

**DATE:**

**(1) The Hongkong and Shanghai Banking Corporation Limited, Seoul  
Branch**

**(2) [insert name of Principal Buyer]**

**and**

**(3) THE ADDITIONAL BUYERS NAMED HEREIN:**

**SUPPLY CHAIN FINANCE**

**APPROVED INVOICE -**

**MASTER BUYER AGREEMENT**

THIS AGREEMENT is made on [ ]

**BETWEEN:**

- (1) **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SEOUL BRANCH** [HSBC Building 37, Chilpaero Chung-Ku, Seoul, Korea] ("**Principal HSBC Counterparty**");
- (2) [**INSERT NAME OF PRINCIPAL BUYER**] [*Address*] ("**Principal Buyer**"); and
- (3) **THE COMPANIES LISTED IN SCHEDULE 4** ("**Additional Buyers**").

**IT IS AGREED:**

**1. DEFINITIONS AND INTERPRETATION**

- (a) In this Agreement:

**"Acceding Buyer"** means a company which accedes pursuant to clause 11 (Accession of Buyers);

**"Acceding HSBC Counterparty"** means a company which accedes pursuant to clause 13 (Accession of HSBC Counterparties); branches and/or affiliates of HSBC in each country;

**"Accession Agreement"** means an agreement substantially in the form set out in schedule 2 (Form of Accession Agreement);

**"Additional Schedule"** means a schedule appended to this Agreement in accordance with clause 14 (Additional Schedules);

**"Additional Schedule Effective Date"** means the date on which an Additional Schedule has been duly signed by each relevant Party, appended to this Agreement, and any conditions precedent have been satisfied to the satisfaction of the Principal HSBC Counterparty;

**"Additional Transaction Chapter"** means a schedule to this Agreement or an Accession Agreement headed "Additional Transaction Chapter;"

**"Adjustment Amount"** means a discount amount (if any), pre-agreed between the Buyer and relevant Supplier, to be applied to the relevant Trade Invoice;

**"Affiliate"** means, in relation to a Party, a Subsidiary or a Holding Company of it or any other Subsidiary of that Holding Company;

**"Agreement"** means this agreement (including its schedules) as amended or modified from time to time by any Accession Agreement, Additional Schedule or as otherwise agreed between the Parties in writing;

**"Applicable Transaction Chapter"** means the relevant Initial Transaction Chapter or Additional Transaction Chapter applicable to a Party;

**"Benchmark Rate"** refers to (a) the yield of a 91-day (If the maturity is between 80 and 100 days it will be treated as a 91-day maturity) CD issued by a commercial bank with an AAA or higher credit rating from a credit rating agency, in the case of Korean Won (KRW). This rate is calculated based on the base yield submitted to the Financial Investment Association (the "Association") by the reporting institution. (i) In the event that CD yield calculation is discontinued, the alternative rate will be the average interest rate of five bond rating companies based on the 3-month CD market valuation standard yield (AAA rating). The basis for selection the applicable rate is that it follows a trend similar to the CD yield published by the Association and is based on the rate calculated and disclosed by a bond rating agency. (ii) The Bank shall announce the reason and content of the suspension of the CD yield calculation, the period, etc. on its website, and take measures to provide information on the yield and selection criteria that can replace the CD yield. (iii) If a situation arises where the CD yield cannot be calculated, the Bank will notify the public via phone, email, or website notice. (b) In the case of United States Dollars (USD), the rate refers to the Term SOFR screen rate as of one (1) business day prior to the first day of the interest period. The Term SOFR screen rate is the rate published by CME Group Benchmark Administration for the applicable term. If the corresponding term rate is not published, the Bank may use the closest available rate for a similar term;

**"Business Day"** refers to a day when a bank operates for normal business activities in the jurisdiction.

**"Buyer"** means, as the context requires, an Original Buyer or an Acceding Buyer unless, in either case, it has ceased to be a Buyer;

**"Buyer Approved Amount"** means the amount (in aggregate, if applicable) that the Buyer has notified to the HSBC Counterparty [ (or which is deemed notified)] as part of the Buyer Required Information as the amount approved by the Buyer

for payment (inclusive of any applicable Tax) in relation to the Buyer Invoice(s) less any Qualifying Credit Note [or Retention];

**"Buyer Invoice"** means any Trade Invoice that the Buyer, using the Communication Channel, has (in exercise of its absolute discretion) decided to confirm or approve for payment by the HSBC Counterparty to the relevant Supplier on behalf of the Buyer and for which the Buyer has provided the Buyer Required Information;

**"Buyer Required Information"** means such of the information set out in schedule 1 (Buyer Required Information) notified by the Buyer to the HSBC Counterparty, and relating to a Buyer Invoice, in the form of a file uploaded and/or forwarded to the HSBC Counterparty through the Communication Channel in an agreed format or in such other form as may be agreed from time to time by the Buyer and the HSBC Counterparty;

**"Buyer Retention"** means a retention by the Buyer notified to and agreed by the Supplier with respect to any Buyer Invoice;]

**"Change of Control"** means any person or group of person acting in concert gains direct or indirect control of the [Buyer][Parent]. For the purpose of this definition: (a) "control" means: (i) the power to: (A) cast, or control the casting of, more than [one-half] of the maximum number of votes that might be cast at a general meeting; (B) appoint or remove all, or the majority, of the directors or other equivalent officers; or (C) give directions with respect to the operating and financial policies with which the directors or other equivalent officers are obliged to comply; (ii) the holding beneficially of more than 50 per cent of the issued share capital (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and (b) "acting in concert" means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition (directly or indirectly) of shares by any of them, either directly or indirectly, to obtain or consolidate control;

**"Communication Channel"** means the agreed method for communications between a HSBC Counterparty and the Buyer or Platform Provider or Supplier (as applicable), including via a communication platform provided by a Platform Provider;

**"Early Payment Charge"** refers a fee borne by the Supplier when the Supplier requests early payment for the Approved Invoice that the Buyer is to pay before the Invoice Settlement Date, and it is calculated as follows;

$$\text{Early Payment Charge} = \text{Buyer Approved Amount} \times \text{Discount rate} \times \text{Term} / 360^*$$

(for KRW, 365, and 366 in leap years)

**"Effective Date"** means the date when the Principal HSBC Counterparty gives notice to the Principal Buyer that the requirements of schedule 3 (Conditions Precedent) have been satisfied;

**"Eligible Buyer Invoice"** means any Buyer Invoice which is not a Rejected Invoice and which, where applicable, the relevant HSBC Counterparty has notified the Supplier, via the Communication Channel, is available for payment by that HSBC Counterparty;

**"Discount Rate"** refers to the interest rate agreed upon between the Buyer and the Bank, which is a) the relevant benchmark interest rate plus b) a margin of [ ] %;

**"Fees and Charges"** means the fees and charges payable to the HSBC Counterparty in accordance with schedule 5 (Fees and Charges);

**"Holding Company"** means any company or corporation in respect of which a Party is a Subsidiary;

**"HSBC Counterparties"** means, as the context permits, the Principal HSBC Counterparty and any Acceding HSBC Counterparty and "HSBC Counterparty" shall be construed accordingly;

**"HSBC Group"** means HSBC Holdings plc and its Subsidiaries and associate undertakings, including any of their branches from time to time;

**"HSBCnet Agreement"** means an agreement entered into or amended for use of HSBCnet, the HSBC Group's online transaction services facility, for the purposes of this Agreement;

**"Initial Transaction Chapter"** means the schedule headed as such and being the Applicable Transaction Chapter for the Principal HSBC Counterparty and the Original Buyers;

**"Invoice Due Date"** means the original due date for payment of a Trade Invoice specified in the relevant Buyer Required Information;

