



- ▶ Supply Chain Finance Counterparty
 - ▶ Notice of Applicable Terms & Conditions for Supply Chain Finance ("Notice") and Your acceptance of those Terms & Conditions
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The enclosed terms and conditions entitled Counterparty SCF Terms", including the "Platform Schedule" (together the ("Terms"), along with this Notice constitute the terms agreed between you (the "Counterparty") and the Bank in relation to the supply chain finance programme ("SCF") provided by the Bank to [Redacted]

[Redacted]

(the "Buyer").

You acknowledge and accept that access to the Platform (defined in the Terms) is provided by the Bank for the sole purpose of facilitating SCF provided to the Buyer by the Bank. You further acknowledge and accept that none of SCF, access to such Platform or any related communication or action: (a) is undertaken as, or in connection with a service provided by HSBC Group to you, save for services negotiated separately with HSBC Group and/or for another purpose (if applicable); and/or (b) should be taken to mean that you are a "customer" of HSBC Group.

All activities undertaken by the Bank (including liaison with the Buyer and communication sent by or received from the Bank) arise out of SCF provided by the Bank to the Buyer and the Bank is, at all times, acting as the Buyer's agent and/or service provider.

In the event of any conflict or inconsistency between the Terms and this Notice, this Notice shall prevail to the extent of the conflict or inconsistency. Any capitalised terms used in this Notice shall have the meanings set out in the Terms unless defined otherwise within this Notice.

Your acceptance

Unless you inform the Bank otherwise by email at supplier.engagement@hsbc.com.hk or in writing at attention to HSBC Engagement Team, Level 23, HSBC Main Building, 1 Queen's Road Central, Central, Hong Kong and in either case received by the Bank by no later than 9th May 2022, you will be deemed to have accepted the Terms.

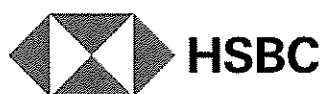
We shall be entitled to assume that:

- (a) the person(s) to whom this Notice is sent has/have the necessary authority and capacity to confirm acceptance of the Terms on behalf of your organisation;
- (b) You have taken all necessary action to authorise the agreement to and performance of the Terms; and
- (c) the agreement to the Terms and the granting of such authorisations are in accordance with the applicable constitutional documents of your organisation, and such person(s) has/have been duly authorised to appoint such other person(s) as may give Communication (defined in the Terms) to Us.

All activities undertaken by the Bank (including any communications sent by or received from the Bank) arise out of the supply chain finance scheme provided by the Bank to the Buyer and the Bank is, at all times, acting as the Buyer's agent and/or service provider.

Bank and Governing Law

For the purposes of the Terms and this Notice, the Bank is The Hongkong and Shanghai Banking Corporation Limited and the Governing law is that of Hong Kong. You and we irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong in respect of any proceedings which may be initiated in connection with the Terms and this Notice.



Counterparty SCF Terms

Counterparty Details

Full Counterparty Name	CRYSTAL MARTIN (HONG KONG) LIMITED
Address	5-7/F., AXA TOWER, LANDMARK EAST, NO. 100 HOW MING STREET, KOWLOON, HK
Postal Code / PO Box	
Principal Contact Name	Redacted
E-mail Address (principal contact)	Redacted
E-mail Address (receipt of emails)	Redacted
Telephone Number	Redacted

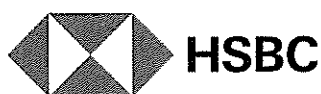
Process Terms

The following Process Terms are subject to any variation provided for by the Platform Schedule from time to time (if any).

The Buyer provides details to the Bank in a prescribed format for invoices it has approved for payment ("**Approved Invoices**"), the debt represented thereby being "**Approved Receivables**", each an "**Approved Receivable**". The Buyer also advises the approved amount, Invoice Settlement Date (as defined below) and other additional information required in their agreement with the Bank to enable the Bank, at its discretion, to effect payment at the Invoice Settlement Date as payment agent of the Buyer or, if such payment is an early payment, to purchase the relevant Approved Receivable(s). You can log in on the Platform Website (as defined in the Platform Schedule), or by such other means as the Bank notifies you of from time to time, and view Approved Invoices and make a request for early payment if you wish to (prior to 5 days before the Invoice Settlement Date specified by the Buyer) or you may have confirmed to the Bank and/or on the Platform (as defined in the Platform Schedule) that you wish to always and automatically request early payments in respect of Approved Invoices (the automatic request for early payment option).

If the Bank elects (in its sole and absolute discretion) in accordance with its agreement with the Buyer to make an early payment to you prior to the Invoice Settlement Date, it shall be paid to purchase the relevant Approved Receivable and the purchase price shall be the relevant approved amount less the deductions set out below and any credit notes. Subject to the Bank exercising its discretion and without obligation placed upon the Bank, you may receive funds as early as the next business day following your request (including automatic request where relevant) for payment prior to the Invoice Settlement Date.

