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Framework Agreement for the purchase of receivables (Auto discounting with switch to manual option)
Dated [] (the Agreement)**

Between

- (1) Crystal Martin (Hong Kong) Limited a company incorporated and existing under the laws of Hong Kong whose registered office is located at 5-7/F., AXA Tower, Landmark East, 100 How Ming Street, Kowloon, Hong Kong (the Supplier); and
- (2) The Royal Bank of Scotland plc, a company incorporated and existing under the laws of Scotland and acting through its office at 250 Bishopsgate, London, EC2M 4AA, United Kingdom (the Bank).

It is agreed:

1 Conditions

The definitions, terms and conditions set out in Schedule 1 (the Conditions) shall apply to and form part of this Agreement and each Sale.

2 Purchase

- 2.1 By signing this Agreement the Supplier irrevocably agrees that, except when the Manual Discounting Option is in operation, each time a Buyer uploads an Invoice to MaxTrad (as defined in Clause 2.3 below), that will be deemed to constitute an automatic and irrevocable request by the Supplier to the Bank for the Bank to purchase the Receivable relating to that Invoice at the relevant Purchase Price (the Auto Discounting Option).
- 2.2 Subject to the terms of this Agreement, the Bank may from time to time entirely at its sole discretion agree to purchase from the Supplier one or more Receivables offered to the Bank for purchase by the Supplier. No Receivables may be offered to the Bank for purchase until the Bank has received (in form and substance satisfactory to the Bank):
 - (a) evidence that the Supplier has duly authorised the entry into and performance of this Agreement and the transactions contemplated by it;
 - (b) a consent and deed of release, if required by the Bank; and
 - (c) any other document, legal opinion, assurance or evidence the Bank requires. The Bank will tell the Supplier what documents, legal opinions, assurances and evidence it requires under this Clause.
- 2.3 The Supplier acknowledges that Buyers may use the Bank's electronic platform (MaxTrad) to upload and release Invoices for purchase by the Bank.
- 2.4 Except while the Manual Discounting Option is operating, the Supplier:
 - (a) will not be required to submit Manual Purchase Requests; and
 - (b) authorises and entitles the Bank to treat each uploading and release of an Invoice onto MaxTrad by it or a Buyer as an irrevocable offer by the Supplier to sell the related Receivable to the Bank at the relevant Purchase Price (an Automatic Purchase Request) even though the Supplier has no control over when or whether a Buyer uploads and releases any Invoice.
- 2.5 The Supplier or Bank may revoke the Auto Discounting Option at any time by giving the other party at least 3 Business Days' written notice. In addition, the Supplier may revoke the Auto Discounting Option by selecting manual discounting in the user set up form for MaxTrad completed by the Supplier when it registers to use MaxTrad or by selecting manual discounting when the Supplier completes the on-line registration process for MaxTrad. If the Auto Discounting Option is not operating, in order to offer to sell Receivables to the Bank, the Supplier must submit and release a Manual Purchase Request via MaxTrad. The Bank and the Supplier may agree to reinstate the Auto Discounting Option at any time after it has been revoked. If the Supplier wishes to reinstate the Auto Discounting Option it must issue a request to the Bank in the form set out in Schedule 2 (an Auto Discount Request). For the avoidance of doubt, at any time while the Auto Discounting Option remains revoked, the Manual Discounting Option shall be in operation.
- 2.6 The representations set out in paragraph 3.1 of the Conditions made by the Supplier are true in respect of the Supplier and each relevant Receivable that it is offering for sale to the Bank in the relevant Purchase Request and shall be deemed to be repeated on each Purchase Request Date and each Purchase Date.
- 2.7 Notwithstanding anything to the contrary contained in this Agreement, the Bank is not obliged or committed in any way whatsoever to purchase any Receivable from the Supplier under this Agreement.
- 2.8 If the Bank agrees to purchase a Receivable and subject to the Bank first:
 - (a) having received:
 - (i) any other document, assurance or evidence as the Bank may require (in form and substance satisfactory to the Bank); and
 - (ii) a validly issued Manual Purchase Request or Automatic Purchase Request (as the case may be); and
 - (b) being satisfied that the Agreement Amount has not been breached and will not be breached by the proposed purchase, (together the Conditions Precedent) the Supplier shall sell and the Bank shall purchase the relevant Receivable at the relevant Purchase Price.
- 2.9 The Supplier acknowledges that Credit Notes may be uploaded onto MaxTrad or advised to the Bank by the Buyer. The Supplier agrees, as between the Supplier and the Bank, that the Buyer uploading a Credit Note to MaxTrad or advising a Credit Note to the Bank is conclusive evidence that the relevant Credit Note Amount is payable.