**"Invoice Settlement Date"** means the date (which may, if agreed between the Buyer and the relevant Supplier, differ from the Invoice Due Date) which is the latest date on which the Buyer unconditionally agrees to pay the Buyer Approved Amount and (a) identified in the relevant Buyer Required Information or (b) determined by agreed parameters with reference to the Invoice Due Date, such parameters confirmed by the Buyer and the relevant HSBC Counterparty

based on criteria such as the Buyer's payment scheduling; unless such date is subsequently amended (i) in compliance with clauses 2(a) and 2(b) of this Agreement, and (ii) by agreement between the Buyer and the relevant Supplier; for the avoidance of doubt if the relevant date identified in the Buyer Required Information, determined by agreed parameters or after a valid amendment is not a Business Day, then it shall be deemed to have been identified as the next following Business Day;

**"Invoice Shipping Information"** means the information detailed at paragraph 22 of schedule 1 (Buyer Required Information);

**"Original Buyer"** means the Principal Buyer or an Additional Buyer;

**"Parent"** means [insert name and address];

**"Parties"** means the HSBC Counterparties and the Buyers from time to time and "Party" shall be construed accordingly;

**"Payable Amount"** means the amount payable by the HSBC Counterparty to a Supplier in respect of the Buyer Approved Amount for a relevant Eligible Buyer Invoice (subject to the discretion provided for in clause 4.2(b) of this Agreement and taking account of any terms agreed between the HSBC Counterparty and the Supplier as envisaged by clause 4.2(a)(ii));

**"HSCF Platform Agreement"** means an agreement headed as such;

**"Qualifying Credit Note [ or Retention]"** means, with respect to a Buyer Invoice, a credit note issued to the Buyer by the Supplier [ or Buyer Retention (as applicable)] notified to the HSBC Counterparty through the Communication Channel prior to the earlier of the date the HSBC Counterparty makes any payment pursuant to clause 4 and [ ] days prior to the Invoice Settlement Date;

**"Platform Provider"** means Kyriba Corp and its subsidiaries and affiliates and, where the context permits, agents or sub-contractors;

**"Rejected Invoice"** means any Buyer Invoice which the HSBC Counterparty has declined in accordance with clause 2(d);

**"Relevant Buyer Affiliate"** means the affiliate of the relevant Buyer;

**"Approved Currency"** refers to the currency specified in Schedule 1 (Buyer Required Information), and it is used for the payment when the relevant Buyer Approved Amount is displayed.

**"Subsidiary"** means a company or corporation (a) controlled, directly or indirectly, by another company or (b) where more than half the issued share capital is, directly or indirectly, beneficially owned by another company or (c) which is a subsidiary of another subsidiary of another company, and, for these purposes, being controlled by another company means that other company is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

**"Supplier"** means any entity from which a Buyer from time to time purchases goods and/or services;

**"Target Account"** means such account(s) as the HSBC Counterparty may agree with the Buyer in relation to each Approved Currency for receipt of Buyer Approved Amounts in respect of Eligible Buyer Invoices in the Approved Currency to which that account relates and initially confirmed in this Agreement or, with respect to Acceding Buyers, as confirmed in the relevant Accession Agreement and, subsequently, such other account(s) as the HSBC Counterparty may agree with the Buyer for such purposes;

**"Tax"** means any tax (including without limitation any value added, sales 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;

**"Term"** refers to the number of days from the early payment date (inclusive) to the Invoice Settlement Date (exclusive).

**"Trade Invoice"** means any invoice evidencing a monetary payment obligation of a Buyer to a Supplier arising from the purchase of goods and/or services;

**"Transaction Chapter"** means an Initial Transaction Chapter or an Additional Transaction Chapter; and

**"Unpaid Amounts"** has the meaning set out in clause 4.1(d).

(b) Reference to:

(i) the singular includes the plural and vice versa;

(ii) this "Agreement", an "Accession Agreement" or any other agreement is to each as it may be amended, supplemented, extended, restated, novated or replaced from time to time;

- (iii) the "Principal Buyer", an "Additional Buyer", an "Acceding Buyer", a "Buyer", the "Principal HSBC Counterparty", the "HSBC Counterparty", a member of the HSBC Group, a "Supplier" or any other person includes its permitted successors and permitted assigns;
  - (iv) clause headings are for convenience only and do not affect interpretation; and
  - (v) a "clause" or a "schedule" shall, unless the context otherwise requires, be a reference to a clause of or a schedule to this Agreement.
- (c) Terms and expressions not otherwise defined in this Agreement shall with respect to the Buyer and the HSBC Counterparty have the meaning set out in the Applicable Transaction Chapter for such Buyer or HSBC Counterparty.
- (d) In the event of any inconsistency between an Applicable Transaction Chapter and the other terms of this Agreement (except any Platform Schedule) as regards a relevant Buyer and relevant HSBC Counterparty, the terms of the Applicable Transaction Chapter shall prevail. In the event of any inconsistency between the HSCF Platform Agreement and the other terms of this Agreement as regards a relevant Buyer and relevant HSBC Counterparty, the terms of the HSCF Platform Agreement shall prevail.

## **2. PROCESS IN RELATION TO BUYER INVOICES**

- (a) The Buyer may from time to time notify the HSBC Counterparty of Buyer Required Information in respect of any of its Trade Invoices using the Communication Channel. The Buyer shall not amend any notified Buyer Required Information except that, subject to clause 2(b), the Buyer may notify the HSBC Counterparty (using the Communication Channel) that the Invoice Settlement Date of a Trade Invoice has been brought forward to an earlier date.
- (b) Notwithstanding clause 2(a), the Buyer undertakes not to amend the Invoice Settlement Date relating to a Buyer Invoice within [2] days of the originally notified Invoice Settlement Date.
- (c) The Buyer shall not notify the HSBC Counterparty of Buyer Required Information in respect of any Trade Invoice if the Buyer is, or should be, aware that a third party holds an interest (including, but without limitation, any ownership or security interest) in the relevant Trade Invoice or the debt represented thereby.
- (d) The HSBC Counterparty in its sole and absolute discretion may advise the Buyer, at any time prior to the Invoice Settlement Date, using the Communication Channel or otherwise in writing, that a Buyer Invoice is declined by the HSBC Counterparty.
- (e) The Buyer undertakes to inform the HSBC Counterparty in writing if information about any Supplier changes, including (but not limited to) any change in account details for Supplier receipt of payment, and will do so before submitting any further Buyer Required Information in respect of Trade Invoices relating to that Supplier. The Buyer agrees that it will maintain records of the applicable Buyer Required Information for such period as is required by applicable law, and will promptly provide copies of such records to the HSBC Counterparty upon request.

## **3. INFORMATION OBLIGATIONS**

### **3.1 Buyer information obligations**

- (a) The Buyer shall provide or procure the provision of all information which the HSBC Counterparty reasonably requires from time to time including but not limited to the Buyer's name, address, business registration number, contact information (name, phone number, e-mail address of the contact person) and account details for payment (bank name, account holder and account number) to enable the HSBC Counterparty to exercise its rights and discretions and/or perform its obligations under this Agreement and/or to effect payments to any Supplier.
- (b) The Buyer shall receive a "Buyer Information Form" from the Supplier and check that all information provided is true, complete and accurate in all material respects before providing it to the HSBC Counterparty pursuant to this Agreement.

(c) The Buyer acknowledges and agrees that:

(i) the HSBC Counterparty may, without enquiry, rely on, act on and assume the truth and accuracy (and the Buyer's obligations herein are unaffected by any inaccuracy) of all Buyer Required Information and other information provided to it in relation to the matters contemplated in this Agreement by or on behalf of the Buyer; and

(ii) no member of the HSBC Group (including the HSBC Counterparty) shall be required or concerned to investigate or examine or confirm the truth and accuracy of Buyer Required Information or any other information, whether against the records of any member of the HSBC Group or any other person or otherwise, and none of them shall be liable to any Buyer, Supplier or other person for not doing so, unless there is negligence or wilful misconduct on the part of the member of the HSBC Group.