Any payment is at the sole and absolute discretion of the Bank for regulatory and other reasons and the Bank is under no obligation or commitment to make any payment. If you are not paid by the Invoice Settlement Date or you



have queries relating to deductions and/or Invoice Settlement Dates, any such enquiries should be directed to the Buyer.

All purchases shall be subject to an Early Payment Charge (as defined and calculated below).

It may be possible for the Buyer to provide relevant invoice data but confirm approved amounts later in which case you will not be able to request (including automatic request where relevant) early payment by the Bank until after the Buyer's approval is given.

Early Payment Charges and any other fees and charges (if any) that you have agreed with the Buyer to bear will be deducted from the approved amount (and any relevant credit notes taken in to account) before making payment.

Payments shall be made by the Bank on a non-recourse basis. On payment of the purchase price, you immediately transfer all rights, title and interest in the relevant Approved Receivable to the Bank and you will provide all documents (if any) and do (or allow to be done) anything which the Bank deems necessary to effect, perfect, protect or preserve the ownership transfer to the Bank in respect of the relevant Approved Receivable. You shall mark your books and computer records accordingly in relation to purchases made by the Bank in connection with the corresponding Approved Receivable.

Fees and charges may change from time to time and will be notified to you in writing and are in addition to any fees and charges you may incur with your account holding bank and/or intermediary banks.

The Bank may terminate these Process Terms (or parts thereof) immediately on notice (effective from date of receipt). You may terminate these Process Terms upon written notice to and written acknowledgement from the Bank. Any rights and obligations that accrued before termination will survive and all Approved Receivables purchased prior to termination will continue to be governed by these Terms.

You may not assign or transfer these Terms or the right to receive payment from the Bank without the prior written consent of the Bank. The Bank may (i) assign or transfer any of its rights or obligations under these Terms, or (ii) enter into sub-participation arrangements and/or other risk mitigation in relation to these Terms, in each case with any person without your consent.

The Bank may replace or make amendments to these Process Terms which will become effective from the date on which they are expressed to take effect in the notice from the Bank to you. Any such notice may be given to you in writing or by publishing such amendments or replacement terms on the Platform Website (as defined in the Platform Schedule) or such other website location as the Bank notifies you of from time to time. However, the Bank may, in exceptional circumstances, replace or make amendments to these Process Terms at any time in order to comply with any law or regulation, which will become effective immediately on notice to you.

Definitions

"Approved Currency" means United States dollars.

"Benchmark Rate" means, the relevant Approved Currency is USD (United States dollar), (a) the applicable SOFR Screen Rate published two US Banking Days before the date of payment (or such other time or day as determined by the Bank if the market practice differs); or (b) if the SOFR Screen Rate is not available for that interest period for a period of 5 US Banking Days (during which time the most recently available SOFR Screen Rate shall be used (to the extent there is one)) and a replacement for the SOFR Screen Rate has not been notified to you as a replacement



Benchmark Rate, then the percentage rate per annum which is the aggregate of: (i) the Federal Bank Rate prevailing before the date of payment as determined by the Bank; and (ii) the applicable Federal Bank Rate Adjustment (rounded if necessary to four decimal places with 0.00005 being rounded upwards). for the relevant Approved Currency, (a) the applicable SONIA Screen Rate at or around 12.00pm London time on the date of payment (or such other time or day as determined by the Bank if the market practice differs) for the period corresponding to the Term (where the Term falls between two published periods for SONIA Screen Rate, the rate quoted for the longer period will be used unless the Bank determines otherwise in its discretion) or, (b) if, in any case, the SONIA Screen Rate is not available, the percentage rate per annum which is the aggregate of: (i) the Central Bank Rate prevailing at that time; and (ii) the applicable Central Bank Rate Adjustment, rounded if necessary to four decimal places with 0.00005 being rounded upwards. In each case, if such rate is less than zero, the Benchmark Rate shall be deemed to be zero.

"Business Day" means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong, unless commercial banks are required or authorised by law or executive order to be closed or on which a tropical cyclone warning no. 8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong at any time between 9.00am and 5.00pm Hong Kong time.

"Central Bank Rate" means the Bank of England's base rate as published by the Bank of England from time to time.

"Central Bank Rate Adjustment" means, in relation to any payment date, the mean of the spreads (expressed as a percentage rate per annum) over the five most immediately preceding London business days for which the SONIA Screen Rate has been published of (a) the SONIA Screen Rate for that period on that day; and (b) the Central Bank Rate prevailing at close of business on that day, as calculated by the Bank excluding the highest spread (or, if there is more than one highest spread, only one of those highest spreads) and lowest spread (or, if there is more than one lowest spread, only one of those lowest spreads).

"Early Payment Charge" means, for each Approved Receivable purchased (prior to the Invoice Settlement Date confirmed by the Buyer), an amount equal to: (1) the approved amount (less any relevant credit notes applied, where relevant) confirmed by the Buyer multiplied by (2) the Early Payment Rate, divided by (3) a 360 or 365 day year as is determined by the Bank to be customary for the relevant currency in the local interbank market, multiplied by (4) the Term.

