



**Terms and Conditions on
Integrated Receivable Management
Solution via Virtual Network Collection**

전자 016-11 (2023.09.01)

PUBLIC

Terms and Conditions on Integrated Receivable Management Solution via Virtual Network Collection

To: The Hongkong and Shanghai Banking Corporation Limited Seoul

At the request of _____ (the "Customer"), a company established under the laws of the Republic of Korea and having its registered office at _____, The Hong Kong and Shanghai Banking Corporation Limited, Seoul Branch (the "Bank") hereby enters into Terms and Conditions on Integrated Receivable Management Solution via Virtual Network Collection (the "Agreement") with the Customer, and agrees to provide Integrated Receivable Management Solution via Virtual Network Collection Service (the "Service") to the Customer under the terms and conditions set out in this Agreement.

Article 1 Definition

Unless otherwise defined, the terms used herein shall have the meaning as set forth below;

1. "Payer ID Number" means an identification number assigned by the Customer him/herself to each payer. Payer ID Number can have the same numbering system with general accounts of the Bank.
2. "Virtual Account" means a virtual account assigned by the Bank based on Virtual Network Collection Service Application provided by the Customer.
3. "Payer Designation Instruction" means an instruction where the Customer gives details on designation of a payer in the form requested by the Bank.
4. "Payer" means an individual or a corporation that the Customer designates as a payer.
5. "VAN" means a company working in partnership with the Bank to provide communications service necessary for the Service in accordance with Firm Banking Van Service Agreement entered into between the Bank and the company.
6. "Master Account" means the Bank's demand deposit held with any local bank into which payments from the Customer's Virtual Account will be made.
7. "Collection Account" means a demand deposit account of the Customer held with the Bank for the collection purposes.
8. "VA Service Alliance Bank" means a local bank which entered into Virtual Account Service Agreement with the Bank to provide virtual account service for the Customer.

전자 016-11 (2023.09.01)

Article 2 Service Scope

The scope of service provided to the Customer by the Bank hereunder shall comprise the following.

1. Virtual Account Opening Service: The Bank shall number Virtual Account (s) of VA Service Alliance Bank either individually or all at once based on the application submitted by the Customer and send the Virtual Account number (s) to the Customer through the web browser of VAN provided by the Bank as mutually agreed with the Customer.
2. Customer ID Service: The Bank shall provide Customer ID to each Customer who signed up for the Service.
3. Collection Service: The Bank shall transfer the funds deposited into Virtual Account assigned to the Customer at VA Service Alliance Bank to Collection Account designated by the Customer according to the transfer time as set forth in Article 5 Paragraph ① hereof.
4. Virtual Account Transaction History View: The Customer is able to view the transaction history of her or her own Virtual Account with User ID or Approver ID assigned by the Bank or other ID which the Customer additionally sets up through the web browser of VAN, or the Bank may send the history to the Customer via HSBCnet collection report.

Article 3 Purpose of Use

The purpose of using the Service hereunder is as follows;

Purpose of Use: _____ Insert Purpose as appropriate _____

Article 4 Limitation of Service User

1. The Service hereunder shall be provided to corporate customers only.
2. In case a Customer using the Service hereunder is an electronic financial business operator, the Customer shall not have other company handle the management of its Virtual Account provided by the Bank hereunder on its behalf.

Article 5 Collection Service Hours

- ① Collection Service under Article 2 Paragraph 3 shall be processed at [Insert Time as appropriate , , ,] of each business day unless separately agreed with the Customer.
- ② In the event that there is any Collection Service not completed or any error occurs after business hours of the Bank it shall be handled within the business hours of the Bank on the following business day.

Article 6 Use of Service

- ① The Customer shall enter into Terms and Conditions on Integrated Receivable Management Solution via Virtual Network Collection Service with the Bank, and receive Virtual Account number from the Bank to use the Service.
- ② The Bank notifies the Customer User ID Number or Approver ID via e-mail.
- ③ The Customer shall log on to the web browser of VAN with User ID or Approver ID assigned by the Bank, and send a file necessary to set up Payer ID, Virtual Account Name, etc.

Article 7 Collection Service

- ① The Bank shall check the funds which the Payer deposited into his or her virtual account held with VA Service Alliance Bank and then transfer the funds to the Customer's Collection Account as set forth in Article 5 Paragraph ①. As for the funds deposited into Virtual Account held with VA Service Alliance Bank on holidays, the Bank shall transfer them to Collection Account of the Customer as set forth in Article 5 Paragraph ① immediately upon checking the funds are deposited into Master Account on the following business day.
- ② In the event that casher's cheques are deposited into Virtual Account held with VA Service Alliance Bank, assigned by the Bank, the Bank shall deposit the funds into the Customer's Collection Account on the same day (if the deposit date falls on a holiday or a weekend, the following business day). The Customer can withdraw the amount of the casher's cheques deposited from the Collection Account only after the cheque clearing process of the Korea Financial Telecommunications and Clearings Institute is completed (after 12:30 p.m. of the business day following the deposit date).