(d) Each Original Buyer confirms to the HSBC Counterparty that it has made its own independent evaluation and review of this Agreement (and its accounting treatment) with its accountants, independent auditors and legal counsel and has not relied upon any marketing materials provided or statements made by any member of the HSBC Group.

(e) The Buyer shall promptly notify the HSBC Counterparty of a Change of Control.

### **3.2 HSBC Counterparty's information obligations**

(a) The Principal HSBC Counterparty shall make available, to the Principal Buyer, a user guide which outlines process and procedure for the facilities under this Agreement.

(b) The HSBC Counterparty agrees to comply with reasonable requests by the Buyer for information as to transaction history relevant to the operation of this Agreement, provided that there is no legal, regulatory or internal policy reason not to disclose such information in the HSBC Counterparty's opinion.

3.3 In respect of the performance of information obligation, each party shall comply with relevant laws and regulations, including prior consent of the information subject, stipulated in relevant laws such as the Personal Information Protection Act, the Act on the Use and Protection of Credit Information, and the "Act on Real-Name Financial Transactions and Confidentiality."

## **4. PAYMENT OBLIGATIONS**

### **4.1 Buyer payment obligations**

(a) In consideration of the HSBC Counterparty's covenants and undertakings set out in this Agreement, the Buyer shall pay the amount equal to the full Buyer Approved Amount of each of its Eligible Buyer Invoices to the relevant HSBC Counterparty on or before the relevant Invoice Settlement Date, such payment to be made by crediting cleared and immediately available funds to or the relevant HSBC Counterparty direct debiting an account of the Buyer to receive funds to the relevant Target Account, quoting any reference number provided by the HSBC Counterparty.

(b) The Buyer's obligation to make each payment referred to in clause 4.1(a) is unconditional and applies to the full Buyer Approved Amount regardless of the Buyer Invoice, and it is not affected by any act, omission, matter or thing which, but for this clause 4.1, would reduce, release or prejudice the Buyer's obligations under this Agreement. This means that in the event of any payment by HSBC Counterparty under Clause 4.2(a)(ii), the Buyer shall fully fulfil its payment obligations under Clause 4.1(a) and the Buyer agrees to not make any claim against HSBC Counterparty in respect of such payment.

(c) For the purposes of determining whether the amount referred to in clause 4.1(a) for any Buyer Invoice has been paid, if the relevant Buyer remits or credits funds to the HSBC Counterparty on or prior to an Invoice Settlement Date but there are other payments which the Buyer has requested (or are otherwise due to be made) on that date and the funds remitted or credited as aforesaid are insufficient to extinguish its payment obligations in full, the HSBC Counterparty may, but shall not be bound to, appropriate such funds towards fulfilment of the payment obligation referred to in clause 4.1(a), pay any remaining amount in accordance with the Buyer's written or email

instructions (as defined in Clause 18(i)) and will not be liable for non-payment due to insufficient funds unless there is negligence or wilful misconduct on the part of the HSBC Counterparty.

- (d) If on any day any amount is due and payable but unpaid by the Buyer to the HSBC Counterparty under this Agreement ("Unpaid Amounts"), it shall be payable on demand of the HSBC Counterparty and the Buyer irrevocably and unconditionally authorises the HSBC Counterparty to debit one or more bank accounts (including but not limited to Target Account) in the name of the Buyer with the HSBC Counterparty in satisfaction of such Unpaid Amounts. HSBC Counterparty shall be entitled to make such debits notwithstanding the occurrence of any of the following and the HSBC Counterparty shall notify the Buyer in writing after the Unpaid Amounts have been withdrawn. However, if withdrawal is made from a bank account other than the Buyer's Target Account, the HSBC Counterparty shall notify the Buyer ( ) business day prior to the withdrawal.
- (i) any stop payment order or notice of fraud, forgery or other defect from the Buyer or the Platform Provider, or any other demand, notice, order or direction from the Buyer or the Platform Provider;
  - (ii) the occurrence of any insolvency or bankruptcy event or procedure in respect of the Supplier;
  - (iii) any right of recovery or set-off which the Buyer may have against the Supplier;
  - (iv) any non-delivery or rejection of the goods or services covered by any Buyer Invoice;
  - (v) any revocation or purported revocation of approval by the Buyer of any document or any goods or services covered thereby; or
  - (vi) Overdraft or exceeding of the credit limit of the Target Account due to this withdrawal.
- (e) If the withdrawal of the Unpaid Amount under 4.1(d) results in overdraft or exceeding of the credit limit in the Target Account, the Buyer shall be liable for paying the HSBC counterparty the ordinary fees charged for the transaction.
- (f) For the avoidance of doubt, all Buyer Approved Amounts under this Agreement shall be paid by the Buyer to the HSBC Counterparty without any set-off or counterclaim and free and clear of any deduction or withholding on account of Tax or otherwise.

#### **4.2 Payments by the HSBC Counterparty**

- (a) The Buyer:
- (i) instructs and authorises the HSBC Counterparty to act as the Buyer's paying agent for Eligible Buyer Invoices and hereby gives an irrevocable instruction to transfer the Payable Amount to the account of a relevant Supplier in respect of the Buyer Approved Amount for each Eligible Buyer Invoice no later than the Invoice Settlement Date; and
  - (ii) agrees that, notwithstanding the instruction and authority to act as paying agent given in this clause 4.2(a) above, the HSBC Counterparty may alternatively (in its absolute discretion and with no obligation to do so, notwithstanding the Buyer providing the Buyer Required Information), in paying the Payable Amount, by terms agreed with the Supplier, purchase the receivable or acquire cashflow rights in respect of the relevant Eligible Buyer Invoice with early payment fee deducted; if the HSBC Counterparty exercises its discretion to purchase the receivable or acquire cashflow rights, the instruction to transfer the Payable Amount to the relevant Supplier under clause 4.2(a)(i) shall be deemed to be automatically amended to transfer it to the HSBC Counterparty without any further action on the part of the Buyer or the HSBC Counterparty (as opposed to the account of the relevant Supplier).

Such payments by the HSBC Counterparty will be made in accordance with the details set out in the Buyer Required Information. Account details for payment may be varied by the Buyer where notice is given to, and receipt is confirmed by, the HSBC Counterparty.

- (b) The HSBC Counterparty shall pay the relevant Payable Amount no later than on the Invoice Settlement Date pursuant to clause 4.2(a) provided always that the HSBC Counterparty's obligation (as opposed to discretion) to pay the relevant Payable Amount only arises when the Buyer Approved Amount, together with any applicable Fees and Charges, in respect of such Eligible Buyer Invoice has been remitted or credited in full and in cleared and immediately available funds to the Target Account. In the event that crediting or remitting of the relevant funds to the Target Account is for any reason later than the Invoice Settlement Date, the HSBC Counterparty's obligation (as opposed to discretion) to pay the relevant Payable Amount is to do so within a reasonable period of time of receipt of such credit or remittance and on such conditions as the Buyer may require. If there is no condition required by the Buyer, the payment may be made on such conditions as the HSBC Counterparty may require.
- (c) The Buyer acknowledges that the HSBC Counterparty is hereby authorised by the Buyer, and shall be entitled, to retain from sums from time to time credited to or deposited into the Target Account, for the HSBC Counterparty's own account, the full Buyer Approved Amount for Eligible Buyer Invoices without any deduction or withholding whatsoever.
- (d) The Buyer agrees to keep the HSBC Group and its officers, directors, employees, attorneys and agents indemnified against any claim for any damages, losses, costs and expenses (including, without limitation, professional advisers' fees) properly incurred or suffered by any member of the HSBC Group in relation to this Agreement or as a direct consequence of any breach by the Buyer of this Agreement or the use by the Buyer of the Communication Channel and to make payment to the HSBC Counterparty immediately on demand, unless incurred as a direct result of a member of the HSBC Group's negligence or wilful misconduct.
- (e) The Buyer shall ensure that the Relevant Currency in respect of all Buyer Invoices shall be an Approved Currency.
- (f) The Buyer shall ensure that each payment it makes to the HSBC Counterparty relating to a Buyer Invoice shall be denominated in the Relevant Currency for that Buyer Invoice.

