

GAIN WORKING CAPITAL FINANCE WITHOUT RISKING YOUR COMPLIANCE!

VERTIS REPO

THE OPPORTUNITY

Through a Repo (repurchase) transaction you can make use of the cash value of your idle EUAs, while not risking compliance. The transaction consists of a spot sale of EUAs and a forward repurchase of the same number of allowances in the future, but you can repay the money any time. Compliance is guaranteed as you will have the units back in your account by compliance time.

This low cost financing opportunity is safe and simple, and does not require bank guarantees or letters of credit. The credit risk is managed through a margin account. The Repo is a perfect way of making use of allowances that would otherwise be sitting on your registry account without bringing you benefits during the years.

The main characteristics of the Vertis Repo are summarised below:

FEATURES AND BENEFITS	DETAILS
Maximum value	You make use of your EUAs during the year, and obtain low cost financing without the need for additional security.*
No price risk	The repurchase price is fixed at the time of signing the agreement, there is no price risk.
Safe process	The repo transaction is secured with a margin account in order to manage credit risk and avoid bank guarantees or letters of credit.
Quick settlement	Approximately 75% of the value of the EUAs is transferred to your account within 2 days after the transaction, to be used until the time of repurchase. 25% of the EUA value is kept on the margin account as security for the repurchase.
Expert discussion	You can always call us to discuss market information, or to structure a transaction tailored to your needs.

**Please note that if prices go down, margin deposits might be requested from time to time.*

TRANSACTION PROCESS

The Repo transaction process consists of the following five steps:

1. You and Vertis agree on the terms of the transaction, including the prices and the settlement value.
2. You transfer the contracted amount of emission allowances to Vertis.
3. You receive the settlement value from Vertis.
4. At the time of repurchase, you send the funds to repurchase the allowances at the pre-agreed price, minus the funds already on the margin account with Vertis.
5. Vertis delivers the allowances.

ABOUT VERTIS ENVIRONMENTAL FINANCE



Established in 1998, Vertis Environmental Finance was one of the first companies in the world to be involved in the carbon markets. Our multinational team of carbon trading experts, membership or direct access to two exchanges (ICE and EEX) and OTC trading relationships with more than 1000 operators and financial institutions across Europe guarantee our clients an award winning* personal service, best prices, and fast and safe transaction processes. (*Vertis won Point Carbon Best Carbon Broker in 2011 and was voted Energy Risk Best Emissions Dealer in 2015).

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