"Early Payment Rate" means, unless the Bank notifies you of a different rate via the Platform (as defined in the Platform Schedule) or otherwise in writing, a percentage, calculated as the sum of (A) the percentage interest on the approved amount confirmed by the Buyer using the relevant Benchmark Rate on the date of payment of the purchase price for the relevant Approved Currency, plus (B) a margin of 2%.

"Federal Bank Rate" means, for any day, (a) the short-term interest rate target set by the U.S. Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time; or (b) if that target is not a single figure, the arithmetic mean of: (i) the upper bound of the short-term interest rate target range set by the U.S. Federal Open Market Committee and published by the Federal Reserve Bank of New York; and (ii) the lower bound of that target range provided that a reference to a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.

"Federal Bank Rate Adjustment" means, in relation to any payment date, the mean of the spreads (expressed as a percentage rate per annum) over the five most immediately preceding US Banking Days for which the SOFR Screen Rate has been published of: (a) the SOFR Screen Rate for that interest period on that US Banking Day; and (b) the Federal Bank Rate prevailing at close of business on that US Banking Day, as calculated by the Bank excluding the



highest spread (and, if there is more than one highest spread, only one of those highest spreads) and lowest spread (or, if there is more than one lowest spread, only one of those lowest spreads).

"HSBC Group" means HSBC Holdings plc and its subsidiaries and associate undertakings including any of their branches.

"Invoice Settlement Date" means the date (which may, differ from the invoice due date) identified by the Buyer (or determined using Buyer agreed parameters, based on criteria such as the Buyer's payment scheduling) as the date for settlement of the relevant approved amount; for the avoidance of doubt if the relevant date identified is not a Business Day, then it shall be deemed to have been identified as the next following Business Day.

"SOFR Screen Rate" means the Term SOFR (secured overnight financing rate) reference rate published by CME Group Benchmark Administration Limited for a period equal in length to the Term, provided that: (a) if no reference rate corresponds to the Term, the Bank may determine the rate by reference to any published reference rates at its discretion, and (b) if CME Group Benchmark Administration Limited ceases to publish such reference rate, the Bank may specify another source which publishes the Term SOFR reference rate.

"SONIA Screen Rate" means the SONIA (sterling overnight index average) reference rate published by ICE Benchmark Administration Limited for the relevant period, provided that, if ICE Benchmark Administration Limited ceases to publish such reference rate, the Bank may specify another source which publishes the term SONIA reference rate.

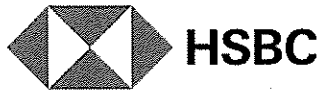
"Term" means the number of days from the date of any early payment by the Bank to you to the Invoice Settlement Date (inclusive) confirmed by the Buyer.

"US Banking Day" means a day other than (a) a Saturday or Sunday on which commercial banks are open for business in the State of New York and (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in US Government securities.

Acknowledgements, Warranties & Representations

You acknowledge, agree, warrant and represent that:

- you are and will remain fully compliant with all laws and regulations applicable to you and no insolvency proceedings or process has been commenced by or against you;
- your involvement in SCF with a Buyer has not violated and shall not violate any applicable anti-bribery and corruption laws and regulations including, but not limited to any relevant provision of any applicable anti-bribery and corruption laws and regulations in force in the jurisdiction where you and the Bank are domiciled and operate, and you have not engaged, and undertake that you shall not engage, in the following conduct: making of payments or transfers of value, offers, promises or giving of any financial or other advantage, or requests, agreements to receive or acceptances of, any financial or other advantage, either directly or indirectly, having the purpose, effect or acceptance of, or acquiescence in, public or commercial bribery or other unlawful or improper means of obtaining or retaining business, commercial advantage or the improper performance of any function or activity, and you shall procure the compliance with the above obligations from your own associated persons, agents or subcontractors as may be used for the fulfilment of your obligations herein;



- neither you nor any of your subsidiaries, directors, officers, employees, agents, or affiliates is an individual or entity ("Person") that is, or is owned or controlled by Persons that are: (i) the subject of any sanctions issued, administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Hong Kong Monetary Authority, or the [insert other relevant issuing or enforcement body that may be applicable in the local jurisdiction (collectively, "Sanctions"), or (ii) located, organised or resident in a country or territory that is, or whose government is, the subject of Sanctions;
- you will not, directly or indirectly, use any benefit derived from SCF to support any activities or business of or with any Person, or in any country or territory, that is, or whose government is, the subject of Sanctions; or in any other manner that would result in a violation of Sanctions by any Person;
- you confirm compliance and will comply in all material respects with foreign and domestic laws and regulations relating to Sanctions, anti-money laundering, export controls and any required import or export licenses, pertaining to each jurisdiction in which you operate and to each Approved Invoice, and will promptly notify the Bank of any circumstance in connection with an Approved Invoice that may relate to money laundering, terrorist financing, bribery, corruption, tax evasion or Sanctions;
- the Bank shall be entitled to refuse, stop or cancel any early payment and/or take any action to protect the Bank's interest in the event that any representation or warranty given by you is inaccurate or untrue;
- where you have confirmed an email address for receipt of emails from the Bank, the Bank may, at its discretion, send emails to you (or authorise the Platform Provider (as defined in the Platform Schedule) to send emails to you) with such information or notices as the Bank deems necessary or appropriate (including but not limited to relevant payment information identifying Approved Invoices, Approved Receivables, approved amounts, date of payment and the correlating net amount paid (after fees and charges and other notices envisaged in these Terms). Where used by the Bank, terms and conditions apply to the use of the Bank's encrypted emails solution, Securemail, which you will need to agree separately in order to receive the Bank's emails. The Bank shall not be liable to you (or any third party, including the Buyer) in any circumstance for any error or omission in any email it issues to you or that it authorises the Platform Provider to issue to you;
- in the event that any payment made by the Bank are subject to taxes (including without limitation any value added, sales, withholding or other tax), levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) imposed by any government or other taxing authority) due or imposed in any jurisdiction, you shall be responsible for your liability for such tax and promptly pay, account for and do all actions as required under the applicable laws and regulations. The Bank shall not be liable in relation to, nor responsible for, any claim made by you relating to your liability for such tax in any circumstances;
- you agree that the Bank may make any deduction on account of tax the Bank is required to make by any local or foreign tax or regulatory authority from or in respect of any payment made to you, or to another