## **5. HSBC LIABILITIES**

- (a) The HSBC Counterparty agrees to provide such services and perform such obligations under this Agreement as are specifically set out in this Agreement and no implied obligations or duties shall be construed or implied into this Agreement as applying to any HSBC Counterparty.
- (b) The HSBC Counterparty has no obligations or duties hereunder to any person other than the Buyer and in particular, but without limitation, the HSBC Counterparty shall not have or assume any obligation to or relationship (of agency, trust or otherwise) for or with any Supplier, the Platform Provider or any other person other than the Buyer.
- (c) The HSBC Counterparty will indemnify the Buyer against any claim from a Supplier against the Buyer for loss, damage, cost or expense suffered or incurred by that Supplier arising directly out of or in connection with any failure by the HSBC Counterparty to perform or comply with its obligations under this Agreement, subject to a limit of the corresponding Buyer Approved Amount(s), along with any direct consequential penalties imposed on the Supplier (provided that the Supplier has acted reasonably to mitigate such penalties) and any reasonably incurred legal and/or other professional fees that the Supplier is claiming from the Buyer, relating to such Supplier outstanding at the time of any demand made pursuant to this indemnity. If the loss, damage, cost or expense arises as a direct result of the Buyer's negligence or wilful misconduct the HSBC Counterparty shall be exempted from liability to that extent.
- (d) All members of the HSBC Group are required to act in accordance with the applicable laws and regulations operating in various jurisdictions which relate to export controls, anti-bribery and corruption, the prevention of money laundering and terrorist financing, and the provision of financial and other services to any persons or entities which may be subject to Sanctions (as defined in clause 17(b)). The HSBC Counterparty may take, and may instruct other members of the HSBC Group to take, any action which it, in its sole and absolute discretion, considers appropriate to take in accordance with all such laws and regulations. Such action may include but is not limited to:



- (i) the interception and investigation of any payment messages and other information or communications sent to or by the Buyer or on its behalf via the systems of the HSBC Counterparty or any other member of the HSBC Group or the Communication Channel; and
  - (ii) making further enquiries as to whether a name which might refer to a sanctioned person or entity, or a person or entity subject to export control restrictions, actually refers to that person or entity
- (e) Notwithstanding any provision of this Agreement, no member of the HSBC Group will be liable for loss (whether direct, consequential or loss of profit, data or interest) or damage suffered by any party, arising out of any delay or failure by any member of the HSBC Group in performing any of its duties under this Agreement or other obligations caused in whole or in part by any actions which it, in its sole and absolute discretion, considers appropriate to take in accordance with all laws and regulations or the exercise of any of its rights under clause 5(d) unless there is negligence or wilful misconduct on the part of the member of the HSBC Group. In certain circumstances, the action taken may prevent or cause a delay in the processing of certain information and therefore no member of the HSBC Group warrants that any information on any HSBC Counterparty's system relating to any communication which is the subject of any action taken pursuant to clause 5(d) is accurate, current or up to date at the time it is accessed, while such action is taken. Subject to the overriding requirements of applicable laws and regulations, the Principal HSBC Counterparty will notify the Principal Buyer of such circumstances existing as soon as is reasonably practicable.

## **6. FEES, COSTS AND EXPENSES**

- (a) The Buyer agrees and acknowledges that the Fees and Charges shall be payable to the HSBC Counterparty in accordance with the terms of schedule 5 (Fees and Charges). All fees and charges set out, or expressed to be payable under this Agreement, are exclusive of Tax in any applicable jurisdiction which will be payable by the Buyer at the applicable rate.
- (b) If a Buyer requests an amendment, waiver or consent in relation to this Agreement, except in cases where the HSBC Counterparty is at fault, the Buyer shall, within three Business Days of demand from the HSBC Counterparty, reimburse the amount of all costs and expenses (including legal fees) reasonably incurred by HSBC Counterparties in responding to, evaluating, negotiating or complying with that request.
- (c) The Buyer shall, within three Business Days of demand of a HSBC Counterparty, pay the amount of all costs and expenses (including legal costs) reasonably incurred by that HSBC Counterparty in connection with the satisfying of any conditions precedent.
- (d) The Principal Buyer shall, within three Business Days of demand from a HSBC Counterparty, pay to that HSBC Counterparty the amount of all costs and expenses (including legal fees) incurred by such HSBC Counterparty in connection with enforcement of or the preservation of any rights under this Agreement.]

## **7. CONFIDENTIALITY**

- (a) The Buyer agrees that the HSBC Counterparty may share, store or transmit information about the Buyer and, the Platform Provider (in relation to which the Buyer hereby undertakes that it has obtained all and any necessary consents and authorises the HSBC Counterparty to share, store or transmit) or the Buyer Required Information with/to the Platform Provider within the HSBC Group, any agent or third party used by the HSBC Counterparty for the purposes of exercising its rights and/or performing its obligations under this Agreement, provided that such transmission is done on a confidential basis and the party receiving the information shall agree to a confidentiality agreement equal to or greater than the level of confidentiality in this Agreement.
- (b) The Buyer will keep confidential all information concerning this Agreement and the transactions contemplated herein in relation to Buyer Invoices and undertakes to ensure that any Service Provider is similarly required to keep confidential.
- (c) Clauses 7(a) and 7(b) shall not prevent the disclosure of information where it is:
  - (i) otherwise required by any applicable law, regulation or request of any public or regulatory authority or for the purposes of preventing crime;

- (ii) otherwise in the public domain or already known to the receiving party;
  - (iii) to the disclosing party's auditors, legal or tax counsel, other professional advisers or other platform providers (such as rating agencies and third party trustees and agents) or to its Affiliates in relation to the exercise of its rights and/or performance of its obligations under this Agreement;
  - (iv) in the case of the HSBC Counterparty, to any person to whom the HSBC Counterparty assigns or transfers (or may assign or transfer) any of its rights and/or obligations under this Agreement or with whom the HSBC Counterparty enters into (or may enter into) a sub participation agreement and/or other credit risk mitigation (whether on a funded or risk basis) in respect of this Agreement; provided that the relevant parties shall agree to a confidentiality agreement of the same or higher level as that of this Agreement; or
  - (v) necessary or desirable to give effect to this Agreement, including notice to a Supplier in respect of a Buyer Invoice or a Buyer Approved Amount.
- (d) The Parties shall comply with all applicable data protection and other laws for the same or similar purpose in all relevant jurisdictions. The Buyer agrees to enter into an agreement with the Platform Provider or amend an existing agreement to require the Platform Provider to comply with all applicable data protection laws and other laws in all relevant jurisdictions for the same or similar purposes.

