

SCHEDULE - PROVISION OF LOCAL BRANCH SERVICES

SPAIN



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PREAMBLE

This Local Branch Schedule supplements and amends the Investment Services Agreement for Professional Clients and Eligible Counterparties (the “**Agreement**”) which will govern the contractual relationship between the Client and HSBC Continental Europe where acting through its Spanish branch (HSBC Continental Europe, Sucursal en España, defined below as the “**Local Branch**”).

Any contractual relationship in relation to the services and financial instruments within the scope of the Agreement entered into by the Local Branch and its Clients shall be subject to the provisions of the Agreement, as amended and supplemented by this Local Branch Schedule.

Therefore:

- In case of discrepancy between the provisions of this Local Branch Schedule and the Agreement, this Local Branch Schedule shall prevail;
- any provision of the Agreement, including clauses or subclauses, which has not been amended, replaced and superseded, or supplemented, under this Local Branch Schedule shall remain unaltered (i.e., it shall not be understood as removed or derogated in any form whatsoever) and applicable to the relationship between the Client and the Local Branch under the terms provided in the Agreement, but **subject, however, to, and construed under, Spanish law for the terms provided in this Schedule 3;**
- any references to the Agreement (hereunder or in the Agreement itself) shall be understood as made to the provisions of the Agreement as, where relevant, amended or supplemented by this Local Branch Schedule 3;
- Any reference to the “Bank” in the Agreement shall be intended to include “Local Branch” for the relationship between the client and HSBC Continental Europe where acting through its Spanish Local Branch;
- in the event of any discrepancy between a provision of the Agreement and the provisions of a particular agreement relating to Transactions, Financial Instruments (for example, a *Contrato Marco de Operaciones Financieras* (CMOF) or a ISDA Master Agreement), investment services or ancillary services, the provisions of the particular agreement shall prevail insofar as the discrepancy is related to the application of a provision that is specific to the Transaction, the relevant Financial Instrument, the investment service or the ancillary service.

To the relevant purposes, the representative of the Local Branch executing hereunder ratifies all the terms and conditions of the Agreement, which shall apply to the contractual relationship between the Client and the Local Branch as, where relevant, amended and supplemented by this Local Branch Schedule.

For the sake of clarity any contractual relationship in relation to the services and financial instruments within the scope of the Agreement entered into by the Bank acting through its head office and its Clients shall be subject to the provisions of the Agreement without this Local Branch Schedule.

The Client understands and agrees that the services of Reception and Transmission of Orders (RTO), execution of Orders and dealing on Own Account, will be always provided by the Local Branch and therefore be subject to this Local Branch Schedule, unless the client expresses by its written preference that such services are provided by the head office.

ARTICLE 1 – DEFINITIONS

The terms listed below have the following meaning:

CNMV

Comisión Nacional del Mercado de Valores (Spanish National Securities Market Commission)

Dealing on Own Account

As referred to in Article 125.1.c) of the Securities Market Act, dealing on own account is carried by an investment services provider that enters into transactions in one or more financial instruments against its proprietary capital.

Execution of Orders

As referred to in Article 125.1.b) of the Securities Market Act, orders are executed on behalf of third parties by an investment services provider that enters into agreements to purchase or sell one or more financial instruments on behalf of a client.

Financial Instruments

Financial Instruments referred to in Article 2 of the Securities Market Act and referred to in Schedule 1 of the Agreement.

Investment Advice

As referred to in Article 125.1.g) of the Securities Market Act, investment advice is carried out by an investment services provider that provides personal recommendations to a client, either at its request or at the initiative of the investment services provider, concerning one or several transactions in financial instruments.