2.10 Where a Credit Note is uploaded onto MaxTrad or advised to the Bank, the Supplier irrevocably agrees and authorises the Bank at its option, and without regard to any due date or other restrictions contained in any Credit Note, to:

- (a) deduct an amount equal to all or part of the relevant Credit Note Amount from the Original Amount in order to obtain the Net Amount in respect of any Receivables purchased from time to time by the Bank; and/or
- (b) set-off an amount equal to all or part of the relevant Credit Note Amount against the Purchase Price payable in respect of any Receivables purchased from time to time by the Bank; and/or
- (c) deduct an amount equal to all or part of the relevant Credit Note Amount from any amount due to the Supplier from the Buyer for which the Bank is acting as paying agent for the Buyer,

provided that, if any Credit Note Amount exceeds (i) the Original Amount or the Purchase Price payable in respect of any Receivable to be purchased by the Bank, or (ii) the amount to be paid to the Supplier by the Bank acting as paying agent (as applicable) then all or part of the excess of the relevant Credit Note Amount may be set-off against the Purchase Price or deducted from the Original Amount in respect of further Receivables, or deducted from any amount due to the Supplier from the Buyer for which the Bank is acting as paying agent for the Buyer, in each case, in accordance with the above until the relevant Credit Note Amount is zero. In no circumstances will a Credit Note or a part of a Credit Note be set-off against the Purchase Price, deducted from the Original Amount or from an amount paid as paying agent, which would result in the Purchase Price, the Original Amount or payment to be made as paying agent (as applicable) being less than zero.

2.11 If: (a) the Bank decides it wants to purchase a Receivable; and (b) the Conditions Precedent have been satisfied, then, on the relevant Purchase Date the Bank shall pay the Purchase Price for that Receivable less any amount set-off in accordance with Clause 2.10 in the Base Currency in which the relevant Receivable is denominated into the Supplier's account, as notified by the Supplier to the Bank.

2.12 If the Bank decides it does not want to purchase a Receivable, it shall have no obligation as paying agent to make payment of the Net Amount to the Supplier unless it has received from the relevant Buyer a corresponding and final payment in cleared funds of the same amount and instructions to pay such amount to the Supplier. Upon such receipt, the Bank shall pay the Net Amount to the Supplier. If the Bank as paying agent makes such payment before such receipt, the Bank may reverse all or part of such payment, making an appropriate entry to the applicable account (if applicable) and require repayment from the Supplier of an amount corresponding to each such payment.

3 Assignment

3.1 On the relevant Purchase Request Date the Supplier irrevocably agrees to assign to the Bank with full title guarantee for each Invoice the Bank discounts, the related Receivable, such assignment to take effect automatically on the Purchase Date for that Receivable.

3.2 The Supplier shall take such action, duly execute and do all such further assurances, registrations, instruments, documents, acts and things as may be required to perfect a legal assignment to the Bank of each Receivable so that the Bank shall be entitled to receive or take action to recover all of that Receivable without the Supplier being required to join in, be a party to, or take in its own name, legal action against the Buyer.

3.3 For each Sold Receivable, the Supplier irrevocably authorises the Bank to give a Notice on its behalf to the relevant Buyer.

4 No recourse

The Bank shall have no recourse to the Supplier in respect of the unpaid balance of a Sold Receivable except to the extent set out in the Conditions.

5 Miscellaneous

5.1 This Agreement constitutes the entire statement of all terms and conditions of the agreement between the parties with respect to its subject matter and supersedes and extinguishes all prior drafts, undertakings and representations whether oral or in writing or understandings.

5.2 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect, it will not affect or impair any other provisions of this Agreement.

5.3 In any litigation or arbitration proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Bank are prima facie evidence of the matters to which they relate. Any certification or determination by the Bank of a rate or amount under this Agreement or in relation to a Receivable is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

5.4 No failure to exercise, nor any delay in exercising, on the part of the Bank any right or remedy it may have under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy by the Bank prevent any further or other exercise or the exercise of any other right or remedy by the Bank. The rights and remedies of the Bank provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

6 Governing law

6.1 English law governs this Agreement, its interpretation and any non-contractual obligations arising in connection with it. The Supplier irrevocably submits to the jurisdiction of the courts of England to settle any disputes arising in connection with this Agreement, its interpretation or any non-contractual obligations arising in connection with it (a Dispute) and agrees that the courts of England are the most appropriate and convenient venue to settle any Dispute.

6.2 If the Supplier is incorporated in a jurisdiction outside England and Wales, then, if the Bank so requests, the Supplier must, within three Business Days, appoint an agent (with an office in London, United Kingdom) for service of English legal process relating to any Dispute and notify the agent's address to the Bank. If the Supplier does not do this, the Bank may appoint a service agent on the Supplier's behalf and at its expense. If the Bank does this, it will notify the Supplier it has done so and provide details of the service agent as soon as reasonably practicable.

Signed by the parties or their duly authorised representatives

Signed by)
a duly authorised for and)
on behalf of **Crystal Martin (Hong Kong) Limited**)
)

Redacted

Signed by)
duly authorised for and)
on behalf of)
The Royal Bank of Scotland plc)

Schedule 1 – Conditions

1 Definitions and Interpretation

1.1 In this Agreement unless otherwise indicated the following definitions apply.

Adverse Claim means any abatement, lien, netting, claim, defence or counterclaim, including, without limitation, claims related to shipment, delivery, damage, defect, performance, failure to meet specifications, or failure to meet expressed or implied warranties.

