
Release 1

AIB Communication Hub Participant Agreement

Between

The Association of Issuing Bodies

And

AS "Augstsprieguma tīkls"

Contract number _____

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The Association of Issuing Bodies, an international scientific association under Belgian law, operating under nr. 0.864.645.330, with registered offices at Visverkopersstraat 13, 1000 Brussels, Belgium;

The AIB, represented for the purposes of the signature of the Agreement by Ms. Angela Tschernutter, board chair and Ms. Liesbeth Switten, secretary general;

Hereinafter referred to as “**the AIB**”

on the one part

and

AS “Augstsprieguma tīkls” – a company incorporated and validly existing under the laws of the Republic of Latvia, with V.A.T. number LV40003575567, having its registered office at Darzciema Street 86, Riga, LV-1073, Latvia, and registered with the Commercial Register of the Republic of Latvia with the registration number 40003575567

represented for the purposes of the signature of the Agreement by Chairman of the Management Board Varis Boks and Member of the Management Board Gatis Junghāns, acting pursuant to basis of Articles of Association and Power of Attorney of 2 My 2016, No. 50VL00-07\40,

Hereinafter referred to as “**the Hub Participant**”

Of the other part,

Each referred to as a “Party” and jointly as “Parties”

HAVE AGREED

The AIB Communication Hub Participant Agreement, comprising the present document and the Special Conditions, and the following Annexes:

1. Special Conditions relating to the Hub Participant
2. Service Levels
3. Model Standard Terms and Conditions

As well as the provisions and documents incorporated by reference herein;

Which together form an integral part of this AIB Communication Hub Participant Agreement (hereinafter referred to as “the Agreement”).

1 Definitions

In the present Agreement, unless the context otherwise requires or there is express provision to the contrary, terms shall have the meaning ascribed to them below:

Term	Meaning
The Agreement	The present AIB Communication Hub Participant Agreement, including its Annexes and the documents referred to herein;
Data Log	The Record of Transactions of the AIB Communication Hub (the Transfer Log);
EECS Market Participant	A Registrant or Account Holder;
EECS Rules	The EECS Rules, being “The Principles and Rules of Operation” adopted by the General Meeting of the July 1 st 2011 or any later version of said document when adopted according to the procedures foreseen therein;
HubCom	The latest applicable version of the Document known as Hub User Compliance Protocol and subtitled “EECS Rules - Subsidiary Document AIB-PRO-SD03: EECS Registration Databases”;
Hub user	A Competent Authority, its duly authorised agent or a Registry Operator appointed by it, which may or may not be a member of the AIB, and which uses the Hub for Transactions. If a provision of the Agreement is solely applicable to members of the AIB, then that provision will specify such limitation.
Hub Participant	The organisation that signs the Agreement;
Independent Criteria Scheme (or “ICS”)	A scheme that provides assurance that the Output certified by an EECS Certificate, or the relevant Production Device with which it is associated, has certain qualities.
Integrity	The accuracy and consistency of retained and transmitted data, indicated by an absence of any alteration in data during its retention and its transmission from a Sender to a Receiver. Data integrity is maintained through the use of error checking and validation routines;
Legislative Certification Scheme	A Certification Scheme implemented pursuant to the law of any EU Member State or a State bound to the EU by a Treaty requiring the mutual recognition of GOs or of any other State accepted by the AIB
Message	Data structured in accordance with the Messaging Protocol and transmitted electronically between Hub users (i.e. a Sender and a Recipient) on behalf of their EECS Market Participants, and relating to a transaction regarding EECS Certificates;

Term	Meaning
Messaging Protocol	The accepted method and procedure for the interchange of Messages as specified herein (by reference to HubCom) or such other Protocol that may be agreed hereafter by the Parties;
Non-Governmental Certificate (or “NGC”)	A voluntary equivalent of a GO, which is not issued in the framework of a Legislative Certification Scheme, and which may or may not include specific ICS data;
Recipient	The Hub user or Registry Operator which is the receiver of transferred electronic data;
Registration Database (or “Registry”)	A database operated by a Hub user or a Registry Operator on behalf of a Hub user, comprising: (a) Transferables Accounts and, optionally, Cancellation Accounts and the Certificates in those Accounts; (b) Details of Production Devices and information provided in connection with the registration of Production Devices; (c) Details of Certificates which have been transferred out of that Registry;
Sender	The Hub user or Registry Operator which is a sender of electronic data;
Transaction	Any communication made and identified as a transfer between Registries regarding Certificates, to which a Message refers;
Transaction Data	The data incorporated in a Message which is intended to effect a Transaction.

A capitalised term not defined herein, but defined in the EECS Rules, will be interpreted as defined in the EECS Rules, unless the context requires otherwise.

2 Precedence, Construction and Interpretation

2.1 The terms set out in the Special Conditions of the Agreement (Annex 1) shall take precedence over those in the other parts of the Agreement.

The general terms and conditions of the Agreement, set forth in the present document, shall take precedence over the Annexes other than Annex 1.

Subject to the above, the several instruments forming part of the Agreement are to be taken as mutually explanatory. Ambiguities or discrepancies within or between such parts shall be

explained or rectified by a written instruction issued by the AIB, subject to the rights of the Hub Participant to dispute any such instruction.

The provisions of this Agreement are to be regarded as additional provisions to the EECS Rules and are aimed to regulate the use of the hub. In that respect such provisions will take precedence over the EECS Rules in case of contradictions. In case of an ambiguity between this Agreement and the EECS Rules, the Hub Participant will cooperate with the AIB in order to find an amicable solution in accordance with Article 24.