Local Branch

HSBC Continental Europe, Sucursal en España, whose head registered office is located at Plaza Pablo Ruiz Picasso 1, floor 32, Torre Picasso, 28020, Madrid, registered with the Commercial Registry of Madrid under the Tomo 38.314, Section 8, Page 1, Sheet M-681702, Entry 1, and tax identification number (N.I.F) W2502598B

Placing on a firm commitment basis

As referred to in Article 125.1.f) of the Securities Market Act, placing on a firm commitment basis is carried out by an investment services provider seeking subscribers or buyers on behalf of an issuer or a seller of financial instruments and guaranteeing them a minimum amount of subscriptions or purchases by committing to subscribe to or acquire non-placed financial instruments.

Placing without a firm commitment basis

As referred to in Article 125.1.e) of the Securities Market Act, placing without a firm commitment basis is carried out by an investment services provider seeking subscribers or buyers on behalf of an issuer or a seller of financial instruments without guaranteeing them a subscription or acquisition amount.

Reception and Transmission of Orders

As referred to in Article 125.1.a) of the Securities Market Act, receiving and transferring orders is carried out by an investment services provider that, on behalf of a client, receives and transfers orders relating to financial instruments to another investment services provider or an entity established in a non-EU/non-EEA member state and which has an equivalent status.

Securities Market Act

Law 6/2023, of 17 March 2023, approving the Securities Market Act (as amended)

Underwriting

As referred to in Article 125.1.f) of the Securities Market Act, underwriting is carried out by an investment services provider that subscribes or purchases financial instruments directly from the issuer or the seller of financial instruments with a view to their sale.

Working Day

Any day during which the Local Branch's premises are open in Madrid and Paris for business.

ARTICLE 2 – PROVISIONS OF LOCAL BRANCH SERVICES

For the purposes of this Local Branch Schedule and the provision of services by the Local Branch each of the below listed **sub articles of the Agreement** have been amended to be read as follow:

- **Experience and knowledge of the client – appropriateness of the services:**

3.1. Pursuant to Articles 195 *et seq.* of the Securities Market Act, the Client has been categorised by the Bank as **a Professional Client or an Eligible Counterparty** for all investment services and ancillary services provided under the Agreement.

Professional Client

Eligible Counterparty

As such, the Client benefits from the rules set out in Articles 195 *et seq.* of the Securities Market Act.

If the Client has been categorised by the Bank as an Eligible Counterparty, clauses 3.3, 3.4, 3.5 (as amended by clause 2 of this Local Branch Schedule) and 3.6, 3.7, 5.3, 6 as well as 7.4 and 12.7.2 of the Agreement, will not apply to the relevant Transactions. The Bank and the Client may enter into separate agreements to determine content and timing of the information to be provided by the Bank.

3.2. Pursuant to Article 196.3 of the Securities Market Act, the Client categorised as a Professional Client can waive the protection afforded by such category and ask to be treated as an Eligible Counterparty. The Client will have to provide a written statement, separate from this Local Branch Schedule, that it is aware of the consequences of waiving the abovementioned protections.

For this purpose, the Client acknowledges that the reduction in protection related to its categorisation as an Eligible Counterparty shall only be deemed valid if preceded by a suitable assessment by the Bank of the skills, experience and knowledge of the Client which shall provide the Bank with reasonable assurance, taking account of the nature of the Transactions or services, that the Client is able to make investment decisions and understand the risks that it incurs.

Conversely, and in particular, if it should consider that it is not able to assess and manage the risks incurred in the context of the performance of this Local Branch Schedule, the Client can:

- if it has been categorised as an Eligible Counterparty, ask the Bank to be treated as a Professional Client or a Retail Client either generally or for specific Financial Instruments, investment services or Transactions, in accordance with Article 196.5 of the Securities Market Act;

- if it has been categorised as a Professional Client, ask the Bank to be treated as a Retail Client either generally or for specific Financial Instruments, investment services or Transactions.

If the Bank accepts a request from the Client to be treated as a Retail Client, the Parties will enter into a version of this Schedule 3 applicable to Retail Clients.

3.3. Subject to the provision by the Client of the information referred to in clause 3.6 of the Agreement, the Bank shall, as necessary, assess the appropriateness for the Client of the proposed Transaction or services it provides to the Client under this Schedule 3. The Client acknowledges that, in the event that it fails to provide, or insufficiently provides, the information referred to in clause 3.6 of the Agreement, the Bank will not be able to determine if the Transaction or service in question is suitable.