## 8. TERM AND TERMINATION

- (a) This Agreement shall become effective on the Effective Date and shall continue in force until terminated in all respects as provided below.
- (b) This Agreement may be terminated in whole (but not in part):
  - (i) as between a Buyer and a HSBC Counterparty on not less than thirty (30) days' written notice to the other Party; or
  - (ii) as between all Buyers and all HSBC Counterparties on not less than thirty (30) days' written notice from the Principal Buyer to the Principal HSBC Counterparty or from the Principal HSBC Counterparty to the Principal Buyer (as the case may be); or
  - (iii) with immediate effect as regards the relevant Buyer or, as regards all Buyers, by not less than seven (7) days' written by the relevant HSBC Counterparty to the relevant Buyer, or by written notice by the Principal HSBC Counterparty to the Principal Buyer respectively, if a Buyer:
    - (A) is in breach of Article 4.1 (Buyer Payment Obligations) and payment obligation is not fulfilled within the given peremptory period of up to [30] days; or
    - (B) commits a material breach (other than of clause 4.1 (Buyer Payment Obligations)) of this Agreement which is not capable of remedy; or
    - (C) commits a material breach (other than of clause 4.1 (Buyer Payment Obligations)) of this Agreement capable of remedy but which is not remedied within thirty (30) days of a written notice of such breach being given by the HSBC Counterparty to the Buyer requiring remedy; or
    - (D) is dissolved, becomes Insolvent, admits in writing its inability generally to pay its debts as they become due or causes or is subject to any event which has an analogous effect to any of the events specified in this clause 8(b)(iii)(D) in the relevant jurisdiction.
- (c) The Buyer acknowledges that, upon termination by a HSBC Counterparty of this Agreement, this Agreement will, in relation to that Buyer, cease to have effect except as stipulated in clause 8(d).
- (d) Termination of this Agreement shall be without prejudice to any other rights, powers or remedies which any Party may be entitled to under this Agreement or at law and shall not:
  - (i) affect any accrued rights or liabilities of any Party prior to the termination of this Agreement nor will it

affect clauses 3 (Information Obligations), 4 (Payment Obligations), 5 (HSBC Liabilities), 7 (Confidentiality), 15 (Conditions), 16 (Representations), 17 (Undertakings) and 18 (Miscellaneous) (each of which is intended to apply after termination);

(ii) relieve the Buyer of its payment obligations to the HSBC Counterparty under this Agreement. Any Unpaid Amounts relating to Eligible Buyer Invoices, outstanding fees, charges and/or other amounts payable by the Buyer to the HSBC Counterparty under this Agreement shall become due and payable (if not already due and payable) to the HSBC Counterparty on the effective termination date; and

(iii) affect any part of this Agreement as regards any Buyer or HSBC Counterparty in relation to which no notice of termination has been served.

## **9. ASSIGNMENT & SUB-PARTICIPATION**

- (a) The Buyer may not assign or transfer this Agreement or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the Principal HSBC Counterparty.
- (b) The HSBC Counterparty may assign or transfer this Agreement, or any of its rights and/or obligations hereunder, in whole or in part (including by way of sub-participation arrangements and/or other risk mitigation), to any person without the consent of the Buyer, and the Buyer hereby agrees that it shall take all such steps and/or do all such things as the HSBC Counterparty may request to effect and/or perfect any such assignment or transfer or in connection therewith.
- (c) This Agreement shall ensure to the benefit of and be binding upon the respective successors and permitted assigns and/or transferees, if any, of the Parties.

## **10. PRINCIPAL BUYER AGENCY**

Each Buyer agrees that any accession, amendment or variation to this Agreement (including pursuant to any Additional Schedule) may be agreed by the Principal Buyer on behalf of the other Buyers and the Principal Buyer is hereby authorised to act as the agent of each other Buyer for all purposes hereunder, including, without limitation, giving or receiving any demand, notice or other communication to be made or given by or to any Buyer.

## **11. ACCESSION OF BUYERS**

The Principal Buyer may request that any of its Affiliates becomes a Buyer. That Affiliate shall become a Buyer if:

- (a) the Principal HSBC Counterparty approves the request and a duly executed Accession Agreement is delivered to the Principal HSBC Counterparty;
- (b) the Principal Buyer confirms that no breach of the terms of this Agreement by any Buyer is continuing or would occur as a result of that Affiliate becoming a Buyer; and
- (c) the Principal HSBC Counterparty has received all documents and evidence it requires (in satisfactory form and substance) as conditions precedent in the relevant Accession Agreement.

## **12. PRINCIPAL HSBC COUNTERPARTY AGENCY**

Each HSBC Counterparty agrees that any accession, amendment or variation to the terms of this Agreement (including pursuant to Additional Schedules) may be agreed by the Principal HSBC Counterparty on behalf of other HSBC Counterparties and the Principal HSBC Counterparty is authorised to act as the agent of each HSBC Counterparty for all purposes hereunder, including, without limitation, giving or receiving any demand, notice or other communication to be made or given by or to any HSBC Counterparty under this Agreement other than communications required to be given pursuant to the Communication Channel.

### **13. ACCESSION OF HSBC COUNTERPARTIES**

Each Buyer agrees that Affiliates of the Principal HSBC Counterparty may become an Acceding HSBC Counterparty by delivery of an Accession Agreement which is also signed by the Principal HSBC Counterparty and the Principal Buyer.

### **14. ADDITIONAL SCHEDULES**

Additional terms and conditions applicable between one or more HSBC Counterparties and one or more Buyers may be appended to this Agreement as an Additional Schedule and shall be binding with effect from the relevant Additional Schedule Effective Date.

### **15. CONDITIONS**

Each HSBC Counterparty's obligations under this Agreement are conditional upon:

- (a) the Effective Date having occurred;
- (b) there being in existence at all times between a member of the HSBC Group and the Buyer, or an Affiliate of the Principal Buyer (the "Relevant Buyer Affiliate"), a valid, binding and enforceable agreement for the Communication Channel to be available to each Buyer or such Relevant Buyer Affiliate; and
- (c) where the relevant Buyer is not a party to the documentation referred to in clause 15(b), that Buyer and the Relevant Buyer Affiliate having entered into such agreements, authorisations and other documentation relating to the Communication Channel and access and use of it by the Buyer and/or the Relevant Buyer Affiliate for the purposes of this Agreement as the Principal HSBC Counterparty may require and provision of an indemnity to the Principal HSBC Counterparty or other HSBC Counterparty in form and substance acceptable to the Principal HSBC Counterparty.

### **16. REPRESENTATIONS**

- (a) Each Party represents and warrants to the other that:
  - (i) it has the power and authority to enter into and perform its obligations under the terms of this Agreement and that the person executing this Agreement has the proper authority to bind its respective entity;
  - (ii) this Agreement constitutes its legal, valid and binding obligations, enforceable in accordance with its terms;
  - (iii) its execution, delivery and performance of this Agreement does not contravene its constitutive documents or any contract binding on it or affecting it or any of its assets, violate any law or regulation applicable to it or require any approval, consent or authority from, or filing or registration with or notice to, any governmental authority or any other person;
  - (iv) it is not Insolvent and will not become Insolvent as a result of the making of any payment made or to be made under this Agreement; and
  - (v) in connection with this Agreement and fulfillment of its obligations under it:
    - (A) it has not violated and shall not violate any applicable anti-bribery laws and regulations, including, but not limited to, any applicable laws and regulations in force in the jurisdiction where each Party is domiciled and operates;
    - (B) it has not, and undertakes that it shall not, engage in: making payments or transfers of value, offers, promises or giving of any financial or other advantage, or requests for, 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 improper performance of any function or activity; and

it shall procure compliance with these obligations from its associated persons or agents used to fulfil obligations under this Agreement.

