

PAYMENT AGREEMENT EXCEPT IN CASE OF A REFUSAL

1 - MANDATE

The Client mandates the Bank and the Bank accepts to pay without further notice to the Client, by debiting any of the Client's accounts, the commercial bills domiciled in the Bank's books as set out in the special conditions.

2 - CUSTOMER INFORMATION

2-1 Electronic notice of domicile

If the Client has previously signed one of the following bank communication contracts and associated service(s) with the Bank:

- HSBC Connect under the EBICS protocol (EBICS TS package or full EBICS T package), including the services "LCR/BOR¹ domicile statement (OC60)" and "Response to LCR/BOR¹ domicile notices (LC61)", and has the systems to use them,
- HSBCnet, including the "Bills of exchange to pay (France) – LCD" service,

then the Client may, four working days² before their settlement date, obtain information from the Bank of the negotiable instruments for which payment must be made through an electronic notice of domicile.

This notice of domicile shall contain all the information necessary for the identification of the said commercial bills: name of the drawer or beneficiary, nature of the commercial bill, amount, maturity date, mention of acceptance if applicable.

2-2 Paper notice of domicile

If the Client has not previously signed one of the two above-mentioned bank communication contracts with the Bank, then a paper notice of domicile indicating the commercial bills to be paid is sent by standard mail³ to the Client four working days² before the settlement date of the instrument(s).

This notice of domicile shall contain all the information necessary for the identification of the said negotiable instruments: name of the drawer or beneficiary, nature of the commercial bills, amount, maturity date, acknowledgement of acceptance if applicable.

Even if the Client has subscribed to one of the two above-mentioned bank communication contracts, only the sending of the paper notice of domicile is possible if the "Mandate 02" option has been selected under the special conditions.

2-3 In any event, the Client hereby releases the Bank from any liability where the non-performance of its obligations results from any event that can reasonably be considered as beyond the control of the parties making the performance of this contract temporarily or definitively impossible, in particular the occurrence of a natural disaster, the outbreak of war, the commission of acts of terrorism, an industrial action, an act of government, a legislative or regulatory change, or damage to materials or energy. In such a case, the Bank will inform the Client of the occurrence of such events as soon as possible. The Bank and the Client will then jointly define the substitute procedure to be implemented.

In addition, the Client waives any legal action against the Bank when the non-performance or poor performance of this contract results from a lack of internal organisation by the Client or a fault on the part of one of its employees. In such cases, the Client shall immediately inform the Bank in writing as soon as the Client becomes aware of it.

Without prejudice to the other provisions of the contract, in the event of an unforeseeable change in circumstances leading to a risk of excessively onerous performance of the contract, the parties undertake to enter into negotiations to find a solution that is reasonably satisfactory to the parties and agree not to invoke the provisions of Article 1195 of the Civil Code. If the parties do not reach an agreement within 8 calendar days of the start of negotiations, the contract will be terminated by operation of law.

The Client acknowledges having been fully informed by the Bank that it is up to the Client to ensure that the sums due and the payment of which is made by the presentation of the commercial bills are true, the Bank being discharged from any obligation in this respect.

3 - REFUSAL OF PAYMENT

The Client may at any time refuse the total or partial payment of one or more commercial bills that are available for payment, provided that this decision of refusal reaches the Bank no later than 3 p.m. on the day before⁴ the settlement date of the commercial bill concerned. This refusal must be made in the following forms and conditions, according to the Mandate selected under the special conditions:

• **ELECTRONIC NOTICE OF DOMICILE** ("Mandate 05"): by an instruction from the Client sent to the Bank via the bank communication contract referred to above.

• **PAPER NOTICE OF DOMICILE** ("Mandate 01" or "Mandate 02") : by returning to the Bank, in particular by fax to the Bank entity referred to in the special conditions, the copy of the paper domiciliation notice containing decision to refuse payment.

The Bank informs the Client that any instruction relating to a negotiable instrument sent by the Client via the banking communication contract referred to in 2.1 cancels the previous instruction concerning the same instrument and received in the same way.

To avoid the risk of the Bank approving the payment, the Client shall refrain from using any means other than those indicated above to inform the Bank of his decision to refuse the total or partial payment of a negotiable instrument.

In the absence of a refusal of payment received from the Client by the Bank before 3 p.m. on the day before⁴ the settlement date of the negotiable instrument, the Client may reject the negotiable instrument in question up to 5 banking working days⁴ after the settlement date. Regardless of the Mandate selected ("Mandate 01", "Mandate 02" or "Mandate 05"), this rejection must be made by the Client to the Bank entity referred to in the special conditions.

4 - PROOF OF PAYMENT

The debit entry posted on the Client's account(s) listed in the special conditions, serves as proof of payment and shall serve as a payment receipt.

In the event of partial payment, in addition to the related debit entry recorded on the Client's account(s), the latter will receive a statement of payment receipt from the Bank.

5 - MODIFICATION

The Bank reserves the right to modify all or part of this contract, in particular the forms and conditions stipulated in Article 3 - Refusal of payment, or to take account of technical progress in communication and telecommunication protocols or changes in the equipment used for the transfer of information.

The new terms and conditions shall enter into force at the end of a period of two months from the notification made to the Client or made available to the Client by any medium, in particular on the www.hsbc.fr website.

After this period, the modifications are enforceable against the Client if the Client has not terminated this contract.

6 - DURATION - TERMINATION

This agreement is entered into for an indefinite period.

Either party may terminate this contract by sending a registered letter with proof of receipt by the other party, subject to a notice period of 15 calendar days from the date of sending the said letter.

7 - APPLICABLE LAW - ATTRIBUTION OF JURISDICTION

This contract is governed by French law.

¹ "LCR/BOR" stands for "Lettre de Change Relevé/Billet à Ordre Relevé" i.e. bills of exchange/promissory notes

² A day on which the Bank carries out an activity that allows payment transactions to be carried out

³ Subject to postal delivery times

⁴ On a day on which the interbank exchange systems are open and the Bank carries out an activity that allows payment transactions to be carried out.

Any dispute relating to the interpretation or execution of these terms and conditions shall be subject to the jurisdiction of the Commercial Court of Paris.

8- PERSONAL DATA

All personal data related to these Terms and Conditions is collected, processed and stored in accordance with the Personal Data Protection Charter, which can be consulted at the following address: <https://www.business.hsbc.fr/fr-fr/regulations/protection-des-donnees/> and available on request from the Client's usual contact person at the Bank.

9 - EFFECTIVE DATE

This contract will come into force from the first provision of a notice of domicile, through electronic or paper means.