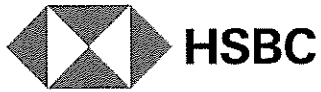


person at your request or instruction, in connection herewith or any purchase and the Bank may pay the amount deducted to the relevant tax or regulatory authority;

- no claim shall be made by you or any of your officers, directors, employees, agents, representatives or advisers against any member of the HSBC Group or any of their officers, directors, employees, agents, representatives or advisers for any special, indirect, punitive or consequential damages in respect of or arising from breach of contract or any other theory of liability relating to or connected herewith; all such claims are waived and released;
- no third party holds or will hold an interest (including, but without limitation, any ownership or security interest) in your invoices submitted to the Buyer or the Approved Receivables;
- all payments made by the Bank shall be made based on the information provided to the Bank by the Buyer and the Bank shall be under no obligation to check the account details provided to us by the Buyer. To the extent that any issue arises related to the amount paid, set-off, counterclaim, credit notes, deduction or withholding, it will be a matter for you and the Buyer to determine; and
- unless expressly provided to the contrary in these Terms, a person who is not party to these Terms has no right under the Contracts (Rights of Third Parties) Ordinance (Cap.623) to enforce or to enjoy the benefit of these Terms; you and the Bank may agree to change any Term without the consent of any person who is not party to it.

The following disclosure provisions survive termination and are binding for 3 years after a valid termination:

- You permit the Bank to pass on information it receives in connection herewith: (a) to the Bank's actual or proposed successors and assigns; (b) to any company in the HSBC Group; (c) to the Bank's professional advisers; (d) to any rating agency or actual or proposed insurer or other provider of credit protection to the Bank; (e) to any person with whom the Bank has or may enter in to sub-participation arrangements and/or other risk mitigation in respect of in any risks or rewards under purchased Approved Receivables; (f) to any person whom the Bank may reasonably consider necessary to obtain payment of any Approved Receivables purchased by the Bank; (g) as required by law or to any court or regulatory, supervisory or governmental authority; (h) to a federal reserve or central bank or (i) to the Platform Provider as may be required from time to time for the purposes of communication between you, the Bank and the Buyer as necessary to give effect to the purposes set out herein, , provided that, in the case of a disclosure under (a), (b), (c), (d), (e) or (f) above, the party to whom disclosure is to be made is bound to use the information only for the purpose for which it is disclosed and otherwise keep it confidential.
- You undertake to provide the Bank on request with any information or documentary evidence about your tax status or the identity or tax status of any of your ultimate or any intermediate owners that the Bank considers (acting reasonably) is needed to comply (or demonstrate compliance or avoid non-compliance) with any HSBC Group member's obligations to any local or foreign tax or regulatory authority (the "Tax Information").
- You authorise (and undertake on request to obtain the written authority or consent of any of your ultimate or any intermediate owners for) any member of the HSBC Group to disclose your or your ultimate or any



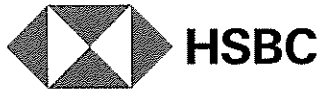
intermediate owners' Tax Information (as applicable), information about these Terms and any purchased Approved Receivables involving you and the link between these Terms and those purchases and you or your ultimate or any intermediate owner(s) to any local or foreign tax or regulatory authority.

- Nothing in these Terms obliges the Bank to act or refrain from acting in any way that might cause breach of any legal or regulatory requirement, contractual obligation or Bank policy or harm the Bank's or the HSBC Group's reputation.

Account details for receipt of payment:

Bank Name	HSBC
Bank Account Name	CRYSTAL MARTIN (HONG KONG) LIMITED
Bank Account Number	Redacted
Bank SWIFT	HSBCHKHHHKH
Branch Detail	
Bank Country	Hong Kong

These account details are provided to the Bank by the Buyer. If you wish to change the account details for receipt of payments, you must notify the Buyer.