3 Purpose and Scope of the Agreement

- 3.1 The Hub Participant is an Authorised Issuing Body appointed in conformity with its national legislation or a registry operator acting like its agent. The Hub Participant operates a Registry in accordance with the EECS Rules and will use the AIB Communication Hub (the “Hub”) for transactions with other Hub users in relation to EECS Certificates, or he has appointed a Registry Operator to do so. The AIB will provide the facility and services to enable such Transactions as set forth in the Agreement.
- 3.2 Only Certificates issued by Competent Bodies or their agents in accordance with the EECS Rules that are issued and held in a Registry may be transferred via the Hub by the Hub Participant. The Hub Participant will issue an EECS Certificate by recording its details in its Registry and will transfer and cancel an EECS Certificate by registration of the relevant data in the relevant account of the Registry. Certificates originating from Competent Bodies that are not AIB Hub users (i.e. that are not bound by the Agreement) may not be transferred via the Hub. The Hub Participant is only allowed to use the Hub when transferring EECS Certificates to any other Hub user, excluding other means of transfer or separate arrangements in this respect to the extent required by the EECS Rules. However, this does not prevent the Hub Participant to (1) import through a bilateral connection in its own Registry a Certificate that was issued by a Competent Authority that is not a Hub User (even if the Certificate is compliant with EECS and HubCom) and to (2) transfer such Certificate through a bilateral connection. The Hub Participant is allowed to use the Hub only in order to transfer EECS-Certificates in conformity with the requirements, the rights and obligations set forth in the the EECS Rules and this Agreement, including any requirements incorporated therein by referral.
- 3.3 The Hub Participant is free to decide at its sole discretion whether it will import, transfer or refuse EECS Certificates that are issued by other Hub Users. When the Hub Participant imports Certificates containing ICS and/or NGC data, it may conceal this data from its account holders, but it must keep this data intact and associated with the relevant Certificate, and when the Certificate is transferred this data will remain incorporated in it.
- 3.4 A Certificate is issued accordance with the EECS Rules. The Hub Participant shall have a general responsibility to supervise the issuance, transfer and cancellation of Certificates. It shall ensure that duplication of Certificates and/or the use and/or transfer of Certificates

after their Cancellation, expiry or withdrawal cannot occur within its Registry. Furthermore, the Hub Participant will use reasonable endeavours to (1) prevent different types of certificates associated with the same MWh being used for the same purposes (in other words, to prevent the double-counting of different types of Certificates (not only GOs)) and (2) to prevent the disclosure of the source of energy through any other means other than the use of GOs

3.5 Hub users shall be independent of production, trade and supply activities. The Hub Participant shall issue Certificates for Production Devices located solely in the Hub Participant's Domain. Where Production Devices are located on the border of a Domain, then Hub User of the respective Domains shall cooperate to ensure that no double issuing takes place.

3.6 The legitimacy of any Competent Authority for GOs in a certain Domain will be defined by the national legislation of the relevant Domain. The acceptability of a GO from a specific Domain must be assessed by the body formally appointed to exercise or discharge that function under the laws and regulations of the state in which that Domain is situated and in case of disputes by the court of law having jurisdiction over such dispute. The Hub Participant acknowledges that a Competent Authority may refuse to recognize a GO for energy sources other than specified in the Domain Protocol or where it considers that it has well-founded doubts about its accuracy, reliability or veracity. The Hub Participant acknowledges that the AIB will have no obligation to assess the compliance with national legislation of GOs transferred via the Hub. Furthermore, the AIB shall not be responsible for any assessment or decision undertaken by a Competent Authority in relation to the acceptability or validity of any GOs that is transferred via the Hub. Disputes regarding such assessments must be resolved between the respective Hub users.

4 Grant of access – conditions precedent

4.1 The Agreement will enter into force subject to the approval by the General Meeting of the Membership of the Hub Participant.

4.2 This means that, without limitation, the following conditions precedent are fulfilled :

a) The applicant Hub Participant has disclosed all information requested by the AIB Membership / Use of Hub Application Form ("the Questionnaire"). The Hub Participant will issue and apply a Domain Protocol in conformity with the EECS Rules describing the procedures and regulatory provisions regarding Certificates for that Domain and containing the information requested in the Domain Protocol Template. The Domain Protocol will refer to rules, possibly in combination with other agreed rules, governing the acceptance, validity and value of Certificates in relation to the Production Devices or other requirements, and will describe rights and obligations between the Hub Participant and EECS Market Participants.

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- b) The Hub Participant will apply Standard Terms and Conditions (STC) in conformity with the EECS Rules, which will be agreed by the EECS Market Participants of the Hub Participant and which will contain at least the principles set forth in the Model STC as published on the AIB website.
- c) The Hub Participant acknowledges and accepts that the information contained in the Hub Participant's answers to the Questionnaire and the Domain Protocol will be used by the AIB (and its potential auditors) in order to identify possible Domain-specific issues relevant for the usage of the Hub, in particular with respect to the mandatory requirements of the HubCom.

Furthermore, the information submitted by the Hub Participant in his answers to the Questionnaire and in the Domain Protocol may be published on the AIB website in order to provide transparency to other Hub users and EECS Market Participants. The Questionnaire and Domain Protocol will constitute the central documents in the process to provide transparency.

The Hub Participant warrants that the information provided by him is and will remain correct and complete. He will ensure that all the provided information that must be updated or modified due to changed circumstances, will be updated or modified as soon as possible. The AIB will as soon as possible be informed about such updates or modifications, and the General Meeting will, where appropriate, consider whether the Hub Participant continues to comply with the conditions of Hub use as set out in the Agreement, and take any appropriate action to enforce this.

The Hub Participant warrants that he fulfils the conditions of access to the Hub services (including his status as a Competent Authority), and he warrants that he will continue to fulfil these conditions throughout the duration of the Agreement.

- d) The Hub Participant acknowledges that according to the EECS Rules the AIB shall have the right, but not any obligation to systematically audit the information submitted by the (applicant) Hub Participant.
- e) Interface and database testing as prior requirement.

In order to ensure that the Hub Participant's Registry is able to store and transfer information in a form that complies with the operational and technical requirements of the Hub as set forth in the HubCom, it is necessary to test the database and its interface. Prior to the first live use of the Hub, the AIB will ensure that the Registry has been successfully tested in accordance with the test specifications set forth in the HubCom, or updated test specifications issued from time to time by the AIB.