- (b) Each Buyer represents and warrants to each HSBC Counterparty on the date of this Agreement and on each date on which it makes any payment to a HSBC Counterparty contemplated under this Agreement that:
- (i) all Buyer Invoices are lawful invoices, exclusively, on account of specific transactions in the relevant Buyer's line of business;
  - (ii) it is aware that the relevant HSBC Counterparties do not condone or support the use of their products to facilitate buyers imposing unreasonably extended payment terms on their suppliers and, for each Buyer Invoice, the Supplier willingly agreed to the payment terms and consequently the deferred payment period is not grossly unfair to that Supplier.
  - (iii) For each Buyer subject to the laws of the Republic of Korea, if the Buyer's payment falls under the payment method for the delivery under the Act on Promotion of Cooperation between Large, Medium, and Small Enterprises, the Buyer shall set the payment due date of the Buyer to be the shortest period within sixty (60) days from the date of receipt of the goods, etc., and if it exceeds sixty (60) days, an early payment fee for the excess period shall be paid separately to the Supplier.
  - (iv) For each Buyer subject to the laws of the Republic of Korea, if the Buyer's payment falls under the payment for subcontracting transactions under the Act on Fairness in Subcontracting Transactions, the Buyer shall set the payment due date of the Buyer to be the shortest period within sixty (60) days from the date of receipt of the goods, etc., and if it exceeds sixty (60) days, an early payment fee for the excess period shall be paid separately to the Supplier.
- (c) Each Buyer represents and warrants to each HSBC Counterparty on the date of this Agreement and on each date on which it notifies Buyer Required Information pursuant to clause 2(a) that, in respect of each Trade Invoice it provides Buyer Required Information in relation to, the relevant Supplier is not an Affiliate of that Buyer.

## **17. UNDERTAKINGS**

- (a) Each Buyer undertakes that it is and will remain in full compliance with all laws and regulations (including, without limitation any anti-bribery and corruption laws, laws related to the prevention of money laundering and terrorist financing and export control laws including any requirement for import or export licenses) applicable to it or its trade, and that its account opening team shall use reasonable due diligence before a Buyer Invoice is notified to the relevant HSBC Counterparty to confirm that the Supplier is in full compliance with all laws and regulations applicable to it.
- (b) Without prejudice to the generality of clause 17(a), each Buyer makes the following undertakings:
- (i) neither the Buyer nor any of its 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, His Majesty's Treasury, the Hong Kong Monetary Authority, or the Korean Financial Authorities (collectively, "Sanctions"), or (ii) located, organised or resident in a country or territory that is, or whose government is, the subject of Sanctions;
  - (ii) the Buyer will not, directly or indirectly, use any benefit derived from the Agreement 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; and
  - (iii) the Buyer certifies compliance and undertakes to comply in all material respects with foreign and domestic laws and regulations relating to Sanctions, pertaining to each jurisdiction in which it operates and

to each Buyer Invoice, and undertakes to promptly notify the relevant HSBC Counterparty of any circumstance in connection with a Buyer Invoice that may relate to money laundering, terrorist financing, bribery, corruption, tax evasion or Sanctions.

- (c) Each Buyer undertakes that it will bear, gross up and pay all due Tax on this Agreement and the payments thereunder. If the Buyer is required by law to make any deduction or withholding from any payment under this Agreement, the sum due from the Buyer in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the HSBC Counterparty receives a net sum equal to the sum which it would have received had no such deduction or withholding been required.
- (d) If there is any applicable withholding tax, each Buyer will provide withholding income tax receipt/evidence in such form satisfactory to the relevant HSBC Counterparty within thirty (30) days upon payment of the withholding tax.
- (e) Each Buyer will indemnify each HSBC Counterparty against any loss, damage, cost or expense suffered or incurred by that HSBC Counterparty arising out of or in connection with any applicable Tax being assessed on or claimed against that HSBC Counterparty arising out of or in connection with this Agreement and payments the HSBC Counterparty makes to Suppliers (except the income tax imposed by the tax authorities or other equivalent body of the government on the net income of that HSBC Counterparty) unless there is negligence or wilful misconduct on the part of the HSBC Counterparty. This indemnity will survive the termination of this Agreement.

## **18. MISCELLANEOUS**

- (a) The rights of each HSBC Counterparty under this Agreement may be exercised as often as necessary, are cumulative and not exclusive of its rights under any applicable law and may be waived only in writing and specifically. Any delay in the exercise or non-exercise of any such right is not a waiver of that right.
- (b) Except where the Parties have agreed that a communication under this Agreement is to be made through the Communication Channel, any communication shall be in writing or in an electronic record and shall be transmitted to the Parties at their respective addressees indicated at the beginning of this Agreement or in schedule 4 (Additional Buyers) or in a relevant Accession Agreement or such other address as a Party may notify in writing. A communication made in writing shall be made by electronic mail, surface mail, hand delivery or use of a reputable courier service and shall be effective upon receipt.
- (c) All payments made by or at the direction or with the authority of a Buyer to a HSBC Counterparty under this Agreement shall be made free from set off or counterclaim, and without deduction or withholding unless the payer is required by law to make any such deduction or withholding. If any deduction or withholding is required by law, the relevant Buyer shall pay to the relevant HSBC Counterparty such additional amount as will, after such deduction or withholding, leave the relevant HSBC Counterparty with the same amount as it would have been entitled to receive and retain, and in the same position it would have been in, absent any such requirement.
- (d) Each Buyer acknowledges that payment of any Buyer Invoices by any HSBC Counterparty to any Supplier may render the Supplier being liable to withholding tax in respect of such payment due or imposed in any jurisdiction and that the HSBC Counterparty shall not be liable to nor responsible for any claim made by the Supplier relating to its liability for such withholding tax. Should any such withholding tax be claimed against the HSBC Counterparty by the Supplier or any tax authority, the Buyer shall pay the HSBC Counterparty the amount so claimed immediately on demand.
- (e) The [Parent][Principal Buyer] shall be jointly and severally liable for each and every obligation of the Buyer.
- (f) Where a Supplier confirms an email address for receipt of such communications, each Buyer authorises the relevant HSBC Counterparty, at its discretion, to send emails to Suppliers with relevant payment information identifying Buyer Invoices, date of payment and the correlating Payable Amounts. The HSBC Counterparty shall not be liable to any Buyer (or any third party, including Suppliers) except in the case of system errors of the HSBC Counterparty for any error or omission in any email it issues to a Supplier unless there is negligence or wilful misconduct on the part of the HSBC Counterparty.

