

ONTOLY

Building Emissions Reduction Standard (BERS)

Programme Wind-Down Policy

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1. Purpose and Scope

This Wind-Down Policy establishes the procedures Ontoly will follow in the event that the Building Emissions Reduction Standard (BERS) Programme ceases operations, whether due to voluntary dissolution, insolvency, regulatory action, or any other circumstance that prevents the Programme from continuing to administer crediting activities.

The policy is designed to protect the interests of all Programme Participants — including Building Representatives, Buyer Account holders, Verification Bodies, and the broader market — by ensuring the orderly management of outstanding obligations, the preservation of registry data, and the continuity of environmental integrity for issued Building Emissions Reduction Units (BERUs).

Governing authority: This policy derives its authority from the BERS Governance Board Document (Section 3.4) and the BERS Standard (Section 15.3.3). Any material amendments to this policy require approval by the BERS Independent Governance Board.

2. Wind-Down Triggers

The wind-down process shall be initiated upon the occurrence of any of the following events:

- **Voluntary dissolution:** The Ontoly Board of Directors resolves to cease BERS Programme operations, subject to notification to the BERS Independent Governance Board.
- **Insolvency:** Ontoly becomes insolvent, enters receivership, or initiates or becomes subject to bankruptcy or insolvency proceedings under applicable law.
- **Regulatory action:** A regulatory authority issues an order that prevents Ontoly from continuing Programme operations.
- **Loss of governance quorum:** The BERS Independent Governance Board falls below quorum and quorum cannot be restored within 180 days, as contemplated by Governance Board Document Section 3.4.4.
- **Force majeure:** Events beyond Ontoly’s reasonable control render continued Programme operation permanently impracticable.

3. Notification Obligations

Upon determination that a wind-down trigger has occurred, Ontoly shall provide written notice to all affected parties within the timeframes specified below.

Recipient	Notification Timeframe	Method
BERS Independent Governance Board	Immediately upon trigger event	Written notice to Board Chair
Building Representatives (active projects)	Within 30 calendar days	Email to registered contact; Portal notification
Buyer Account holders	Within 30 calendar days	Email to registered contact; Portal notification
Contracted Verification Bodies	Within 30 calendar days	Written notice per contract terms

ICAO / CORSIA (if applicable)	Within 30 calendar days	Per CORSIA reporting requirements
General public	Within 45 calendar days	Public notice on ontoly.org; Registry banner

All notices shall include: the nature of the wind-down trigger, the anticipated timeline for cessation of operations, contact information for the wind-down coordinator, and a summary of protections afforded to each stakeholder class under this policy.

4. Registry Data and Record Preservation

The integrity of the BERU registry is the Programme's most critical asset in a wind-down scenario. Ontoly shall take the following steps to ensure that all registry data remains accessible, auditable, and tamper-proof.

4.1 Data Retention

Per BERS Standard Section 15.3.3, all CORSIA-related registry data — including issuance records, serial numbers, ownership transfers, and retirement records — shall be retained on an ongoing basis and for at least three years beyond the end of the latest applicable CORSIA compliance period.

All non-CORSIA registry data (project documentation, monitoring reports, verification reports, assessment records) shall be retained for a minimum of ten years following the last BERU issuance under the Programme.

4.2 Data Custody Transfer

Within 90 calendar days of the wind-down trigger, Ontoly shall execute one of the following data custody arrangements, in order of preference:

- **Successor programme:** Transfer all registry data and operational records to a qualified successor crediting programme or registry operator, subject to Governance Board approval.
- **Independent custodian:** Place all registry data in escrow with a qualified third-party data custodian (e.g., a recognized registry platform, archival institution, or law firm) under a custodial agreement that guarantees continued public access to retirement records.
- **Public archive:** If no successor or custodian is available, publish a complete, read-only archive of all registry data in a publicly accessible format (e.g., a static website or downloadable dataset) with sufficient documentation for independent verification.

4.3 Registry Freeze

Upon initiation of the wind-down process, the Ontoly Registry shall be placed in a restricted state:

- No new projects shall be registered or listed.
- No new BERUs shall be issued.
- Existing BERUs may continue to be transferred and retired for a transition period of no less than 12 months following the public wind-down notice.
- After the transition period, the Registry shall be placed in read-only mode. Retirement records shall remain publicly accessible.