The Interface Test Specification, that defines the tests to be completed when interfaces are implemented between the Registry of the Hub Participant and the Hub, is set forth in the HubCom.

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- d.1 The Hub Participant must undertake a full set of tests if and when:
- The Hub Participant is a new Hub user and has not previously undertaken tests;
 - The Hub Participant has introduced a new or significantly modified Registry or application software for the operation of the Registry;
 - The Hub Participant intends to support a new GO type or new file format.
- d.2. The Hub Participant acknowledges the test mechanism, test protocols and all other requirements regarding the test process set forth in the HubCom.
- d.3. Successful testing in accordance with the requirements referred to above is a necessary prerequisite before the Hub Participant is allowed to access the Hub for live data transfer and messaging operations.
- d.4. The AIB will have the right at all times to ensure that the Registry and all related IT systems and records of the Hub Participant or the relevant Registry Operator comply with the obligations of the Hub Participant, if necessary verifying this by undertaking or commissioning an audit.

- 4.3 Regarding Certificates issued by the Hub Participant, only Certificates issued after the formal Membership approval of the Hub Participant can be transferred via the Hub, unless agreed otherwise in the Annex 1.

5 Domains and Domain Protocol

- 5.1 The AIB will approve and accept the Hub Participant in relation to a specific Domain, provided Article 3 is satisfied but not otherwise.

6 Duration of the Agreement

- 6.1 The Agreement shall continue as long as the AIB Membership of the Hub Participant continues, unless sooner terminated as provided in Article 16

7 Charges

- 7.1 The Hub Participant will pay the applicable Fees as provided by the EECS Rules and the Articles of Association.

8 Intellectual property

- 8.1 AIB grants the Hub Participant a non-exclusive right to use the Hub and the application software embedded therein (the “Software”), subject to the terms of the Agreement, solely in accordance with the purpose of the Agreement and for the term of the Agreement.
- 8.2 The embedded Software, together with all included tools, know-how and related intellectual property rights, is and shall remain the exclusive property of AIB or its service providers or licensors. The Software code, documentation and in general all related know-how must be considered Confidential Information, even if not explicitly disclosed as such.
- 8.3 The Hub Participant shall use the Software only for the purposes of the Agreement and shall not copy, reproduce, reverse engineer, decompile nor alter, adapt or modify any part of the Software or related documentation, nor assign or sub-license any user rights to third parties.
- 8.4 The Hub Participant is allowed to grant user rights to an operator of the Registry. In such case, the Hub Participant will ensure that the operator of the Registry will be bound by the rights and obligations set forth in the Agreement, its Annexes and all documents referred to therein.
- 8.5 The data created or produced by the AIB or its agents, and the model contracts and model documents, regulations, rules, subsidiary documents, fact sheets, reports and reviews, statistical reports, processes, shall be the property of and vest in the AIB and shall be deemed Confidential Information. AIB grants the Hub Participant a non-exclusive license to use such materials for the purposes of the Agreement and during the term of the Agreement.
- 8.6 The Hub Participant grants to the AIB a non-exclusive license to use data provided by the Hub Participant (or on its behalf) in connection with the performance of the Agreement to the AIB or to any other Hub user, for the purposes of the Agreement, together with a right to sub-license the use of such data to each other Hub user insofar necessary for the purposes of the Agreement and with the right to grant each Hub user the right to sub-license the use of such data to EECS Market Participants as will be necessary for those purposes.
- 8.7 All Software, documentation, materials and documents, on any carrier or electronic documents, containing know-how as described in this Article shall be returned or destroyed immediately after the termination of the Agreement for any cause. Upon request of the AIB, the Hub Participant shall confirm the return or destruction thereof. Where licenses are granted for the use of data and such use is necessary for the continuity of certain services in connection with the Hub or necessary for the documentation of the work and functioning of the Hub Participant, the continued use will be allowed insofar as necessary.
- 8.8 The Hub Participant shall indemnify the AIB in respect of any loss, liability, damages, costs (including legal costs), expenses, claims and proceedings which the AIB may suffer or incur by reason of any breach by the Hub Participant of its obligations under this Article 8.

9 Confidentiality and non-competition

- 9.1 The Parties acknowledge that within the framework of this Agreement and the EECS Rules they may obtain confidential information in relation to the business of the AIB, of the Hub Participant and of other Hub users and third parties, such as transaction data, the technical and operational structure of the Hub, financial, strategic and economic information and documentation, in any form, that must be deemed “confidential” in accordance with the common business ethics (“Confidential Information”). The content of the present Agreement must be considered Confidential Information. Statistical information regarding Certificates as mentioned in Article 14.2 is not regarded as confidential, although the AIB will take reasonable steps to prevent the details of individual trades and the commercial position of EECS Market Participants from being made public.
- 9.2 During the term of this Agreement and 15 years after its termination, the Hub Participant shall take care, at least in accordance with the care taken to protect its own confidential information, to treat as confidential and not disclose to any third party, all Confidential Information relating to the business of the AIB, as well as the content of the Agreement. The AIB shall promptly notify the Hub Participant if it becomes aware of any breach of confidence. If the Hub Participant is responsible for the breach it shall take prompt action to terminate and cure the breach. In any event the Parties will provide reasonable co-operation to resolve any such breach of confidence.
- 9.3 The Hub Participant’s obligations of confidentiality shall not apply to information which was previously or becomes public knowledge without the fault of the Hub Participant, or is disclosed to the Hub Participant by a third party not under any obligation of confidentiality. The obligation of confidentiality will not apply insofar the recipient of Confidential Information is required to disclose such information by law, including by any instruction, direction or request of a public authority which it is reasonable to treat as having the force of law. Without limiting the generality of the foregoing, the money laundering regulations may require the AIB to report suspect transactions.
- 9.4 The Hub Participant is liable for its employees, its representatives, Registry operator and its duly authorized service providers, as to respect this confidentiality undertaking.
- 9.5 The Hub Participant shall not directly nor indirectly, during the execution of the Agreement and for a period of twelve (12) months following the termination thereof, be engaged in or interested in the creation of a messaging system similar to the AIB Communication Hub intended to enable Transactions with Certificates between Competent Bodies representing a substantial part of the EU market for Certificates. This obligation will only apply on the condition that the AIB continues to deliver the Hub services, and is not applicable in case of termination of the services of AIB, unless such termination is based on breach of contract by the Hub Participant.