3.4. In accordance with the provisions of Article 207 of the Securities Market Act, when the Bank only provides the Client with Execution of Orders and Reception and Transmission of Orders services, with or without ancillary services, the Bank may not proceed with the assessment referred to in the previous paragraph if the Transaction or the service in question relates to a non-complex Financial Instrument and is provided on the Client's initiative. In general, a non-complex Financial Instrument refers to shares, bonds and other debt securities admitted to trading on a regulated market or an equivalent market of a third country or on a multilateral trading facility, money market instruments, other than those incorporating a derivative or with a structure that makes it difficult to understand the risks involved, and undertakings for the collective investment of transferable securities (UCITS), among other instruments. The Client is informed that in such case, it shall not benefit from the corresponding protection under the relevant conduct of business rules.

3.5. In order to receive Investment Advice, the Client shall provide the Bank with the necessary information regarding its investment knowledge and experience in relation to the specific type of Financial Instrument, its financial situation, including its ability to withstand losses, and its investment objectives, including its risk tolerance, so that the Bank can recommend suitable investment services and Financial Instruments tailored to its risk tolerance and capacity to withstand losses. Where the Investment Advice service leads the Bank to recommend to the Client a bundled offer under Article 213 of the Securities Market Act, the Bank shall ensure that this bundled offer, as a whole, is suitable.

- **Execution of order on behalf of third parties:**

6.1. The Local Branch shall ensure Execution of Orders in the best interests of the Client, in accordance with the Order Execution Policy which was delivered to the Client and of which it acknowledges having accepted the terms. The Order Execution Policy may be provided to the Client via a website and the Client expressly consents to the provision of information in this way under the conditions set out in clause 12.10.3 of the Agreement.

Nevertheless, in accordance with Article 222 of the Securities Market Act, whenever the Client gives a specific instruction concerning the Order or any aspect of the Order, the Local Branch shall execute the Order following this instruction.

The Order is executed only if:

- the market conditions allow it; and
- it fulfils all the applicable legal, regulatory and contractual requirements.

In absence of an express instruction from the Client any commencement of execution commits the Client.

When the Order is split, the Client may request to be regularly informed of the conditions of the execution.

- **Client Information:**

6.6. As soon as the Local Branch becomes aware of the conditions of execution of the Order, the Local Branch shall send the Client a Confirmation specifying where relevant:

- the type of Order and the indication "purchase" or "sale";
- the relevant Financial Instruments, volume, and, if applicable, the Market(s) on which the Transaction has been executed;
- the date and time of the execution;
- the unit price of execution or when the Order is split, the price of each slice or the average execution price as may be agreed with the Client when placing the Order;
- the total amount of the Transaction (including commissions and expenses), distinguishing the different elements of the net amount;
- where applicable, the settlement conditions of the Transaction;
- the client's responsibilities in relation to the settlement of the Transaction; and
- if applicable, the indication that the Order has been executed in accordance with clause 6.3 of the Agreement.

Upon request of the Client, the Local Branch shall supply information on the status of the Order.

Upon request of the Client, the Local Branch may send Confirmations to any other designated person.

The Confirmation will be sent to the Client by mail, fax or, if the Client so requests, by electronic means.

The Confirmation will be sent as soon as possible and no later than the first Working Day following execution or, where the confirmation is received by the Local Branch from a third party, no later than the first Working Day following receipt of the confirmation from the third party.

The Client is invited to inform the Local Branch if a Confirmation has not been received within a reasonable period of time, taking into account the usual delivery time. The Local Branch will then issue a duplicate of the Confirmation.

- **Dealing on own account:**

7.2. Where the Transaction is an over-the-counter forward financial instrument, a securities loan or a repurchase agreement, this Transaction shall be governed by a master agreement governing relations between the Parties.