Platform Schedule

- Use of the Platform shall be governed by the terms of this schedule. In this schedule:
 - **"Authorised Person"** means a person that you (the supplier Counterparty) have authorised (either alone or in combination with others) to give Communications and/or otherwise perform acts on your behalf;
 - **"Bank"** means the relevant HSBC Counterparty;
 - **"Communications"** means any communication which is received by the HSBC Counterparty, including via the Platform, which has or appears to have been provided by an Authorised Person;
 - **"Infrastructure Provider"** means any third party providing shared market infrastructure necessary for a Party to perform its obligations under the Platform Schedule including any communications, clearing, settlement or payment system, or intermediary or correspondent bank;
 - **"Loss"** means any loss, damages, liability, costs, claims, demands and expenses of any kind whether or not foreseeable;
 - **"Platform"** or **"HSCF"** means the internet platform, accessed via Platform Website, including access via logging on to HSBCnet where this option is made available to you and your Users (or such additional or replacement access location as the Bank notifies you of from time to time), provided by the Platform Provider for and on behalf of the HSBC Counterparty and/or other members of the HSBC Group;
 - **"Platform Provider"** means Kyriba and its subsidiaries and affiliates and, where the context permits, agents or sub-contractors;
 - **"Platform Website"** means <https://dc2.supplychainfinance.hsbc.com> ;
 - **"Relevant Data"** means personal data (any information relating to an individual from which they can be identified) and confidential information relating to you , a User or any other person or entity that you, or a third party for the purposes of this Agreement and related transactions, provides to the Bank, another member of the HSBC Group or the Platform Provider; this may include relevant account numbers for making or receiving payments which the Platform Provider may use in communications on a masked basis (for example, ****1234);
 - **"Security Measures"** means the measures required to ensure the security of the Platform as stated herein and as may be supplemented by additional measures required, as notified to you by an HSBC Counterparty or the Platform Provider from time to time;
 - **"User"** means any individual (who will be treated as an Authorised Person) whose details you have confirmed to us for the purpose of granting use of, and access to, the Platform at any time and for whom such use and access has been granted and not subsequently revoked by the Platform Provider and/or the Bank.
- In the event of any conflict or inconsistency between the Process Terms above and this Platform Schedule, this Platform Schedule shall prevail to the extent of the conflict or inconsistency.
- Capitalised terms shall have the same meaning as in the Process Terms above and/or the Notice unless otherwise stated herein.
- The Bank may make amendments to the terms of this Platform Schedule at any time, which will become effective from the date on which they are expressed to take effect in the notice from the Bank to you. Any such notice may be given to you in writing or by publishing such amendments on the Platform Website or such other website location as the Bank notifies you of from time to time. However, the Bank may, in



exceptional circumstances, make amendments to the terms of this Platform Schedule at any time in order to comply with any law or regulation, which will become effective immediately on notice to you.

- References to the singular include the plural and vice versa. Clause headings are included for convenience only and do not affect interpretation.
- Access to the Platform shall be via the Platform Website unless the Bank notifies you of additional or replacement access arrangements at any time. The Bank will provide, to the principal contact individual confirmed on the "SCF – Counterparty Supplier Administrative Form", the initial user logon details for the Platform for such principal contact. Where you have requested other users on the "SCF – Counterparty Supplier Administrative Form", and such request(s) are accepted by the Bank, the Bank will provide initial user logon details for the Platform to each such person. On first logon using the initial logon details provided, each such individual will become a User and will be prompted to create his or her own unique password and answer to a memorable question. A User may, on your behalf, from time to time request the appointment of additional Users and/or amendments to existing Users. At your request, a User may be limited to a view only access.
- You acknowledge and specifically consent to the Bank (i) engaging the Platform Provider, (ii) using the Platform Provider to collect, exchange, process, transfer or disclose data (including Relevant Data) and to share, store or transmit information (including Relevant Data) for the purposes of exercising its rights and/or obligations under the Terms, and (iii) disclosing information (including Relevant Data) to the Platform Provider where necessary or desirable to give effect to the Terms.
- You acknowledge that the Bank may, as necessary or appropriate to facilitate use of the Platform by you and Users, transfer and disclose relevant information (including Relevant Data) globally, to the Platform Provider and any member of the HSBC Group, and such recipient may also collect, process, transfer and disclose such information for the same purpose.
- You shall ensure that every person or entity in respect of which Relevant Data is provided by you (or by anyone else on your behalf), or will be from time to time provided by you, to the Bank, the Platform Provider or to another member of the HSBC Group has been notified of and agreed to the collection, processing, disclosure and transfer of their information (including to or from the Platform Provider) before their information is provided. You shall at the same time advise them that they have rights of access to, and correction of, their personal data and ensure that that individual has been notified of the Bank's privacy notice. You acknowledge that further detail as to how the Bank will use any information provided to the Bank is explained in the Bank's privacy notice and references to customer therein are deemed to refer to you as an SCF Counterparty where the context requires. You acknowledge that you can find this at <https://www.business.hsbc.com.hk/en-gb/hk/generic/privacy-and-security> or you can ask for a copy by writing to The Data Protection Officer, The Hongkong and Shanghai Banking Corporation Limited, PO Box 72677, Kowloon Central Post Office, Hong Kong.
- You acknowledge and agree that, as regards processing of the Relevant Data, the Bank acts as controller in respect of such processing (including by the Platform Provider), and it is not intended that the Bank shall act as a processor in respect of any Relevant Data.