The Hub Participant will not support a competing Communication Hub, should this be created or implemented, and should the AIB promote the use of the AIB Communication Hub or a Hub based on its technology for that purpose, whether or not it does so in the framework of a public tender.

This provision does not preclude the Hub Participant's right to (1) promote vis-à-vis the European Commission the theoretical principle of a Communication Hub, which is intended to enable Transactions with Certificates, but is of a more 'official' or 'regulated' nature than the existing AIB Communication Hub, nor to (2) transfer via a bilateral connection Certificates issued by a Competent Authority which is not a Hub user, as stated in article 3.2.

- 9.6 The Hub Participant shall indemnify the AIB in respect of any loss, liability, damages, costs (including legal costs), expenses, claims and proceedings which the AIB may suffer or incur by reason of any breach by the Hub Participant of its obligations under this Article 9.

10 Liability and Warranty disclaimer

- 10.1 The Hub Participant shall comply with the provisions of the HubCom and any document referred to by or subsidiary to the HubCom containing operational or technical requirements explicitly made applicable by the AIB and notified to the Hub Participant at least one month in advance of such document becoming effective. Non-compliance with such provisions will be regarded as material breach and in case of damage, may result in damage compensation to the AIB, any Hub user, Competent Authority, EECS Market Participant or any third party suffering losses caused by such breach.
- 10.2 AIB shall not be liable for any negligence or actions that are deemed the responsibility of the Hub Participant, the Sender or the Recipient of data, nor of the EECS Market Participants. In particular, AIB shall not be liable for (1) any Hub user's failure to comply with relevant legislation or agreed rules, where applicable, and/or Domain Policy and/or any other data transmission protocols or certification protocols, as the case may be, (2) nor for any erroneous or incomplete information or warranties provided by any Hub user, whether or not published or communicated by the AIB.
- 10.3 AIB offers a service of "mere conduit" and it has no obligation (but has the right) to monitor the activity of users of the Hub except as explicitly stated in the Agreement, id est in particular in view of the technical validation of Messages and the transfer of data and acknowledgement data as and insofar stated in the HubCom or other applicable documents.
- 10.4 AIB shall endeavour to offer the transmitted Transaction Data as promptly and accurately as is reasonably practicable. In the event that the data is not transmitted, or incomplete or inaccurate as a result of failure by AIB to perform its obligations under the Agreement, AIB will endeavour to correct any such failure as set forth in Annex 2 "Service level".

Beyond these warranties, there are no other warranties of any other kind with respect to the level of service.

- 10.5 Except as may otherwise be set forth herein, AIB shall not be liable to the Hub Participant, its EECS Market Participants, or any other person for indirect, special, punitive, consequential or incidental loss or damage (including, but not limited to, trading losses, loss of anticipated profits, loss by reason of shutdown in operation or increased expenses of operation, cost of cover or other indirect loss or damage) of any nature arising from any cause whatsoever, even if AIB has been advised of the possibility of such damages.
- 10.6 AIB shall not be liable to the Hub Participant or any other person for any unavailability, interruption, delay, incompleteness or inaccuracy of the transferred data than as set forth herein and/or in Annex 2 “Service level”.
- 10.7 If AIB is for any reason held liable to the Hub Participant or to any other person, whether in tort or in contract, the liability of AIB within a single fiscal year of the Agreement (currently one year from 1st July until 30th June, except the first year as stated above under article 6) is limited to an amount of the Hub Participant’s damages that are actually incurred by the Hub Participant in reasonable reliance (combined with the total of all claims or losses of the Hub Participant’s EECS Market Participants and any other person claiming through, on behalf of or as harmed by the Hub Participant) and which amount does not exceed the lesser of:
- i. The annual recurring fee payable by the Hub Participant to the AIB for the contract year wherein the damaging fact occurs or
 - ii. EUR 5000.
- 10.8 This section shall not relieve AIB, the Hub Participant or any other person from liability for damages that result from their gross negligence or wilful misconduct or from personal injury or wrongful death claims.
- 10.9 The Hub Participant and AIB understand and agree that the terms of this section reflect a reasonable allocation of risk and limitation of liability, taking into consideration that the AIB is a non-profit organisation.
- 10.10 This limitation of liability applies to anything related to:
- a) the AIB Communication Hub services;
 - b) viruses or other disabling features that affect the Hub Participant’s access to or use of the Hub services – however, where the AIB can demonstrate that it applied ‘best practice’ protection software or hardware, and such viruses or disabling features have not been prevented by such best practice methods, the AIB will not be liable; the notion of ‘best practice’ refers to the normal precautions for a service provider of the type of the AIB, used with proper care.
 - c) incompatibility between the Hub services and other services, software, and hardware, if and insofar any compatibility was explicitly warranted;

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- d) delays or failures that the Hub Participant may have in initiating, conducting, or completing any transmissions or transactions in connection with the Hub services in an accurate or timely manner; and
 - e) within the framework of this agreement: claims for breach of contract; breach of warranty, guarantee, or condition; strict liability; negligence; or other tort.

It also applies even if:

- f) this remedy does not fully compensate the Hub Participant for any losses, or fails of its essential purpose, or is in respect of a fundamental breach or breach of a fundamental term; or
- g) AIB knew or should have known about the possibility of damages, insofar AIB has not concealed to the Hub Participant specific risks resulting in the damage that were known by the AIB.

10.11 Disclaimer of warranties. AIB and its third-party service providers make no warranties of any kind — express, implied or statutory (including without limitation, timeliness, truthfulness, sequence, completeness, accuracy, freedom from interruption), any implied warranties arising from trade usage, course of dealing, course of performance or the implied warranties of merchantability or fitness for a particular use or purpose or non-infringement, except where warranties are explicitly stated in the Agreement.