5. Management of Active Crediting Period Obligations

5.1 Projects with Active Crediting Periods

For projects with active crediting periods at the time of the wind-down trigger, Ontoly shall:

- **Complete any in-progress verification cycles** where verification fieldwork has already commenced, and issue BERUs for verified emission reductions, provided this can be completed within 180 days of the wind-down trigger.
- **Issue a final status report** to each Building Representative with an active crediting period, documenting: total BERUs issued to date, remaining crediting period, and the status of any pending monitoring or verification activities.
- **Facilitate transfer to a successor programme**, if one is identified. Ontoly shall make reasonable efforts to identify a successor crediting programme willing to assume oversight of active projects. Transfer of projects shall be subject to the Building Representative's written consent.

5.2 Pre-Purchase Agreements

Ontoly shall notify all parties to outstanding Pre-Purchase Agreements of the wind-down within 30 calendar days. The wind-down notice shall include guidance on the status of pre-purchased BERUs and the options available to buyers, including transfer to a successor programme or cancellation of the agreement in accordance with its contractual terms.

5.3 Fees and Refunds

Any fees collected for services not yet rendered at the time of the wind-down trigger (e.g., prepaid assessment fees, unused monitoring credits) shall be refunded on a pro rata basis within 90 calendar days, subject to available funds and applicable insolvency law.

6. Governance During Wind-Down

The BERS Independent Governance Board shall retain its authority throughout the wind-down process and shall serve as the oversight body for wind-down execution. Specifically:

- **Board approval is required** for the selection of any successor programme or data custodian.
- **The Board shall appoint a Wind-Down Coordinator** (who may be the Programme Administrator or an independent third party) to manage the operational aspects of the wind-down.
- **The Board shall continue to hear and resolve any pending appeals or grievances** filed prior to the wind-down trigger, and any new grievances arising from the wind-down process itself.
- **The Board's mandate shall not terminate** until all data custody arrangements have been finalized and all pending appeals have been resolved.

Per Governance Board Document Section 3.4.4, if Board membership falls below quorum during the wind-down period, Ontoly is prohibited from implementing any major programme changes. The remaining Board member(s) shall retain authority to oversee data custody arrangements and approve the final wind-down report.

7. Preservation of Environmental Integrity

The wind-down of the BERS Programme shall not compromise the environmental integrity of BERUs that have already been issued and retired. To this end:

- All issued BERUs shall retain their serial numbers, vintage, and associated project documentation in perpetuity through the data custody arrangements described in Section 4.
- Retirement records shall remain publicly accessible and independently verifiable.
- No new BERUs shall be issued after the Registry freeze unless a verification cycle was already in progress at the time of the wind-down trigger (see Section 5.1).
- Ontoly shall not reverse, cancel, or invalidate any properly issued and retired BERUs as part of the wind-down process.

8. Financial Provisions

Ontoly shall maintain sufficient reserves to fund the essential wind-down activities described in this policy. Essential wind-down costs include:

- Data custody transfer and hosting (Section 4)
- Stakeholder notifications (Section 3)
- Completion of in-progress verification cycles (Section 5.1)
- Pro rata fee refunds (Section 5.3)
- Wind-Down Coordinator compensation (Section 6)

The BERS Independent Governance Board’s independent budget allocation (as established in the Governance Board Document) provides a structural safeguard ensuring that governance oversight of the wind-down process is not dependent on Ontoly’s commercial viability.

9. Wind-Down Timeline Summary

Timeframe	Action	Reference
Day 0	Wind-down trigger occurs; Board notified immediately	Section 2, 3
Day 1–30	Notify all Programme Participants and CORSIA (if applicable); appoint Wind-Down Coordinator; freeze new registrations and issuances	Section 3, 4.3, 6
Day 31–45	Public notice on ontoly.org and Registry	Section 3
Day 1–90	Execute data custody arrangements; process pro rata refunds	Section 4.2, 5.3
Day 1–180	Complete in-progress verification cycles and issue final BERUs	Section 5.1
Month 1–12	Transition period: existing BERUs may be transferred and retired	Section 4.3

Month 12+	Registry moved to read-only; Board mandate concludes after final wind-down report	Section 4.3, 6
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10. Review and Amendment

This Wind-Down Policy shall be reviewed by the BERS Independent Governance Board at least every two years, or whenever a material change occurs in Programme structure, scale, or regulatory obligations. Any amendments to this policy require Board approval and shall be publicly disclosed on ontoly.org.

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