In the event of any discrepancy between the terms of the Agreement (as amended and supplemented by this local Branch Schedule) and the provisions of a master agreement, the provisions of the master agreement shall prevail.

- **Common provisions:**

12.2.1. The Local Branch is the Spanish branch of HSBC Continental Europe, a credit institution and investment services provider authorised by the European Central Bank (address: 60640 Frankfurt am

Main, Germany) and the French *Autorité de contrôle prudentiel et de résolution* (address: 61, rue Taitbout, 75436 Paris Cedex 09). The Local Branch is also under the supervision of the Bank of Spain and the CNMV. In compliance with applicable laws and regulations, the Local Branch shall act in accordance with professional practices.

12.2.2. The Local Branch shall not be held responsible for any loss or failure in the fulfilment of its obligations following the occurrence of *force majeure*, as defined by the Spanish courts, or for any other circumstance beyond its reasonable control.

12.2.7. The Local Branch shall fulfil its obligations under the Agreement in accordance with its conflict of interest policy, a summary of which is at the Client's disposal at that following address: <http://www.business.hsbc.fr/fr-fr/mifid-en>

- **Obligations of the Client:**

12.3.1. The Client undertakes to comply with the Spanish and foreign regulations applicable to it or those which are applicable to this Local Branch Schedule.

- **Professional secrecy:**

12.4.1. In accordance with Article L.511-33 of the Monetary and Financial Code and art. 83 law 10/2014 of 26 June 2014 on the regulation, supervision and solvency of credit institutions, the Local Branch is bound by professional secrecy obligations.

However, this secrecy may be waived in accordance with the law at the request of supervisory authorities, a tax or customs administration or through an enforceable judicial act in the context of criminal proceedings.

All information obtained by the Local Branch under this Local Branch Schedule and the Transactions may be communicated to and used by Group Companies or by any third party when necessary or useful; on the one hand, this is meant for the execution and management of this Local Branch Schedule and the Transactions and, on the other, for the effectiveness of the commercial relation related to this Local Branch Schedule and for the purposes of risk control including, but not limited to the prevention of money laundering and terrorism financing, reporting obligations and audit requirements.

Without prejudice to cases where the Local Branch is released from the respect of professional secrecy obligations in accordance with the law, the Client agrees that the above information may be communicated to Group Companies or to a third party under the conditions set out above and, to this end, releases the Local Branch from complying with professional secrecy obligations.

- **Personal data:**

12.4.2. All personal data is collected, processed and stored in accordance with *HSBC Privacy Notice* available for consultation at the following address <https://www.business.hsbc.es/en-gb/es/generic/privacy> and available upon request in any HSBC branch or from your usual contact.

- **Telephone records and electronic communications:**

12.8.2. The Client acknowledges that a duplicate of the recording of conversations and communications shall be available upon request for a period of five years and, if the CNMV or the AMF so requests, for seven years, unless this period must be extended under the applicable regulations.

- **Complaints:**

12.9.2. The Client may submit its complaint or request to the Claims Processing Department, at the following address: reclamacionesclientes@hsbc.com. A copy of the Local Branch's internal complaint handling procedures, detailing the procedures in place to process complaints, shall be sent to the Client upon request and is available on the website: <https://www.business.hsbc.es/en-gb/es/generic/contact-us#complaints>.

- **Applicable Law and Jurisdictions:**

12.13. The provisions of the Agreement, as amended or supplemented by this Local Branch Schedule, are subject to Spanish common law (*legislación española sustantiva común*).

In case of difficulty regarding the validity, interpretation or enforceability of the Agreement, as amended or supplemented by this Local Branch Schedule, the courts of the city of Madrid shall have exclusive jurisdiction.

In Madrid, in two original copies, on

SIGNATORIES

**HSBC Continental Europe
Sucursal en España**

LEI : F0HUI1NY1AZMJMD8LP67

LEI :

Name :

Name :

Title :

Title :

Signature :

Signature :

Name :

Name :

Title :

Title :

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