Communications

- You agree to provide Communications in the form which the Bank has advised you to use from time to time, including via the Platform, and the Bank shall not be obliged to act on a Communication provided in any other form.



- The Bank is entitled to rely on and it is not obliged to query any Communication and the Bank may treat all Communications received as valid. The Bank may decline or delay to act on a Communication where it doubts its legality, origination or authorisation.
- The Parties agree to comply with the Security Measures. You shall establish, maintain and review your own appropriate internal security measures for your use of and access to the Platform, including the installation and ongoing update of anti-virus software. You are responsible for ensuring the appropriate application of your Security Measures when submitting Communications.
- You shall promptly acquire, maintain, update and install (where relevant) any equipment, software, telecommunications facilities, networks, connections, patches, releases and/or updates which the Bank requires you to obtain and use, or that the Bank provides to you in connection with your access to the Platform. You are responsible for obtaining and maintaining the computer software and equipment necessary to access and use the Platform.
- You shall not alter, reverse engineer, copy (other than to the extent necessary for the permitted use), publish or impart to any third party any products or services provided by the Bank, including the Platform or any software or materials provided as part of its products or services. This clause shall survive any termination of this schedule.

Warranties, Representations and Undertakings

- You undertake to:
 - provide to the Bank all documents and other information reasonably requested by it from time to time in relation to the Platform; and
 - notify the Bank as soon as possible if you become aware of any theft, fraud, illegal activity, loss, damage or other misuse in relation to the Platform.
- If you use or access the Platform in relation to an account of a third party, you represent and warrant that you have appropriate authorisation from that third party to do so.
- Neither the Bank nor any other member of the HSBC Group (nor, for the avoidance of doubt, the Platform Provider) shall be liable for any Loss suffered as a result of the acts or omissions of an Infrastructure Provider, but the Bank will cooperate with you in the recovery of any such Loss.
- The Bank (via the Platform Provider or otherwise) may suspend the Platform for scheduled maintenance or for any other reason where it reasonably considers it necessary to do so. The Bank (via the Platform Provider or otherwise) will provide you with details of scheduled maintenance and reasonable prior notice of the suspension in other cases where it is practical to do so.



Termination

- Either Party can terminate the terms of this schedule and/or use of the Platform by giving 30 days prior written notice to the other. Any liabilities owing to the Bank thereunder will become immediately due and payable on termination of the terms of this schedule.
- Subject to any applicable legal or regulatory restriction, either Party can terminate the terms of this schedule and/or use of the Platform immediately if:
 - the other Party commits a material breach of the terms of this schedule which is incapable of remedy or not remedied within a reasonable time period;
 - the other Party becomes insolvent; or
 - it is or may become unlawful for that Party to perform its obligations under any of the terms of this schedule.
- In the event that any product terms applicable are terminated, the relevant terms and conditions shall survive such termination to the extent necessary to give effect to the terms of this schedule. This clause shall survive any termination of the terms of this schedule.

Bank Security Measures

- The Bank (via the Platform Provider or otherwise) shall employ measures to deny access by unauthorised external parties to the environment in which their internet service operates.
- The Bank (via the Platform Provider or otherwise) shall ensure that its systems are strictly controlled including having business continuity plans.

Your Security Measures

- You shall only access the Platform using the authentication method prescribed by the Bank.
- You shall ensure that all of the Users you authorise to use the Platform keep their security credentials (password, memorable answer, security answers or any other security credential required to access the Platform, as applicable) secure and secret at all times and not facilitate any unauthorised use of these credentials. In particular, you shall not share your security credentials or access of the Platform with any third party and you shall ensure that Users act accordingly.
- You shall notify the Bank promptly if any security credentials or details are lost or stolen.
- You shall:
 - promptly take appropriate action to protect any User's profile if you have any suspicion that such User's credentials have been in full or part compromised in any way;
 - review recent activity on your accounts and User profiles if you suspect any User's credentials have been compromised and inform the Bank promptly of any discrepancies; and
 - regularly review your account and Users' profile activity to ensure that there are no irregularities and report any discrepancies promptly to the Bank.
- You shall promptly suspend the use of the Platform by any User if such User leaves your organisation or where there is any concern about the conduct of that User or their entitlements. You shall ensure that the security credentials (which are issued to and specific to the individual User) are not transferred to another User or shared with another User, even in the event of that User being on leave or leaving your organisation.



- You shall ensure that each User does not maintain more than one username or set of security credentials.
- You shall review your internal security measures on a regular basis to ensure protection remains up to date and in line with regulatory and industry best practice guidance. These should include, but not be limited to, malware protection, network restrictions, physical access restrictions, remote access restrictions, computer security settings, monitoring of improper usage.
- You shall have internal procedures which include guidance on acceptable web browser and email usage.
- If the Platform is accessed by a User via a mobile device, you shall require that the User:
 - does not leave the mobile phone unattended after logging on to the Platform;
 - clicks the 'Logout' button when the User is finished with accessing the Platform; and
 - enables the mobile device's automatic pass code lock feature.