- (g) Where the relevant HSBC Counterparty communicates with Suppliers, via the Communication Channel or otherwise, for the purposes of explaining and/or establishing interest in and/or agreement of terms relating to availability of the supply chain finance proposition, the Principal Buyer and each relevant Buyer agrees a royalty-free, worldwide, non-exclusive license to use, reproduce and display its trademarks, service marks, trade names, logos and other identifiers for such purpose until such time as this Agreement is terminated in accordance with its terms.
- (h) Each Buyer agrees to notify the HSBC Counterparty of an appropriate email address if it wishes to receive encrypted emails from the HSBC Counterparty to confirm (A) upcoming Invoice Settlement Dates and amounts due to be debited, and/or (B) successful debiting of a relevant account. Such emails are for information purposes only and the HSBC Counterparty shall not be liable to any Buyer in any circumstance for any error or omission in any email it issues to a Buyer except in cases where the HSBC Counterparty is at fault.
- (i) Each HSBC Counterparty is authorised to accept, act and rely upon, and treat as valid and accurate, all information given to that HSBC Counterparty or purporting to be given on a Buyer's behalf to that HSBC Counterparty by email ("Email Instructions") in relation to all undertakings and all obligations in connection with the Agreement, and without obligation to enquire as to the authorisation or validity of such Email Instructions. In particular, Email Instructions will include the provision of information by a Buyer about Suppliers (to a Buyer or any affiliate of the Principal Buyer for whom it acts as agent under this Agreement) who the Buyer is requesting that an HSBC Counterparty makes payment to, pursuant to and subject to the terms of this Agreement. Further:
- (i) Each Buyer acknowledges and accepts the risk that Email Instructions may be intercepted, monitored, amended, corrupted, contain viruses or be otherwise interfered with by third parties and acknowledges and agrees that each HSBC Counterparty is not responsible or liable to any Buyer or any third party for, any losses, costs, damages, claims, demands and expenses ("Losses") arising from the same unless there is negligence or wilful misconduct on the part of the HSBC Counterparty.
- (ii) If a Buyer gives an Email Instruction or instructs an HSBC Counterparty to permit any other person to do the same, the Buyer shall on demand indemnify, and hold the HSBC Counterparty harmless from and against, any and all Losses that the HSBC Counterparty may incur (including in respect of any payment made where the relevant Email Instruction was unauthorised) unless there is negligence or wilful misconduct on the part of the HSBC Counterparty.
- The authorised representatives of the Original Buyers for Email Instructions are set out in schedule 7, and as may be amended from time to time by agreement. The authorised representatives of any Acceding Buyer for Email Instructions will be confirmed in its Accession Agreement, and as may be amended from time to time by agreement.
- (j) Nothing in this Agreement shall in any way affect or prejudice the rights of a HSBC Counterparty under its standard terms and conditions in respect of bank accounts and/or any other agreement between the relevant HSBC Counterparty and any Buyer.
- (k) No amendments, modifications or supplements to this Agreement shall be effective unless agreed in writing by the Principal Buyer and Principal HSBC Counterparty
- (l) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.
- (m) Each term of this Agreement is severable from the others. If any term is or becomes void, illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the existence, legality, validity and enforceability of such term under the law of any other jurisdiction, and of the remaining terms, shall not be affected or impaired.
- (n) This Agreement forms the entire agreement between the Parties in relation to the subject matter hereof. Any other agreements, terms of business and/or mandates relating to the conduct of any Buyer's accounts or any HSBC Group member's provision of related facilities shall remain unaffected, save that this Agreement shall prevail in the event of any conflict relating to the subject matter of this Agreement.
- (o) Any document, notice or other communication under or in connection with this Agreement must be in the English or Korean language.

IN WITNESS WHEREOF, the Parties, intending to be legally bound hereby, have executed this Agreement on the day and year first above written.



## **SCHEDULE 1: Buyer Required Information**

Information to be notified by a Buyer to the relevant HSBC Counterparty using the Communication Channel in a format and manner acceptable to the relevant HSBC Counterparty:

1. Buyer HSBCnet ID (if applicable)
2. Payment programme reference (if applicable)
3. Trade Invoice number
4. Invoice date
5. Buyer reference
6. Invoice type
7. Supplier name, if not previously provided
8. Supplier address, if not previously provided
9. Supplier unique reference
10. Payment indicator (if required)
11. Description of goods/services
12. Invoice Due Date
13. Currency of Trade Invoice
14. Original invoice amount
15. Buyer Approved Amount (if xml file format is used, the Buyer will advise the Adjustment Amount and the Buyer Approved Amount is deemed to be original invoice amount minus Adjustment Amount as provided in the file)
16. Supplier bank name (if not previously provided)
17. Supplier bank account number (if not previously provided)
18. Supplier bank branch details (if not previously provided)
19. Supplier SWIFT (if not previously provided)
20. Supplier IBAN (not required if 18 and 19 above are provided), if not previously provided
21. Invoice Settlement Date (if required to specify)
22. Invoice Shipping Information (if applicable)
  - (a) Vessel name/air carrier name
  - (b) Place/port of loading/discharge
  - (c) Country or place of origin
  - (d) Shipping company name
  - (e) Shipping company address

- (f) Transhipment/port/place
- (g) Freight forwarder/shipping agent, if not previously provided]

## SCHEDULE 2: FORM OF ACCESSION AGREEMENT

To: [Principal HSBC Counterparty] [and, if relevant, applicable other HSBC Counterparty]

From: [Principal Buyer] and [relevant Affiliate][; ][Acceding HSBC Counterparty]

Dated: [ ]

Dear Sirs

### **[PRINCIPAL BUYER] - [●] SUPPLY CHAIN SOLUTIONS MASTER BUYER AGREEMENT DATED [ ] 20[ ] (THE "BUYER AGREEMENT")**

1. We refer to the Buyer Agreement. This agreement (the "Accession Agreement") shall take effect as an Accession Agreement for the purposes of the Buyer Agreement. Terms defined in the Buyer Agreement have the same meaning in this Accession Agreement unless given a different meaning herein.

2. [[Acceding HSBC Counterparty] agrees to become an Acceding HSBC Counterparty and to be bound by the Buyer Agreement as an Acceding HSBC Counterparty pursuant to clause 13 (Accession of HSBC Counterparties) of the Buyer Agreement. [Acceding HSBC Counterparty] is duly incorporated under the laws of [ ] and is a limited liability company with registered number [ ].]

3. [[Affiliate] agrees to become an Acceding Buyer and be bound by the terms of the Buyer Agreement as an Acceding Buyer. [Affiliate] is duly incorporated under the laws of [ ] and is a limited liability company with registered number [ ].]

4. The Principal Buyer confirms that no breach of the terms of the Buyer Agreement by any Buyer is continuing [ or would occur as a result of [Affiliate] becoming an Acceding Buyer].

5. [[Acceding HSBC Counterparty's] administrative details for the purposes of the Buyer Agreement are as follows:

Address: [ ]

Fax no: [ ]

Email: [ ]

Attention: [ ]]

6. [[Affiliate's] administrative details for the purposes of the Buyer Agreement are as follows:

Address: [ ]

Fax no: [ ]

Attention: [ ]]

7. [[Affiliate] confirms to the [Principal][relevant] HSBC Counterparty that it has made its own independent evaluation and review of this Accession Agreement and the Buyer Agreement (and its accounting treatment) with its accountants, independent auditors and legal counsel and has not relied upon any marketing materials provided or statements made by any member of the HSBC Group.]

8. [Local legal input (if any)]

9. [For the purposes of the Buyer Agreement, the relevant Buyer(s) for the Acceding HSBC Counterparty [is] [are] [relevant Buyer(s)].]

10. [The relevant HSBC Counterparty for the Acceding Buyer shall be [insert name of relevant HSBC Counterparty].]

1. [The Additional Transaction Chapter at schedule 1 to this Accession Agreement][The Initial Transaction Chapter] shall be the Applicable Transaction Chapter for [the Acceding Buyer][ and][ the Acceding HSBC Counterparty].
2. The authorised representative(s) of [Affiliate] for the purposes of Email Instructions are: [insert name, position and email address for each person].
3. This Accession Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the law referred to in paragraph [ ] of the [Additional Transaction Chapter at schedule 1 to this Accession Agreement][Initial Transaction Chapter].

**THIS ACCESSION AGREEMENT** has been signed on behalf of the Principal Buyer, Principal HSBC Counterparty and, if different, the relevant HSBC Counterparty specified in paragraph [**Error! Reference source not found.**] above on the day and year first above written.