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

Agreement Amount means the maximum total value of Sold Receivables the Bank is willing to allow to be outstanding at any time, as notified by the Bank to the Supplier from time to time.

Auto Discount Margin means the percentage per annum as set out in the Pricing Schedule.

Auto Discount Request has the meaning given to it in Clause 2.5.

Auto Discounting Option has the meaning given to it in Clause 2.1.

Automatic Purchase Request has the meaning given to it in Clause 2.4.

Base Currency means the currency stated in the relevant Invoice or such other currency as agreed in writing between the Bank and the Supplier.

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for the transaction of business in London and, if applicable, the principal financial centre of each relevant currency.

Buyer means any purchaser of goods and/or services from the Supplier approved in writing by the Bank.

Credit Note means a credit or debit note relating to any Adverse Claim that the Buyer claims as an offset against the aggregate of sums due to the Supplier from the Buyer under the Underlying Obligation.

Credit Note Amount means the amount of the Adverse Claim specified in the relevant Credit Note.

Due Date means, for a Receivable, the date on which that Receivable becomes due and payable by the Buyer, as specified in the relevant Invoice or, if that date is not a Business Day, on the next succeeding Business Day.

Holding Company means, in relation to a person, any other person in respect of which it is a Subsidiary.

Insolvency Event means, in relation to any Person, any corporate action, legal proceedings or other procedure or step being taken in relation to:

- (a) that Person suspending payments on any of its debts;
- (b) a moratorium of any indebtedness of that Person;
- (c) the dissolution, administration, reorganisation or winding-up of that Person (including by voluntary arrangement or scheme of arrangement);
- (d) a composition, compromise, assignment or arrangement with any creditor of that Person;
- (e) the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer over that Person or any of its assets; or

- (f) the enforcement of any Security Interest over any of that person's assets (other than a Security Interest given for the limited recourse financing of the assets over which the Security Interest is being enforced),

or any analogous procedure or step being taken in any jurisdiction.

Invoice means an invoice issued by the Supplier to a Buyer in relation to goods or services provided under a Supply Contract.

Manual Discount Margin means the percentage per annum as set out in the Pricing Schedule.

Manual Discounting Option means the method of offering Receivables for sale to the Bank that applies where the Supplier or the Bank has revoked (and the Supplier has not reinstated) the Auto Discount Option under Clause 2.5.

Manual Purchase Request means a request by the Supplier to the Bank for the Bank to purchase one or more Receivables, received by the Bank as a purchase request submitted and released via MaxTrad by the Supplier.

MaxTrad has the meaning given to it in Clause 2.3.

Net Amount has the meaning given to it in the Pricing Schedule.

New Effective Date has the meaning given to it in paragraph 8.6 of the Conditions.

Notice means a notice of assignment of a Receivable, given by or on behalf of the Supplier to a Buyer by delivery method (including, without limitation, by e-mail via MaxTrad from support@maxtrad.com) and in form acceptable to the Bank.

Original Amount means, in relation to a Receivable, the net amount in the Base Currency in which the Receivable is denominated owing from the Buyer in respect of such Receivable being the aggregate amount in that Base Currency payable in respect of the relevant Underlying Obligation (including any part thereof which represents VAT on the Due Date).

Parties means the Supplier and the Bank.

Person means any individual, sole proprietorship, partnership, corporation, trust, association, limited liability company, limited liability partnership, institution, public benefit corporation, joint venture, governmental body or any other entity.

Pricing Schedule means the pricing schedule as set out in Schedule 3 as changed or amended from time to time.

Purchase Date means, for a Receivable, the date (after the relevant Purchase Request has been received by the Bank and the Conditions Precedent are satisfied) on which the Bank pays the Purchase Price.

Purchase Price means, for a Receivable, the amount in the relevant Base Currency determined in accordance with the Pricing Schedule.

Purchase Request means an Automatic Purchase Request or a Manual Purchase Request, as applicable.

Purchase Request Date means, for a Receivable, the date the Bank receives the Manual Purchase Request or the deemed Automatic Purchase Request (as applicable) for that Receivable.

Receivable means, for any Invoice, all the Supplier's right, title and interest to receive payment under that

Invoice, together with all related rights under that Invoice and the Supply Contract.

Repurchase Event means, for a Sold Receivable:

- (a) any breach by the Supplier of any term in paragraph 3 (*Representations, warranties and undertakings*) of the Conditions;
- (b) the assignment by the Supplier to the Bank of that Sold Receivable for any reason is or becomes invalid or unenforceable; or
- (c) the Buyer has paid amounts due under or in respect of the relevant Sold Receivable to the Supplier and any such amount has not been transferred to the Bank by the Supplier within 2 Business Days of receipt into the Supplier's accounts of such payment; or
- (d) payment is not received from the Buyer for that Sold Receivable to the extent that such non-payment is (in the reasonable opinion of the Bank)
 - (i) agreed between the Supplier and the Buyer; or
 - (ii) due to any failure of the Supplier to duly and fully perform any of its obligations under the relevant Underlying Obligation.