Interest Rate Disclosure

The following is provided for general information only and you should conduct your own independent research and analysis regarding the risks involved in conjunction with your legal, tax and/or accountancy advisors. The statements below are not exhaustive. Whilst HSBC receives updates from regulators as to their expectations, there are events relevant to benchmark rates which are not yet known. Accordingly, HSBC cannot give any statement about the likelihood of any specific outcome or its potential impact on any transaction, nor is HSBC providing any advice or recommendation.

What is LIBOR? The London Interbank Offered Rate ("LIBOR") is an interest rate benchmark often used, directly or indirectly, to determine the interest payable under banking products including to calculate relevant early payment charges. In addition to LIBOR, calculation methodologies of some other benchmarks may be linked to LIBOR and these benchmarks may be directly or indirectly impacted as a consequence of LIBOR transition.

What's changing? LIBOR is subject to national and international regulatory guidance and reform. Examples of recent regulatory and industry led guidance and proposals include:

- On 5 March 2021, the Financial Conduct Authority (FCA), the UK regulator of LIBOR, announced that all LIBOR settings for all currencies will either cease or no longer be representative immediately after (i) 31 December 2021, for GBP, Euro, Swiss Franc and Japanese Yen LIBOR settings in all tenors, and US Dollar LIBOR 1-week and 2-month settings; and (ii) 30 June 2023, for US Dollar Overnight, 1-month, 3-month, 6-month and 12-month settings.
- On 29th September 2021 the FCA published notices confirming its decision to compel the continued publication of 1, 3 and 6 month GBP and JPY LIBOR settings after the end of 2021, using a 'synthetic' methodology. These rates will be available for use from January 2022 in some legacy facilities but not new facilities.
- The FCA also indicated it will consider the case for continued publication after 30th June 2023 of USD 1, 3 and 6 month settings taking into account the views and evidence from US authorities and other stakeholders.
- In accordance with UK regulators requirements at the end of March 2021 we have ceased all new issuance of GBP LIBOR referencing facilities that expire after the end of 2021.
- US regulators have informed banks to stop entering into new USD LIBOR facilities as soon as practicable and in any event by no later than 31st December 2021.
- For EURIBOR, unlike LIBOR, there is currently no regulatory guidance that the rate will cease to be published. The underlying calculation methodology of EURIBOR has been reformed to ensure it is benchmark regulation compliant. Any demise of EURIBOR would follow an industry consultation process with appropriate implementation timelines. Fallback provisions may be included to address what happens should EURIBOR become temporarily or permanently unavailable in the future.
- In March 2021 *Ippan Shadin Hojin* JPA TIBOR Administration (JBATA) confirmed its intention to retain JPY LIBOR and discontinue Euroyen TIBOR at the end of December 2024. JBATA further announced that they will continue to consider fallbacks for TIBOR. If relevant, your terms may require amendment to reflect any recommended fallback provisions.
- Financial regulatory authorities are encouraging the use of "Risk Free Rates" or "Near Risk-Free Rates" (RFRs) which have been developed as alternative interest rate benchmarks. RFRs are typically backward looking overnight rates based on actual transactions and reflect the average of the interest rates that certain financial institutions pay to borrow overnight on an unsecured basis from wholesale market participants (for unsecured RFRs, such as SONIA) or the average rate paid on secured overnight repurchase or "repo" transactions (for secured RFRs, such as SOFR). RFRs do not include or imply any credit or term premium of the type seen in LIBOR or EURIBOR; however, RFRs are not truly free of risk; RFR's can rise or fall as a result of changing economic conditions and central bank policy decisions.

Why are we sending this to you? As you are in receipt of terms from us that use LIBOR and/or that use an RFR to calculate early payment charges, you should be aware of the potential impact of these changes. You may use this information alongside the other information published by regulators to assist you and your advisers in deciding whether a different payment solution is more appropriate.

What are the key differences? The RFR interest rate benchmarks for GBP and US dollars are SONIA and SOFR respectively. For JPY, EUR and CHF the RFR interest rate benchmarks are TONA, ESTR and SARON. These RFRs are overnight rates based on actual historic transactions. They are published at the end of the overnight borrowing period. LIBOR is a 'term rate' which means it is published for different periods of time (e.g. 3 or 6 months) and is a 'forward looking' rate which means it is published at the beginning of the borrowing period and remains the same for that period. It is important to note:

- the manner of adoption, calculation and application of RFRs for early payment charges may differ compared with the application, calculation and adoption of RFRs in other products, such as the bond and derivatives markets;
- for some settings and currencies, LIBOR may continue to be published on a synthetic and non-representative basis;