10.12 The Hub Participant is responsible for the accuracy and the Integrity of the data included on a Certificate at the time of issuing and during the time period that a Certificate is held within its Registry. The Hub Participant's Domain Protocol shall set out (1) explicit remedies and actions regarding the handling of errors that may affect other Hub users in order to remedy errors and to mitigate any possible damage and (2) the communication or notification of such errors or actions to the other Hub users.

Unless section C.8.4. of the EECS Rules requires otherwise, the data incorporated in a Certificate may not be modified or deleted after it has been transferred outside of the Domain in which it has been issued. All Messages must be digitally signed by the Hub users acting as Sender and encrypted after signature in conformity with the requirements set forth in the HubCom.

10.13 The Hub Participant remains responsible and liable for its Registry and the Certificates issued by it, and shall be responsible and liable for any actions performed by its agent, subcontractor or intervening service provider in this respect.

10.14 The Hub Participant will indemnify AIB and hold AIB and its employees, officers, board members, President, chairmen, directors and other agents as well as other Competent Bodies and Operators of other Registries harmless from any and all claims or losses imposed on or incurred by as a result of, or relating to: (a) any noncompliance by the Hub Participant

with the terms and conditions of this Agreement, the Domain Protocol or any applicable legislation; (b) any third-party claims or actions caused to the Hub Participant's sending, receipt and use of the Transaction Data, whether authorized or unauthorized under the Agreement; (c) any claims or losses caused by misrepresentation or incorrect information regarding the data transactions by the Hub Participant.

The Hub Participant will not be liable for damage caused by third parties making unauthorized use of the Hub Participant's system and/or connections (such as hackers, intruders, distributors of viruses) if the Hub Participant demonstrates that it had taken all normal, 'best practice' precautions in order to avoid such damage; 'best practice' refers to the normal precautions for this type of service provider, used with proper care by that type of service provider.

The liability of the Hub Participant vis-à-vis the AIB and other parties mentioned in this clause 10.14 ("the Claiming Parties"), is limited up to a maximum amount in the aggregate of 2 million EUR per calendar year. This amount will be the maximum amount of damage compensation that is due by the Hub Participant to the totality of the Claiming Parties for all damaging events and acts of negligence under this Agreement, resulting in the Hub Participant's liability, occurring in that calendar year. Claims of third parties, submitted directly against the Hub Participant, based on acts of negligence under this Agreement, will be included in order to assess whether or not the maximum liability of 2 million EUR has been reached, even in case such third parties would not be bound by any contractual limitation of liability. The damages will be due to the Claiming Parties on a first come, first served basis; however claims caused by the same event will be paid pro rata the number of Claiming Parties introducing a claim on the basis of that event.

The Hub Participant is vis à vis the Claiming Parties not liable for the damage compensation for loss of good image, loss of profits or anticipated savings, loss of opportunities and moral damage.

The Hub Participant will take out and maintain appropriate levels of insurance to cover its obligations and liability under this Agreement, with a minimum cover of 2 million EUR per annum. If the Hub Participant cannot obtain such insurance cover, it will ensure that its liability and risk of losses are covered by another organization or public authority. If the Hub Participant is not allowed to limit its liability, on the basis of legal restrictions applicable to the Hub Participant, the Special Conditions will contain specific provisions in that respect.

- 10.15 The Hub Participant will ensure that its EECS Market Participants will be bound by Standard Terms and Conditions which are in their essence in accordance with the Model Standard Terms and Conditions (Annex 3), including at least the provisions that provide limitation of liability, that require the EECS Market Participant to direct any claim based on contractual liability against the Hub Participant only, as sole contracting party, and that require the EECS Market Participant to mitigate any damage resulting from any activity via the Hub.

Where the Hub Participant has not, or has not validly, applied Standard Terms and Conditions as stated here above, and as a result thereof any other Hub user and/or the AIB would be exposed to a liability that would not be limited as stated in the Model Standard Terms and Conditions, the liability of such Hub user vis-à-vis the Hub Participant and, where allowed, vis-à-vis the Hub Participant's EECS Market Participant, will be limited to gross negligence and to an amount of 5000 EUR per year, and the liability of AIB vis-à-vis the Hub Participant's EECS Market Participant, will be limited to an amount of 1000 EUR per year. In this case the Hub Participant will inform the EECS Market Participants about such limitation of liability.

11 Intellectual Property Infringement Indemnity

11.1 Notwithstanding the application of Article 8 and section M4 of the EECS Rules, each Party (the "Indemnifying Party") warrants and represents that it will defend and will indemnify and hold harmless the other Party (the "Indemnified Party", including AIB and its officers, board members, President, chairman, directors, employees, service providers and other agents), against any claims or losses arising from, involving or relating to a claim by a third party of infringement or other violation of an intellectual property right by the Indemnifying Party, its actions or omissions, equipment or other property. This right is conditioned on the Indemnified Party giving prompt written notice to the Indemnifying Party of the claims or losses and providing reasonable cooperation in the defence of the claims or losses. In every case, AIB shall be permitted to solely defend and settle any claim brought by a third party.

11.2 In case of infringement, the Indemnifying Party shall, at its own account and in its own discretion, safeguard the Indemnified Party's right to continue utilizing the services, or alter the services or related software so that there is no longer an infringement, or replace the services and/or the related software with equivalent services or products the utilization of which does not infringe the rights of a third party.

12 Claims time bar

12.1 Any liability claim of the Hub Participant against the AIB related to the Agreement or to the service described herein must be brought within one year of the related incident. If it is not filed within that time, then the claim is permanently barred.

13 Changes to the operational or contractual framework

13.1 The Hub is a technical environment, which is subject to technological evolution. Furthermore, the Hub is used by many Hub users, and the Hub Participant acknowledges that the Hub cannot be tailored to the Hub Participant's individual requirements and wishes.