Sale means the sale of a Receivable, which occurs when the Bank agrees to purchase a Receivable and pays the Purchase Price.

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation, preferential right or security interest, trust arrangement or any other agreement or arrangement having the effect of conferring security.

Sold Receivable means a Receivable that is the subject of a Sale.

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

Supply Contract means a contract between the Supplier and the Buyer under which an Invoice has been or will be issued.

Underlying Obligation means for a Receivable, the rights the Supplier has against the Buyer under the relevant Invoice and / or Supply Contract.

VAT means any value added tax, sales tax or any similar tax in any jurisdiction.

1.2 In this Agreement any reference to:

- (a) any Person includes one or more of that person's successors and permitted assigns and transferees; and
- (b) this Agreement or any instrument is a reference to this Agreement (including the Conditions) or that instrument as amended, varied, novated, restated, supplemented or replaced from time to time.

2 Recourse

2.1 If a Sold Receivable is unpaid and a Repurchase Event has occurred, the Bank may by written notice to the Supplier require the Supplier to pay to the Bank in respect of such Sold Receivable an amount equal to:

- (a) the Net Amount of such Sold Receivable (or so much of it as remains unpaid);
- (b) if the Due Date for that Sold Receivable has passed, interest thereon at the Discount Funding Rate plus the applicable Manual Discount Margin or Auto Discount Margin (as applicable) from the Due Date for such Sold Receivable until the date of payment by the Supplier; and

- (c) any other amounts then payable by the Supplier hereunder,

whereupon such amounts shall become due and payable from the Supplier to the Bank on the date specified in such notice and shall be paid into such account as the Bank may specify.

2.2 The Supplier shall immediately pay to the Bank any amount the Supplier receives from the Buyer in relation to any Sold Receivable (including as a result of any set off) and pending any such payment shall hold any payment received from the Buyer in relation to any Sold Receivable on trust for the Bank.

3 Representations, warranties and undertakings

3.1 The Supplier represents and warrants to the Bank on each day until this Agreement has been terminated and the Bank has received payment in full in respect of each Sold Receivable (provided that representations and warranties in Clauses 3.1(a), 3.1(h), 3.1(i), 3.1(k) and 3.1(n) in respect of a Receivable are only made on the date of this Agreement, on the relevant Purchase Request Date and on the respective Purchase Date; and provided further that representations (warranties) in Clauses 3.1(e), 3.1(f), 3.1(g), 3.1(j) with respect to a Receivable are only made in relation to events that occurred (or constitute results of events occurred) on or before the Purchase Date for such Receivable):

- (a) it is duly incorporated and validly existing under the laws of the jurisdiction of its incorporation;
- (b) it has the power to execute, deliver and perform its obligations under this Agreement and all transactions contemplated by this Agreement;
- (c) its obligations under this Agreement and any terms applicable to the Supplier's use of MaxTrad constitute its legal, valid and binding obligations, enforceable in accordance with their terms;
- (d) it is (or was until its purchase by the Bank) the sole legal and beneficial owner of each Receivable;
- (e) neither this Agreement, nor any Receivable, nor any Underlying Obligation conflicts with any law or agreement or the Supplier's constitution;
- (f) all consents, authorisations, approvals and licences necessary or desirable in relation to this Agreement, any Receivable and any Underlying Obligation have been obtained or effected (as appropriate) and are in full force and effect and will remain so at all material times;
- (g) the rights of the Supplier in respect of each Receivable are assignable;
- (h) there is no outstanding dispute with the Buyer in connection with any Receivable which is the subject of the relevant Purchase Request;
- (i) the Original Amount of each Receivable and the Underlying Obligation connected with it is not affected by any Security Interest, set-off or counterclaim, or equity or other preferential right in favour of a third party;
- (j) each Receivable constitutes amounts due and payable by the Buyer in the amounts and on the due date set out in the relevant Purchase Request and constitutes an unconditional, legal, valid and binding obligation of the Buyer enforceable by the Supplier (or, once Notice has been given to the Buyer, the Bank) against the Buyer and the assets of the Buyer and has not, to any extent, been prepaid;