**[The Acceding Buyer**

[*Affiliate*]

[*EXECUTION BLOCK SUITABLE FOR AFFILIATE*]]

**[[The Acceding HSBC Counterparty**

[*EXECUTION BLOCK SUITABLE FOR ACCEDING HSBC COUNTERPARTY*]]

**The Principal HSBC Counterparty**

[*HSBC entity*]

By:

\_\_\_\_\_ Authorised Signatory

**The Principal Buyer**

[*Principal Buyer*]

By:

\_\_\_\_\_ Director

**[HSBC Counterparty**

[*HSBC entity*]

By:

\_\_\_\_\_ Authorised Signatory]

**[SCHEDULE 1 TO ACCESSION AGREEMENT]**

## Additional Transaction Chapter

(Mark '√' in the '□' of the relevant item and enter the agreement details)

<b>Agreement Expiration Date</b>	YYMMDD	
<b>Discount Application Limit</b>	( ) Won (KRW )	(US Dollars) (US\$ )
<b>Benchmark Interest Rate</b>	<input type="checkbox"/> CD yield <input type="checkbox"/> Term SOFR      (Refer to Article 1 Definitions and Interpretation “Benchmark Rate”)	
<b>Additional interest rate for Discount (Margin)</b>	<input type="checkbox"/> Single Additional Interest Rate ( )%	
<b>Discount Method</b>	According to the method applied by the Supplier (Refer to Article 1 Definition and Interpretation “Indicator Interest Rate”)	
<b>Whether you wish to be notified of automatic extension of the agreement period</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	

## SCHEDULE 2 TO ACCESSION AGREEMENT

### CONDITIONS PRECEDENT

The terms of this Agreement shall not be effective until the date the Principal HSBC Counterparty notifies the Principal Buyer in writing that each of the following documents and evidence has been provided in a form satisfactory to the Principal HSBC Counterparty:

1. An Accession Agreement executed by the Acceding Buyer and signed by the Principal Buyer, the Principal HSBC Counterparty and, if different, the relevant HSBC Counterparty for the Acceding Buyer.
2. Resolution of the board of directors of the Acceding Buyer or other committee of management of the Acceding Buyer, which is a body corporate duly organised, properly registered, validly existing and in good order under the laws of the Republic of Korea to include the following resolutions/considerations/approvals:
  - (a) The following documents were produced to the meeting:
    - (i) an approved invoice buyer agreement in respect of supply chain services between, among others, the Principal HSBC Counterparty and the Principal Buyer dated [ ] (the "Agreement"); [and]
    - (ii) the Accession Agreement [and]
    - (iii) [insert any other relevant documents](the "Documents").
  - (b) It was unanimously agreed that the entry into and execution of the Documents was in the commercial interest of and for the benefit of the company and was most likely to promote the success of the company for the benefit of its members as a whole.
  - (c) After careful consideration by the directors or other committee of management of the terms of the Documents and of the nature and scale of the liabilities undertaken by the company under the Documents, it was resolved that:
    - (i) the terms of and the transactions contemplated by the Documents be approved;
    - (ii) the Documents should be executed on behalf of the company;
    - (iii) the following is/are authorised to execute and deliver the Documents and to approve and execute any further amendments, documents, certificates and notices to be signed and/or despatched by the company under or in connection with the Documents:
      - any one director [ ]
      - any two directors [ ]
      - any director and company secretary [ ]
    - (iv) a copy of this resolution be communicated to the Principal HSBC Counterparty and remain in force until changed by a resolution passed by the board of directors or other committee of management of the company and a copy, certified by the chairperson of the meeting, is received by the Principal HSBC Counterparty.
3. If applicable, any power of attorney executed by the Acceding Buyer under which the individuals referred to in paragraph 2 above will execute this Agreement and all related documents.
4. A director's certificate (including specimen signatures of each person authorised by the resolution referred to in paragraph 2 above) certifying that each copy document relating to it is correct, complete and in full force and effect as at a date no earlier than the date of this Accession Agreement.
5. [Supporting legal opinion(s) addressed to the Principal HSBC Counterparty and, if different, the relevant HSBC Counterparty for the Acceding Buyer in relation to the Acceding Buyer entering into the Accession Agreement.]
6. [Details of any Approved Carriers with respect to the Acceding Buyer.]
7. Any completed direct debit mandate required by the HSBC Counterparty.
8. [Other]

### SCHEDULE 3: CONDITIONS PRECEDENT

The terms of this Agreement shall not be effective until the date the Principal HSBC Counterparty notifies the Principal Buyer in writing that each of the following documents and evidence has been provided in a form satisfactory to the Principal HSBC Counterparty:

1. This Agreement duly executed by the Parties.
2. Resolution of the board of directors of the Original Buyer or other committee of management of the Original Buyer, which is a body corporate duly organised, properly registered, validly existing and in good order under the laws of the Republic of Korea to include the following resolutions / approvals / considerations:
  - (a) The following documents were produced to the meeting:
    - (i) an approved invoice buyer agreement in respect of supply chain services between, among others, the Principal HSBC Counterparty and the Principal Buyer dated [ ] (the "Agreement"); [and]
    - (ii) [HSBCnet [Agreement] [Amendment]] [./;][and]
    - (iii) [insert any other relevant documents]  
(the "Documents").
  - (b) It was unanimously agreed that the entry into and execution of the Documents was in the commercial interest of and for the benefit of the company and was most likely to promote the success of the company for the benefit of its members as a whole.
  - (c) After careful consideration by the directors or other committee of management of the terms of the Documents and of the nature and scale of the liabilities undertaken by the company under the Documents, it was resolved that:
    - (i) the terms of and the transactions contemplated by the Documents be approved;
    - (ii) the Documents should be executed on behalf of the company;
    - (iii) the following is/are authorised to execute and deliver the Documents and to approve and execute any further amendments, documents, certificates and notices to be signed and/or despatched by the company under or in connection with the Documents:
      - any one director [ ]
      - any two directors [ ]
      - any director and company secretary [ ]
    - (iv) a copy of this resolution be communicated to the Principal HSBC Counterparty and remain in force until changed by a resolution passed by the board of directors or other committee of management of the company and a copy, certified by the chairperson of the meeting, is received by the Principal HSBC Counterparty.
3. If applicable, any power of attorney executed by the Principal Buyer and any Additional Buyer under which the individuals referred to in paragraph 2 above will execute this Agreement and all related documents.
4. A director's certificate (including specimen signatures of each person authorised by the resolution referred to in paragraph 2 above) certifying that each copy document relating to it is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.
5. [Supporting legal opinion(s) addressed to the relevant HSBC Counterparty in relation to the Principal Buyer and/or any Additional Buyer entering into this Agreement.]
6. Any completed direct debit mandate required by the HSBC Counterparty.
7. [Other]

SCHEDULE 4: ADDITIONAL BUYERS

Company	Registered address and jurisdiction of incorporation	Registered number
[ ]	[ ]	[ ]
[ ]	[ ]	[ ]
[ ]	[ ]	[ ]



## SCHEDULE 5: FEES AND CHARGES

### Fees and charges payable to the relevant HSBC Counterparty by Buyers

The following fees and charges are payable to the relevant HSBC Counterparty by the relevant Buyer and the relevant HSBC Counterparty may, where relevant, debit these fees and charges in accordance with clause 4.1(d) and/or such fees and charges are otherwise payable on demand:

- (a) Approved invoice handling fee: [●].
- (b) Channel charges: [●].
- (c) Wire transfer fee: [●].
- (d) Late payment fee: in the event that the Buyer Approved Amount is not paid to the relevant HSBC Counterparty on the Invoice Settlement Date, a late payment fee may become due calculated by reference to any terms agreed in that respect by the relevant HSBC Counterparty and the relevant Buyer.

*\*Default Interest = CD yield applied on the early payment + additional interest rate of discount + additional interest rate accrued due to default 3.0% p.a.*

- (e) Other fees: [●].

**SCHEDULE 7: INITIAL TRANSACTION CHAPTER**  
[insert]

SCHEDULE 8: AUTHORISED REPRESENTATIVES FOR EMAIL INSTRUCTIONS

Name	Position	E-mail address	Buyer(s) the individual is authorised to provide email instructions for

EXECUTION PAGE

The Principal HSBC Counterparty

The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch

By:

\_\_\_\_\_ Authorised Signatory

The Principal Buyer

[Principal Buyer]

By:

\_\_\_\_\_ Director

[Additional Buyers

[Additional Buyer]

By:

\_\_\_\_\_ Director]