As a general principle, the Hub Participant acknowledges and accepts that the AIB may need to make technical or operational modifications from time to time to its system or its services. Such modifications may require corresponding changes to be made in the Hub Participant's system or services. The failure to make timely changes by the Hub Participant may sever or

affect the Hub Participant's access to the Hub or the transfer and/or use of the transaction data.

- 13.2 Operational modifications may imply (1) a modification of the present Agreement and/or its Annexes, and/or (2) a modification of the HubCom.

14 Data protection – Statistical data

14.1 Any personal data included in the Agreement or any other document made in the framework of the Agreement shall be processed pursuant to European Data Protection legislation. It shall be processed solely for the purposes of the performance, management and follow-up of the contract by the AIB Secretariat. The Hub Participant and/or its personnel shall have the right of access to his personal data and the right to rectify any such data that is inaccurate or incomplete. Should the Hub Participant or any of his personnel have any queries concerning the processing of his personal data, he shall address them to the AIB Secretariat.

14.2 Each month, the Hub Participant shall disclose to the AIB certain statistical data that is not considered confidential. This data will be, for each technology, any changes to:

- The number of Certificates that have been issued, internally transferred, exported, imported, cancelled and expired, during each month prior to the current month;
- The number of Certificates that have been issued, internally transferred, exported, imported, cancelled and expired, in relation to energy produced during each month prior to the current month;
- As stated in Article 3.2, the number of Certificates imported through a bilateral connection in its own Registry, and the number of such Certificates transferred through a bilateral connection.

Unless otherwise agreed in the Special Conditions, this data must be made publicly available, at a summary level such that details of individual trades and EECS Market Participants are not made public, on an internet website operated by or on behalf of the Hub Participant, each month, either as data that can be produced as the result of a query, either as downloadable data.

15 Financial sanctions and suspension of service

15.1 In case of material breach of contract by the Hub Participant, or any situation described in Article 16 that may result in termination of the Agreement (which will be considered a breach under this article), the AIB will have the right to suspend the use of the Hub by the Hub Participant. Unless otherwise provided in the Agreement in relation to breach of specific obligations, the AIB will notify the breach by registered mail and will provide a period of thirty (30) calendar days in order to remedy the breach. If the breach is not remedied within that period, the AIB may then suspend the use of the Hub. The AIB shall confirm such suspension by registered mail.

15.2 In urgent circumstances the Secretary General of the AIB may suspend the use of the Hub immediately, and such suspension will be confirmed as soon as possible by registered mail. A member of the Board of the AIB will confirm such suspension within 4 calendar days. Such confirmation can be expressed by e-mail. If no such confirmation is done in due time, the suspension will be ended and access to the Hub resumed. However, if such confirmation was impossible due to absence of the members of the Board during this timeframe, the Secretary General may at his own discretion decide to continue the suspension if, in his reasonable opinion, the urgent circumstances justify such continued suspension. In such case, a member of the Board will decide as soon as practically possible whether the suspension must be continued or ended.

Urgent circumstances are circumstances where, in the reasonable opinion of the Secretary General, there are indications that possible damage must be prevented or mitigated, or indications of fraud, unlawful actions or breach of intellectual property rights or confidentiality obligations.

15.3 In case of material breach by the Hub Participant of any obligation stated herein and in accordance with Article 8.2.2 (i) of the Articles of Association, the Board of the AIB may request payment of indemnity of 500 EUR per infringement, covering the administrative costs and burdens caused by this infringement. This includes but is not limited to the obligations set forth in clauses 3.3, 4, 8, 9 and 14.2.

16 Termination

16

16.1 Termination for cause

16.1.1.

Upon written notice given by registered mail, and in accordance with Article 3.3.2. of the Articles of Association of the AIB, either Party may immediately suspend or terminate the Agreement in full or in part if the other Party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors' arrangement, composition or comparable proceeding or if any such proceeding is instituted against such other Party, or in case of dissolution of the organization. In case a Party becomes subject to any of the aforementioned events it shall notify the other Party thereof as soon as reasonably possible but no later than within a period of one (1) month as from the date of occurrence of the event.

The AIB may terminate the Agreement similarly in case the Hub Participant loses its status as Authorised Issuing Body, or because of non-payment of its Membership Fees duly called for, and in accordance with Article 3.3.2 of the Articles of Association.

16.1.2.

The Hub Participant may, without prior legal intervention by a court, terminate for cause the Agreement in full or in part because of material breach, by following the process set forth hereunder:

- (i) the Hub Participant will provide the AIB with written notice by registered mail of such material breach within a reasonable timeframe after it has become aware of such alleged breach, describing in detail the specific nature of the material breach, and will provide the AIB with twenty (20) calendar days to cure the material breach unless the nature of the breach or the circumstances are such that it would be unreasonable to expect a cure within twenty (20) days. In such case, an additional ten (10) calendar days will be allowed or any other term agreed between Parties;
- (ii) after expiry of the period provided to cure the material breach without such cure, the contract can be terminated by the Hub Participant, which will notify its decision to terminate by registered mail;
- (iii) In case the material breach cannot be cured, the Hub Participant may terminate the Agreement without granting a period to cure the breach, but it will in that case provide a notice period of twenty (20) calendar days, notwithstanding its right to suspend its obligations.

16.1.3.

The AIB may, without prior legal intervention by a court, terminate for cause the Agreement in full or in part (and expel the Hub Participant as AIB member) because of material breach, by following the process set forth hereunder:

- (i) Where the General Secretary of the AIB determines that the alleged non-compliance of the Hub Participant, notified to him under section J.1 of the EECS Rules is material, and that:
 - (a) the allegation is reasonably well-founded; and
 - (b) the alleged non-compliance has not been voluntarily rectified by the Hub Participant,He shall refer the alleged non-compliance to a Compliance Assessment Panel.
- (ii) Where an Assessment Panel, in accordance with section I.4.1.1. of the EECS Rules considers that :
 - a. The Hub Participant is materially non-compliant with the terms of the EECS Rules or this Agreement and
 - b. The Hub Participant has not undertaken to rectify such non-compliance within such period, as may be determined by the Assessment Panel having regard to the gravity of such non-compliance;

It shall recommend either the issuing of a Rectification Order, or the suspension of the Hub Participant, or the withdrawal of the Hub Participant's status as Authorized Issuing Body or the

expulsion of the Hub Participant from the relevant EECS Scheme(s), as set forth in section I.4.1.1. of the EECS Rules.