- (k) there are no withholding taxes or any similar tax affecting the Purchase Price paid or to be paid by the Bank to the Supplier;
 - (l) no Insolvency Event has happened to (or is pending or threatened against) the Supplier;
 - (m) to the best of the Supplier's knowledge and belief the Buyer is not insolvent and no Insolvency Event has happened to (or is pending or threatened against) the Buyer;
 - (n) the Supplier has duly delivered all goods and services as are due and required in relation to each Underlying Obligation to the Buyer's satisfaction;
 - (o) in relation to payments to be made by or to the Supplier under this Agreement, the Supplier is complying with all foreign exchange laws or regulations applicable to it; and
 - (p) in respect of each Receivable, (i) the period of time between the issuance of the related Invoice and the Due Date specified in that Invoice; and (ii) the payment terms of the related Supply Contract, comply with all applicable laws and regulations.
- 3.2 The Supplier hereby agrees and undertakes:
- (a) not to create or permit to subsist any Security Interest over all or any of the Supplier's rights in respect of each Receivable or any Underlying Obligation relating thereto and not to, or purport to, assign, transfer or otherwise deal with any of its rights in respect of any Receivable or any Underlying Obligation relating thereto other than in favour of the Bank;
 - (b) to comply with its obligations under each Supply Contract and with all relevant laws and regulations applicable to it in relation to each Underlying Obligation relating to each Sold Receivable;
 - (c) to provide to the Bank, upon request by the Bank, a certified copy or original copy of any Underlying Obligation relating to any Sold Receivable;
 - (d) promptly on the Bank's request, to supply the Bank with any information, forms and documentation it may require in order to satisfy the Bank's obligations in accordance with any:
 - (i) applicable local or foreign law, regulation, agreement or treaty between governments; or
 - (ii) international guidance; and/or
 - (iii) internal policies or procedures;
 - (e) to comply with all foreign exchange laws or regulations applicable to it and to, upon demand by the Bank, supply the Bank with evidence of such compliance or with such other information relating to any such laws or regulations as the Bank may require;
 - (f) not to amend (including the Base Currency), cancel, extend, reschedule or terminate the Underlying Obligation and not to, or purport to, terminate, revoke or vary any term or condition of or extend the Due Date of any Sold Receivable without the Bank's prior written consent; and
 - (g) to promptly do whatever the Bank requires for achieving the purposes of this Agreement or effecting the transactions contemplated hereby, including executing and / or entering into any transfer, novation, conveyance, charge, assignment or other assurance or making any registration or giving any notice, order or direction to any Person.
- 3.3 The Supplier acknowledges and agrees, and undertakes to comply, with the provisions in Schedule 4 (*Sanctions*).
- 4 Term**
- 4.1 Subject to Clause 4.2:
- (a) the Bank shall have the right, to terminate this Agreement and withdraw the receivables discounting facility offered in it at any time by giving the Supplier written notice;
 - (b) the Supplier shall have the right to terminate this Agreement at any time by giving the Bank written notice,
- and such termination shall take effect after a period of 10 Business Days or such longer period as may be specified in the notice.
- 4.2 Termination will only have future effect and will not affect any outstanding transactions, rights and obligations, including, with limitation, the provisions of this Agreement will continue in full force with respect to:
- (a) any Sold Receivables for which:
 - (i) the Due Date has not passed at the time of such termination; and
 - (ii) the Bank has not irrevocably received the Net Amount and any other amounts owing under this Agreement in full; and
 - (b) any other amounts due and payable to the Bank that have not been irrevocably received by the Bank in full.
- 5 Assignments and transfers**
- 5.1 The Bank may at any time, without the Supplier's consent, assign, transfer or sub-participate (including by way of novation) any of its rights and obligations under this Agreement or any Sold Receivable to any Affiliate or to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in securities or other financial assets.
- 5.2 The Supplier may not assign or otherwise transfer its rights, benefits or obligations or any of them under this Agreement.
- 5.3 This Agreement shall be binding on and shall inure to the benefit of each party and its successors and assigns.
- 6 Accounting treatment**
- The Supplier acknowledges that it is a sophisticated party and that it should take independent legal, tax and accounting advice to satisfy itself about the accounting and tax treatment (under IFRS or otherwise) applicable to receivables purchases made under this Agreement. The Supplier confirms that has not relied on any representation of the Bank in this regard. The Supplier is solely responsible for assessing and settling any tax liability (including but not limited to any withholding tax or VAT) it may have in respect of the transactions under this Agreement and the Bank shall not be liable for any such taxes.
- 7 VAT and tax gross up**
- 7.1 All sums payable by one Party to the other Party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is chargeable on the supply or supplies for which such sums (or any part thereof) are the whole or part of the consideration for VAT purposes. If VAT is chargeable on any supply made by the Bank to the Supplier under this Agreement, the Supplier shall pay

(in addition to and at the same time as paying the consideration for the supply) an amount equal to the amount of the VAT.

- 7.2 If a deduction or withholding is required by law to be made by the Supplier, the amount of the payment in respect of which the deduction or withholding is required to be made shall be increased to the amount which (after the deduction or withholding) will mean the Bank receives and is entitled to retain an amount equal to the payment which would have been due if no deduction or withholding had been required.

- 7.3 The Supplier shall on demand pay the Bank an amount equal to any loss, liability or costs which the Bank determines has been directly suffered by the Bank for or on account of any tax for which the Supplier is liable in respect of any transaction under this Agreement.

8 Miscellaneous

- 8.1 Other than as approved in this Agreement, a Person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement.

- 8.2 The Bank shall be obliged to perform such duties and only such duties as are specifically set forth herein, and no implied duties or responsibilities shall be read or implied into this Agreement against the Bank. Notwithstanding any other provision contained elsewhere in this Agreement, the Bank shall have no duties or obligations hereunder to any Person or entity other than the Supplier and, without limiting the foregoing, does not assume any obligation or relationship of agency or trust hereunder for, or with, Suppliers, Buyers, or any other Persons.