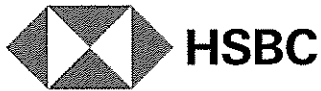
- the adoption, calculation and application of a RFR could result in differences to the economics over the duration of the early payment and mean that amounts payable are lower or higher than using a LIBOR or other interest rate benchmark; you should ensure you speak to your advisers to understand the consequences of this;
- using a RFR where interest is calculated using one calculation methodology (e.g. RFR compounded in arrears), could mean that amounts payable are lower or higher than using an alternative interest rate benchmark or a RFR calculated using a different methodology (e.g. forward looking term RFR);
- you may find that different currencies will use different interest rate benchmarks for calculating interest and the methodologies and conventions for each will differ e.g. a facility with EUR and GBP may utilise EURIBOR for EUR and a RFR for GBP; you should consider the impact this may have on you from an operational perspective;
- you may find that different products will use different methodologies and conventions for calculating interest e.g. a loan facility may use a compounding in arrears methodology whilst a trade facility may use a forward looking term or a simple overnight rate; you should consider the operational impacts this may have on you;
- RFR interest rate calculation conventions will likely require your internal treasury, accounting and payment systems to be enhanced in order for you to manage the servicing of these products in an accurate, efficient and timely manner;
- future changes to market practice or conventions relating to the use of RFRs could potentially be adverse to your interests, require you to make changes to the documentation you have executed with us or to other administrative and operational changes you have already made; these further changes could result in you incurring additional costs;

Forward looking Term RFRs

- Forward-looking SONIA term rates are being published by a number of providers. These may be calculated by a provider using a different methodology to other providers and may result in differences in the rates published by the providers. Following regulatory guidance SONIA term rates, are only likely to be suitable for use in trade finance facilities and a limited range of loan facilities;
- Forward-looking SOFR term rates are being published by The CME Group Benchmark Administration Ltd. These do not have the same regulatory limits on use cases that Term SONIA has and are supported for use across a broad range of lending and trade products;
- Term RFRs are typically based on derivatives (typically Swaps or Futures) on overnight RFRs and therefore include future rate expectations but not interbank credit risk. The quality and stability of a term RFR is a function of derivative market liquidity and therefore these rates are different to the RFRs themselves and pose additional risks in their use, representativeness and potentially their availability;
- If these derivative markets on which term RFRs are typically based are not consistently as large as overnight wholesale lending markets, those term RFR rates cannot be as robust as overnight RFRs;
- Term RFRs might be affected by a spike in derivative prices on the particular day the rate is taken with this rate being fixed and used to calculate interest for each day in the interest period. When using overnight RFRs on the other hand, daily rates are typically averaged over the number of calendar days in the interest period meaning any one-day spike in rates would have a significantly smaller impact on interest calculated.
- Forward-looking term RFRs may not be available in every currency, particularly those where there is no active and liquid derivatives market e.g. CHF SARON.

On 29th September 2021 the FCA confirmed that to avoid disruption to legacy facilities that reference 1, 3 and 6 month GBP and JPY LIBOR settings, it will require the LIBOR benchmark administrator to publish these settings under a 'synthetic' methodology, based on RFRs, for the duration of 2022. These 6 LIBOR settings will be available only for use in some legacy facilities from January 2022, and are not for use in new business. In September 2021 the FCA launched a consultation on which legacy contracts can use these synthetic rates.

The FCA has confirmed that the methodology for calculating these 'synthetic' rates will be: (a) ICE Term SONIA provided by ICE Benchmark Administration for GBP and the Tokyo Term Risk Free Rate (TORF) provided by QUICK Benchmarks Inc., adjusted to



be on a 360 day count basis, for JPY) plus (b) the respective ISDA fixed spread adjustment (that is published for the purpose of ISDA's IBOR Fallbacks for the 6 LIBOR settings)

These 6 LIBOR settings will become permanently unrepresentative of their underlying markets from 1st January 2022.

The application of 'synthetic LIBOR' to a loan and/or trade facility could mean that amounts currently being paid under that facility change. These could be higher or lower than currently.

Notwithstanding the above, the regulatory expectation is that users of LIBOR should continue to focus on active transition rather than relying on synthetic LIBOR. Given this and the temporary nature of 'synthetic' LIBOR it is important that you address transition and the timing of this in the context of the options available to you.

What's the impact for you? It is possible that use of a RFR may result in changes to the early payment amounts payable. Those amounts might be lower or higher than would have been payable if LIBOR had applied. Where an RFR is used, fallback provisions will be included to address unavailability of an RFR as an interest rate benchmark. The fallback provision may vary by jurisdiction and may result in changes to the early payment amounts, which may be higher or lower than would have been payable under the RFR.

If you are using a derivative product to hedge your early payments or for other purposes, the fallback interest rates that may apply may no longer match and could result in your position ceasing to be hedged appropriately by that product. Furthermore, in the event of a restructuring or termination of any associated hedging product(s) you have with HSBC or another hedging provider, a payment may be due from you to HSBC or that hedging provider. Such payment may be significant.

Where can I find further information? We are unable to provide specific advice or recommendations on this issue. We strongly recommend you seek guidance from your usual professional advisors if you have any questions. Further information is available at: www.business.hsbc.com/ibor.