In case the Assessment Panel recommends the expulsion, the Hub Participant may be expelled as set forth in section F.7 of the EECS Rules and the Agreement may be terminated as a consequence thereof.

16.2 Termination for convenience

The Agreement can be terminated for convenience pursuant to article 6.1.

16.3 Termination due to Force Majeure

The Agreement can be terminated due to prolonged Force Majeure, pursuant to Article 18.3.

16.4 Consequences of termination

On termination of the Agreement for any reason, each Party shall:

- (i) return to the other Party all the other Party's Confidential Information, or provide a certificate certifying it has destroyed these; and
- (ii) cease to use any of the Intellectual Property Rights, infrastructure or services of the other Party.

Termination of the Agreement for any reason shall not affect any other rights or liabilities of either Party nor the continuance of any provision that is expressly stated to continue after such termination.

17 Assignment – third parties

17.1 The Hub Participant may not assign the Agreement, or any part of it, to any other person. Any attempt by the Hub Participant to do so will be void. The Hub Participant may not transfer to anyone else, either temporarily or permanently, any rights to use the Hub services or any part of these services which are specifically granted to or assumed by Hub users, unless explicitly agreed in advance and in writing by the AIB. The Hub Participant may grant the right to use the Hub to a Registry Operator or agent and to the EECS Market Participants, insofar this is necessary for the operational service.

17.2 The AIB will have the right to assign the Agreement to an organization or company directly or indirectly controlled by the AIB.

17.3 The Agreement is solely for the Hub Participant's and AIB's benefit. It is not for the benefit of any other person, except for permitted successors and assigns under the Agreement, if any.

18 Force Majeure

18.1 Neither Party shall be held liable nor be deemed in default under the Agreement for any delay or failure in performance of any of their respective obligations if such delay or failure is the result of causes beyond the control and is not caused by the negligence of such Party. Such causes shall include, without limitation, acts of war, civil war, riots, acts of terrorism, general strikes or lockouts, insurrections, sabotage, embargoes, blockades, acts or failures to act of any governmental or regulatory body (whether civil or military, domestic or foreign, national or supranational), communication line failures, power failures, fires, explosions, floods, accidents, , earthquakes or other natural or man-made disasters, and all occurrences similar to the foregoing (collectively referred to as “Force Majeure”).

18.2 The Party affected by an event of Force Majeure, upon giving prompt notice to the other Party, shall be excused from performance hereunder on a day-to-day basis to the extent prevented by Force Majeure and the direct consequences thereof (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent that such obligations relate to the performance so prevented), provided that the Party so affected shall use its best efforts to avoid or remove such causes of non-performance and to minimize the consequences thereof and the Parties shall continue performance hereunder with the utmost dispatch whenever such causes are removed.

18.3 In the event that the Force Majeure continues to persist for a period exceeding one (1) month, then either Party shall have the right to terminate the Agreement by giving twenty (20) business days written notice of termination to the other Party.

19 Communication and notifications

19.1 Any communication and notification relating to the Agreement shall be made in writing (including e-mail) and shall bear the Contract number and shall be sent in accordance to Section M2 of the EECS Rules. Communications and notifications shall be sent to the following addresses, until notice of change of any address in writing:

- Association of Issuing Bodies:

Via postal services to The Association of Issuing Bodies, 23 Station Road, Gerrards Cross, Buckinghamshire SL9 8ES United Kingdom, or via e-mail to secgen@aib-net.org.

- The Hub Participant:

Via postal services to Augstsprieguma tīkls AS Address: 86 Darzciema str., Rīga, LV-1073, Latvia, or via e-mail GO@ast.lv

The Parties may give notice or communicate by the e-mail address provided above or to such other e-mail address, as either Party shall hereafter specify by prior written notice. By providing an e-mail address, the Parties agree that any receipt received by either Party from the other Party’s service provider or internet computer server indicating that the e-mail was received shall be deemed proof that the other Party received the message.

20 Waiver

20.1 No failure on the part of AIB or Hub Participant to exercise, no delay in exercising and no course of dealing with respect to any right, power or privilege under the Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege under the Agreement.

21 Salvation

21.1 If any of the provisions of the Agreement or application thereof to any individual, entity or circumstance is held invalid or unenforceable, the remainder of the Agreement, or the application of such terms or provisions to individuals, entities or circumstances other than those as to which they are held invalid or unenforceable, shall not be affected thereby and each such term and provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

22 Survival

22.1 Sections of the Agreement that, by their terms, require performance after the termination or expiration of the Agreement, will survive.

23 Applicable law

23.1 The Agreement shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, European Community law, complemented, where necessary, by the national substantive law of Latvia, without reference to the principles of conflicts of law thereof.

24 Disputes and Jurisdiction

24.1 If a dispute should arise, the Parties shall meet in order to attempt to resolve such dispute in good faith. Either Party may submit a request, in writing, to the other Party to call a meeting within 10 calendar days, at a mutually agreed time and place, or if an in-person meeting is not practicable, identify other methods of communication that may be used. If the dispute cannot be solved within 30 calendar days after the request, either Party will have the right to enter arbitration proceedings as stated here below.