- 8.3 The Supplier irrevocably authorises the Bank to apply any credit balance on any account of the Supplier with the Bank in satisfaction of any sum due and payable to the Bank pursuant to the terms of this Agreement.

- 8.4 If the Supplier fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment at a rate that is: (a) two per cent higher than the rate applicable to that amount up to its due date; or (b) if no rate applied to that amount before its due date, the sum of the Bank's funding cost (as determined by the Bank in its sole discretion), the Manual Discount Margin and two per cent, and shall be immediately payable by the Supplier on demand by the Bank.

- 8.5 In no event shall the Bank be liable for any loss of profits, business, data or information or for any incidental, indirect, special or consequential damages.

- 8.6 Subject to this clause, all changes, amendments and waivers to this Agreement must be in writing and signed by or on behalf of each of the Parties. The Bank may, at any time, change or amend any provisions of this Agreement (including, without limitation, the Pricing Schedule) (or any subsequent provisions of this Agreement) in its sole discretion by written notice to the Supplier, with such new provisions to be effective on the date stated in such notice (being no earlier than the 30th day following the date of such notice) (the **New Effective Date**) and continuing until subsequently changed or this Agreement is terminated in accordance with Clause 4 of this Schedule 1 (*Conditions*). For the avoidance of doubt, any changes to the Pricing Schedule shall not affect the Purchase Price applicable to any Sold Receivables purchased prior to the New Effective Date.

- 8.7 The Supplier authorises the Bank to accept, rely and act on the Supplier's request on notices and/or instructions communicated or sent via facsimile transmissions or

telephone, electronic mail or any other form of communication acceptable to the Bank in respect of directives, instructions and/or communications (including, without limitation, Purchase Requests) involving or related to this Agreement (collectively, the "**Instructions**") purporting to originate from the Supplier and agrees that such action and/or compliance is binding on the Supplier. Without prejudice to the other terms and conditions herein, the Bank is entitled in its absolute discretion and with prior written notice to the Supplier, to refuse to act on or comply with the Instructions or the Bank is entitled to act on and/or comply with any Instructions without requiring any written confirmation from the Supplier. The Supplier accepts the inherent problems of verifying the authenticity of the Instructions and confirms that for facsimile transmissions the Bank shall only be obliged to compare the signatures shown on it with the signatures on the Bank's records. If the signature appearing in the facsimile in the opinion of the Bank adequately resembles the Supplier's registered signature, then such Instructions and any attachments thereto shall be conclusively deemed the Supplier's Instructions. Save for the measures aforementioned, the Bank has no further obligation to inquire or confirm the veracity or authenticity of the Instructions. Any fraud, forgery or impersonation of the Supplier's identity and/or signature or the identity and/or signatures of its authorised representative shall, except for the Bank's gross negligence or wilful misconduct, be the Supplier's responsibility and liability. The Supplier agrees to bear all the risks in relation to any discrepancies or errors in the figures on the Instructions due, directly or indirectly, to any malfunction and/or failure of any facsimile machines, computers or systems or misunderstanding or ambiguous Instructions except in the case of fraud, gross negligence or wilful misconduct of the Bank. Any of the Instructions executed shall be made in accordance with the guidelines or rules of the Bank and/or the Bank's normal banking practice which may be applicable to such transactions from time to time.

- 8.8 This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

- 8.9 All notices, requests and demands given or made under this Agreement to the Bank shall be given or made in English in writing to scf.trade.operations@rbs.com. If this Agreement is translated into any other language, the English language text shall prevail.

- 8.10 If the Bank pays any amount in connection with this Agreement to the Supplier in error or which results in an overpayment to the Supplier (each an "**Overpayment**") for any reason, the Supplier shall:

(a) within 2 Business Days of being aware of such Overpayment; or

(b) at the request of the Bank, within 2 Business Days of such request,

repay such Overpayment to the Bank (and such amount of Overpayment shall constitute a liquidated amount and debt due to the Bank). Any certification or determination by the Bank of an Overpayment is, in the absence of manifest error, conclusive evidence of such Overpayment.

- 8.11 If the Supplier fails to pay an Overpayment to the Bank in accordance with Clause 8.10, the Bank may, at its discretion:

(a) set off the debt constituted by the Overpayment, against: (i) all or part of any Original Amount or any other amount received from the Buyer for the account of the Supplier; or (ii) any amount owed by

the Bank to the Supplier, as a matured obligation, regardless of the place of payment, booking branch or currency of that matured obligation; or

- (b) using reasonable endeavours for up to 15 days, take reasonable steps to agree and implement a repayment schedule with the Supplier for the repayment to the Bank of the Overpayment over an agreed period by any lawful means whatsoever, including, by the Bank: (i) deducting amounts in respect of the Overpayment as appropriate from the Purchase Price in relation to future purchases of Receivables or (ii) debiting any account of the Supplier with the Bank with an amount equal to such amounts, and in the event of no such agreement or implemented repayment schedule, the Overpayment shall continue to be a debt which is immediately due and payable.

