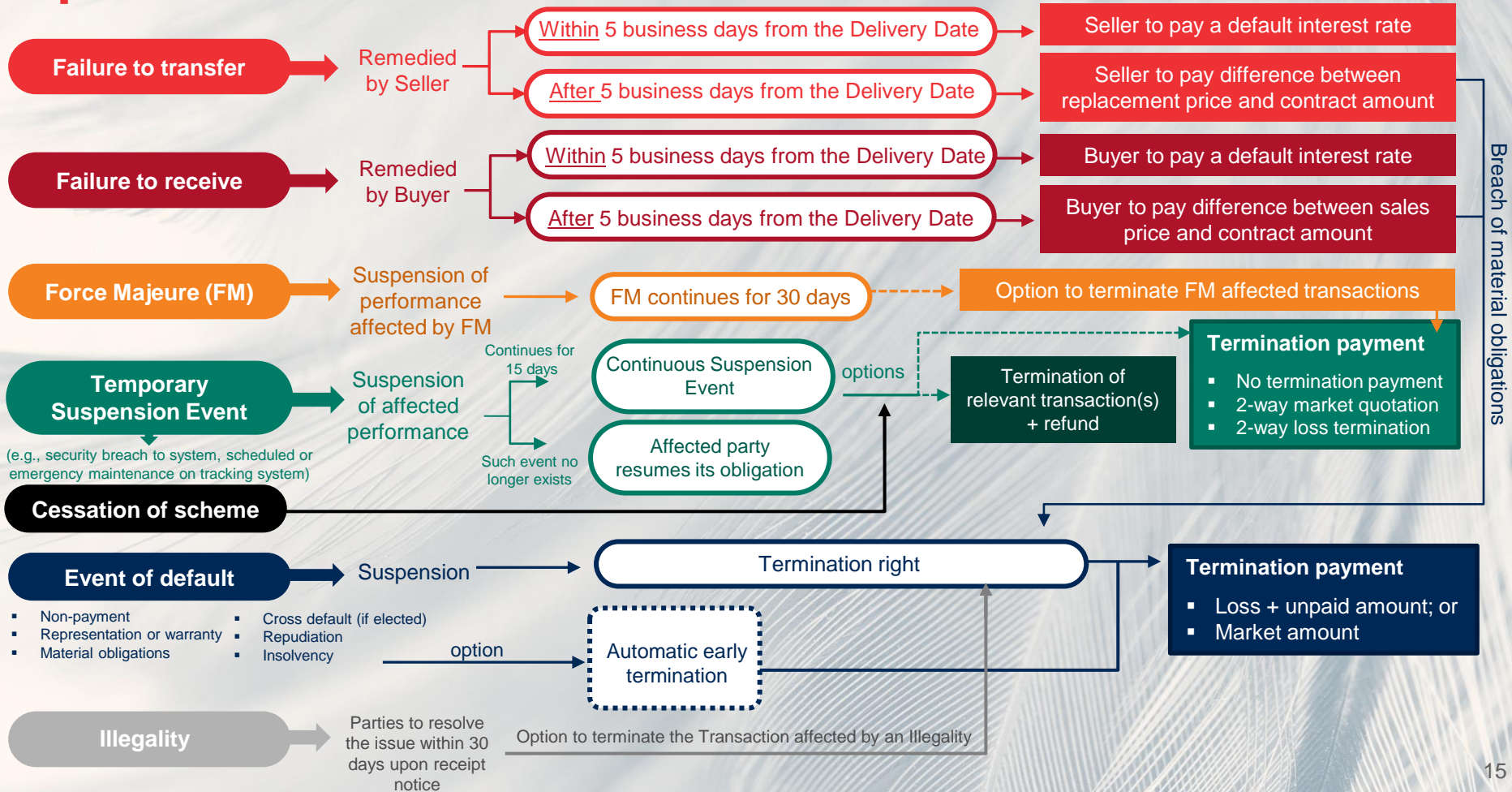
Payment Due Date

Where title and risk of loss transferred from Seller to Buyer

5

Operation in case of Unusual Transaction

Operation in case of Unusual Transaction



Baker McKenzie.

Baker & McKenzie Ltd. is a member firm of Baker & McKenzie International, a global law firm with member law firms around the world. In accordance with the common terminology used in professional service organizations, reference to a "partner" means a person who is a partner, or equivalent, in such a law firm. Similarly, reference to an "office" means an office of any such law firm. This may qualify as "Attorney Advertising" requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.

© 2023 Baker & McKenzie Ltd.

[bakermckenzie.com](https://www.bakermckenzie.com)