24.2 If, and to the extent that, a dispute in relation to the validity, interpretation or performance of the Agreement has not been settled pursuant to the procedure set forth above, each Party will have the right to enter arbitration proceedings and the Party that is ready to do so will send a notice of arbitration by registered mail to the other Party. In this case, the dispute shall be finally settled by an arbitrator, jointly appointed by the Parties. If the Parties are not able to appoint an arbitrator within 20 calendar days, they will each appoint a person (delegate) who is a practicing lawyer or legal counsel in Belgium or any other country, and both appointed delegates will jointly appoint an arbitrator within 15 calendar days from the

date that the Parties require them to do so. If the delegates cannot appoint an arbitrator within a timeframe of 15 calendar days as from the request, each Party may require the appointment of an arbitrator in conformity with the Rules of Conciliation and Arbitration of the International Chamber of Commerce (ICC) (“ICC Rules”), unless both Parties jointly agree (1) to follow the rules of the Belgian arbitration organization Cepina or (2) jointly agree to submit the appointment of an arbitrator to the competent court of Brussels. The Parties may jointly agree to apply other arbitration procedures.

- 24.3 The arbitration procedure will be held in accordance with the ICC Rules. The place of arbitration shall be Brussels, Belgium, unless otherwise agreed. The arbitral language shall be English unless otherwise agreed. The procedural law of the place of arbitration shall apply where the ICC Rules are silent.
- 24.4 The arbitral award shall be substantiated in writing. The arbitral tribunal shall decide on the matter of costs of the arbitration.
- 24.5 Any legal action or proceeding between the Parties regarding the payment of undisputed invoices, or invoices that are not substantially disputed, is not subject to the procedures set out in clauses 24.1 to 24.4 and shall be submitted to the exclusive jurisdiction of the competent courts in and of Brussels, Belgium. The competent court may decide whether or not an invoice is substantially disputed in order to decide on its jurisdiction. However, the claimant will have the right, at his choice, to act in conformity with clauses 24.1 to 24.4.

Signed in two originals; each Party acknowledges having received an original.

For AIB,

For the Hub Participant,

Ms.Tschernutter

Varis Boks

Ms.Switten

Gatis Junghāns

Date

Date

Annexes

Annex 1. Special conditions

Preliminary clarification: AIB membership and EECS Electricity Scheme membership

AIB membership consists of two parts:

1. The membership of the association;
2. The membership of the EECS Electricity Scheme.

Membership of the association entails being a member of the international non-profit organization AIB. Scheme membership is related to the types of Guarantees of Origin the issuing body can issue, transfer and cancel. Initially the EECS Rules were drafted with the possibility that members could join one or more Schemes of GOs relating to specific types of energy output, such as electricity, gas etc. Currently, only the Electricity Scheme exists (section N), but one could think of setting up a Biomethane Scheme, a Heating and Cooling Scheme, etc. under the EECS standard. The basics of each Scheme would be the same (e.g. following the same Core Principles), but the technical details would differ.

Membership of the AIB is not so difficult to acquire. According to the Articles of Association, this shall be subject to the approval by the General Meeting after due verification that the candidate:

- Intends to and is competent to comply with the quality standards set up by the Association;
- Has acknowledged receipt of a copy of the EECS Rules, approved it and agreed to be bound by its terms;
- Has a legal personality according to its national law;
- Must be an Issuing Body;
- Commits itself to pay the Annual Membership Fee ;
- Supports the purpose of the AIB; and
- Commits itself to further [this means: “to promote”] the objectives set out in the EECS Rules core principles.

However, for an AIB Member to become a member of an individual EECS Scheme, the provisions applicable in that Member’s Domain (its Domain Scheme) must satisfy both the general requirements of the EECS Rules and the specific requirements specifically relevant to that scheme. One of the admission criteria for Scheme membership is the existence of a legislative Disclosure Scheme. Scheme membership includes the possibility of transferring EECS Certificates through the Hub. Scheme membership is only granted after the member is appointed as issuing body, review of the Domain Protocol is completed, after the registry complies with the HubCom, after the tests of the Hub connection are finalised, a HPA is signed and the legislation on GOs and disclosure is in place.

In practice, membership of the AIB and membership of the relevant EECS Scheme are usually granted at the same time.

Special condition for AST

On June 19th, 2020, Membership of the AIB was granted to AST by decision of the general meeting (GM). However, awaiting adaptation of the Latvian disclosure legislation, AIB’s general meeting decided to allow AST membership of the EECS Electricity Scheme on an import-only basis, meaning that:

- a) GOs issued for electricity production in Latvia, cannot be called EECS™ GOs; and
- b) GOs that have originated in Latvia cannot be exported via the AIB Hub; however
- c) The import of EECS GOs from other Domains to Latvia over the AIB Hub is allowed.

This import-only status is granted from October 8th 2020 until October 8th, 2022, after which the conditions for full Scheme membership are to be met and confirmed by an explicit GM decision.

In this respect, AST ensures that the electronic exports of GOs from its registry is impossible. AIB will monitor the exports from Latvia in the public Grexel statistics. The AIB professional reviewers shall check them in their '1 year after Membership'-audit, and the secretariat when processing the quarterly statistics.

AS "Augstsprieguma tīkls"
Darziema Street 86
Riga, LV-1073
Latvia

To the attention of Mr.Aigars Silis

Brussels, 5 March 2021

Dear Mr. Silis,

Re: Membership of the EECS® Electricity Scheme

As you are aware, by decision of 11 February 2021 the Electricity Scheme Group of the AIB has established that all conditions for full Scheme Membership are met. Therefore it has agreed to grant full Electricity Scheme membership to AST as from 1 December 2020. Guarantees of origin issued by AST for electricity produced from the 1st of December 2020 onwards will be classified as EECS® GOs and available for export via the AIB Hub. The updated Domain Protocol was also accepted

As you are aware, since the change to the AIB organisation model and adaptation of the Articles of Association and of the EECS Rules, this competence was shifted from the general meeting to the Electricity Scheme Group.

AIB can therefore confirm that the Special Condition that was inserted in the Hub Participant Agreement between AIB and AST and that granted an import-only status until 8 December 2022 is no longer valid.


We are happy to have you on board within the AIB and we look forward to further fostering our cooperation.

Do not hesitate to contact me should you have questions or comments.

Kind regards,



Liesbeth Switten
Secretary general



Ivar Munch Clausen
Chairman of the Board