8.12 If (a) the Overpayment and (b) the relevant Original Amount or any other amount received from the Buyer or owed by the Bank to the Supplier, as the case may be, as referred to in Clause 8.11(a) (each such amount, a **Set-off Amount**), are in different currencies, the Bank may convert the relevant Set-off Amount at a market rate of exchange in its usual course of business for the purpose of the set-off.

Schedule 2– Auto Discount Request

[Letterhead of Supplier]

To: The Royal Bank of Scotland plc
250 Bishopsgate
London
EC2M 4RB

Date:[**]

Dear Sirs

This is an Auto Discount Request as referred to in clause 2.5 of the framework agreement for the purchase of receivables dated [**] (the **Agreement**) between Crystal Martin (Hong Kong) Limited (the **Supplier**) and The Royal Bank of Scotland plc (the **Bank**) regarding the proposed sale to the Bank from time to time of receivables.

We, the Supplier, would like to offer automatically the Receivable relating to each Invoice uploaded onto MaxTrad for sale to the Bank and request that you activate the Auto Discounting Option as set out in clause 2.1 of the Agreement with effect from [**] (being a date not less than 3 Business Days after the date of this Auto Discount Request).

Please confirm your acceptance of this request by signing and returning a copy of this letter to us.

Yours faithfully

for and on behalf of
Crystal Martin (Hong Kong) Limited

We acknowledge and accept this Auto Discount Request.

for and on behalf of
The Royal Bank of Scotland plc

Schedule 3– Pricing Schedule

Supplier name (please complete): Crystal Martin (Hong Kong) Limited

Buyer name (please complete): Redacted

1. Purchase Price

$$\text{Purchase Price} = \frac{\text{NA} - (\text{NA} \times ((X+N) \times Z))}{Y \times 100}$$

where:

- NA = the Net Amount;
- X = the Relevant Period;
- N = 0 (being the number of days after the Due Date that the Bank expects to receive the Net Amount)
- Y = 360 days or (in the case of Sterling) 365 days; and
- Z = the rate per annum that is the sum of the Auto Discount Margin or the Manual Discount Margin (as applicable) plus the applicable Discount Funding Rate

where:

Auto Discount Margin means 1.5 per cent. per annum.

Central Bank Rate means:

- (a) in the case of sterling, the Bank of England's Base Rate as published by the Bank of England from time to time;
- (b) in the case of US dollars, the USD discount rate as published by the Federal Reserve System from time to time;
- (c) in the case of Euros, the European Central Bank refinancing rate as published by the European Central Bank from time to time;
- (d) in the case of Swiss Francs, the Swiss National Bank Policy as published by the Swiss National Bank from time to time;
- (e) in the case of all other currencies approved by the Bank, the central bank reference rate chosen by the Bank in its absolute discretion.

provided that if any rate specified above is negative, then the rate used by the Bank shall be zero.

Discount Funding Rate means for any amount and any period:

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available for the Relevant Period) the Interpolated Screen Rate for the Relevant Period; or
- (c) if (i) no Screen Rate is available for the relevant currency or (ii) no Screen Rate is available for the Relevant Period and it is not possible to calculate an Interpolated Screen Rate, a daily rate equal to the relevant Central Bank Rate.

on the Business Day selected by the Bank on or before the Purchase Date. Contrary to market convention, the Purchase Date may not correspond with the value date for the interest rates specified for the Screen Rate or used in the calculation of the Interpolated Screen Rate.

Interpolated Screen Rate means the rate (rounded to 7 decimal places) which results from interpolating on a linear basis between:

- (a) in the case of:
 - (i) sterling, the applicable Screen Rate for the longest period for which that Screen Rate is available which is less than the Relevant Period, or, if the Relevant Period is less than one month, the SONIA (sterling overnight Index average) reference rate displayed on the relevant screen of any authorised distributor of that reference rate; or
 - (ii) any currency other than sterling, the applicable Screen Rate for the longest period for which that Screen Rate is available which is less than the Relevant Period; and
- (b) the applicable Screen Rate for the shortest period for which that Screen Rate is available which exceeds the Relevant Period.

Manual Discount Margin means 1.5 per cent. per annum.

Net Amount means the Original Amount after deducting the Credit Note Amount of any Credit Note which the Bank, in its sole discretion, has deducted from the amount due under that Receivable (in accordance with Clause 2.10(a) of this Agreement).

Relevant Period means the number of days from and including the Purchase Date to and excluding the Due Date.

Screen Rate means for any amount and period:

- (a) denominated in US dollars, the interest rate for US dollar deposits for the Relevant Period displayed on the screen display "LIBOR01" of the Reuters service;
- (b) denominated in sterling, the SONIA Term Reference Rate for the Relevant Period administered by the Term SONIA Reference Rate Provider;
- (c) denominated in euro, the interest rate for euro deposits for the Relevant Period displayed on the screen display "EURIBOR01" of the Reuters service;
- (d) denominated in Polish Zloty, the interest rate for Polish Zloty deposits for the Relevant Period displayed on the screen display "WIBOR" of the Reuters service;
- (e) denominated in Norwegian Krone, the interest rate for Norwegian Krone deposits for the Relevant Period displayed on the screen display "OIBOR=" of the Reuters service;
- (f) denominated in Swedish Krona, the interest rate for Swedish Krona deposits for the Relevant Period displayed on the screen display "STIBOR=" of the Reuters service;
- (g) denominated in Danish Krone, the interest rate for Danish Krone deposits for the Relevant Period displayed on the screen display "CIBOR" of the Reuters service;
- (h) denominated in Swiss Franc, the interest rate for Swiss Franc deposits for the Relevant Period displayed on the screen display "LIBOR02" of the Reuters service; and
- (i) denominated in any other currency, the interest rate published for that currency as advised by the Bank,

provided that: (i) if the rate displayed by the relevant page or service for the relevant currency and period is negative or (where no Screen Rate is available for the Relevant Period) the Interpolated Screen Rate is negative, then the rate used by the Bank for the Screen Rate shall be zero; (ii) if the Bank determines that any such page or service is unavailable, the Bank may use such other page or service as it may select; and (iii) if such page or service is replaced or ceases to be available, the Bank may specify another page or service displaying the relevant rate.

Term SONIA Reference Rate means a forward-looking term reference rate for an applicable period, derived from the Sterling Overnight Index Average (SONIA).

Term SONIA Reference Rate Provider means *ICE Benchmark Administration* or such other provider as may be notified to the Supplier by the Bank from time to time.

2. Effective Date

- 2.1 The effective date (the **Effective Date**) of this initial Pricing Schedule is the date as set out in the first line of this Agreement.
- 2.2 The provisions of paragraph 1 above shall be effective commencing on the Effective Date and shall, subject to paragraph 8.6 of the Conditions, continue until termination of this Agreement in accordance with Clause 4 of Schedule 1 (*Conditions*).

Schedule 4 – Sanctions

In this schedule the following terms shall have the following meanings:

“Restricted Person” means a person (including, without limitation, any legal person or vessel) that is (a) listed on, or owned or controlled by a person listed on any Sanctions List; (b) located in, incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person located in or organised under the laws of a country or territory that is the target of country-wide Sanctions; or (c) otherwise a target of Sanctions.

“Sanctions” means any economic sanctions laws or regulations, any embargoes or any restrictive measures administered, enacted or enforced by any Sanctions Authority.

“Sanctions Authority” means any of: (a) the United States government; (b) the United Nations; (c) the European Union or its Member States, including without limitation, the United Kingdom; and (d) the respective governmental institutions and agencies of any of the foregoing, including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury (“OFAC”), the United States Department of State and Her Majesty’s Treasury (“HMT”).

“Sanctions List” means the “Specially Designated Nationals and Blocked Persons” list issued by OFAC, the Consolidated List of Financial Sanctions Targets issued by HMT or any similar list issued or maintained or made public by any of the Sanctions Authorities.

1.1 The Supplier undertakes that:

1.1.1 it will comply in all material respects with all laws and regulations applicable to it or its business;

1.1.2 In connection with each underlying transaction relating to any Invoice connected to any Receivable, there is and will be no involvement by or connection with (i) any Restricted Person or (ii) any goods or services which are subject to restrictions imposed by Sanctions or (iii) any country or territory that is the target of country-wide Sanctions;

1.1.3 the Supplier, each other member of the Supplier’s group and each director, officer, agent, employee or person acting on behalf of the Supplier or such member is not a Restricted Person and does not act directly or indirectly on behalf of a Restricted Person;

1.1.4 the Supplier shall not, and shall ensure that each other member of the Supplier’s group shall not, use any revenue or benefit derived from any activity or dealing with a Restricted Person in discharging any obligation due or owing to the Bank under this Agreement and acknowledges that any payment made (or attempted to be made) to the Bank in breach of this Clause will not constitute good discharge of such obligation; and

1.1.5 the Supplier shall not and shall ensure that each other member of the Supplier’s group shall not use, lend, contribute or otherwise make available (directly or indirectly) all or any part of the proceeds of the Purchase Price or any sums paid to the Supplier by the Bank on behalf of the relevant Buyer on or around the maturity date of any Receivable to fund or benefit any trade, business or other activities (i) involving or for the benefit of a Restricted Person or (ii) in any other manner that could result in the Supplier, any member of the Supplier’s group or the Bank being in breach of any Sanctions or becoming a Restricted Person.

1.2 The Bank undertakes no obligation (and the Supplier acknowledges and agrees that the Bank undertakes no obligation) to make any payment in connection with, carry out any transaction in relation to, or otherwise to implement or perform any of its obligations under, this Agreement if in the reasonable opinion of the Bank (i) there is any involvement by or connection with (a) any Restricted Person or (b) any goods or services which are subject to restrictions imposed by Sanctions or (c) any country or territory that is the target of country-wide Sanctions or (ii) to do so is likely to result in breach of applicable Sanctions.