If a casher's cheque deposited into the Collection Account got dishonored before the clearing process, the Bank shall inform the Customer of the dishonored cheque, withdraw the relevant amount from the Collection Account, and enter the narration for the transaction in the Remarks column of the Collection Account.

Article 8 Exceptions to Service

In the event that Virtual Account or the Customer's Collection Account falls under any of the following subparagraphs, the Bank may not carry out the relevant deposit transaction.

1. Virtual Account or the Customer's Collection Account is included in the list of accounts suspended or terminated by the Customer's request made electronically or in writing; or
2. Restriction is placed on Virtual Account or the Customer's Collection Account for legal or other reasons

Article 9 Pricing

- ① Unless separately agreed between the Customer and the Bank, the Customer shall pay service fees as set forth in Appendix 1 to the Bank.
- ② In the event of changing the fees as set forth in Appendix 1, the Bank shall notify the Customer either in writing or via e-mail at least one (1) month before the effective date of the new fees and provide detailed explanations to help the Customer fully understand on such change. Should the Customer submit no objection within such a period, this shall be deemed an implied consent of the Customer to the change.
- ③ In the event that the change in paragraph ② is to the Customer's disadvantage, the Customer may terminate this Agreement within one (1) month from the date when the new fees are supposed to be paid for the first time. In this case, the fee that was effective prior to the change shall apply until the date of termination
- ④ The Bank may aggregate the services fees incurred from the first day to the last day of every month and debit the total amount on 10th of the following month (in case where it falls on holidays, the following business day) from an account designated by the Customer with no separate authorization or permit from the Customer.
- ⑤ In case where the Customer fails to pay the service fees, the Bank may suspend the Service until the Customer completes the fee payment.

Article 10 Designation of Account

The Customer shall designate a Collection Account and an account for the service fee payment as shown in the table below to enable the Bank to carry out the Services as set out in Article 2 hereof.

Type	Account Holder	Deposit	Account Number
Collection Account			
Service Fee Payment Account			

Article 11 Indemnity

- ① The Bank shall make utmost effort to provide the Customer with complete and accurate information for aiding use of the Service while discharging professional responsibilities with competence and diligence in the conduct of work. Unless the fault clearly lies with the Bank, the Bank will not be liable to the Customer for any loss, damage, cost or expense suffered by the Customer.
- ② The Customer agrees that the Bank bears no responsibility for any delay or interruption of the Service resulting from disruption or breakdown in communication devices or lines

beyond reasonable control of the Bank or other inevitable causes, and also agrees to hold the Bank harmless from and against all liabilities arising from any decision made by the Bank based on mutually agreed terms.

- ③ In rendering the Service hereunder, the Bank shall assume no responsibility for any loss or damage suffered by the Customer resulting from bankruptcy or service suspension of the VA Service Alliance Bank.

Article 12 Effect and Amendment

- ① The Agreement shall take effect from the date when the parties hereto enter the Agreement. The Agreement shall remain in full force and effect unless either party manifests intention of terminating the Agreement as set forth in Article 13 to the other.
- ② The parties hereto may change the terms of this Agreement by mutual written agreement of both parties.

Article 13 Termination

- ① The parties hereto may terminate the Agreement at any time by mutual agreement.
- ② Either party hereto may terminate the Service in case of falling under any of the following subparagraphs by a written notice given to the other at least fifteen (15) days prior to the termination date.
 - 1. In case where the Customer or the Bank fails to fulfill the obligations hereunder;
 - 2. In case where the service fees remain unpaid for two (2) months or more;
 - 3. In case where performing the Agreement becomes impossible due to reasons relating to business policy of the Customer or the Bank, revision or amendment of relevant laws and regulations, instructions of financial regulatory authorities, etc.;
 - 4. In case where Virtual Account has not been used for one (1) year since the account opening;
 - 5. In case where the Customer or the Bank disrupts financial order by violating relevant financial laws and regulations prescribed by regulatory authorities or loss or damage would be arising from violation of relevant laws and regulations by either party hereto; or
 - 6. In case where the Customer misuses or abuses the Service hereunder for other purposes than those set forth in Article 3 hereof.
- ③ If either party hereto intends to terminate the Agreement for other reasons than subparagraph 1 or 2 of paragraph ② above, the party shall give the other party a written notice specifying the reason thereof at least one (1) month prior to the termination date.

Article 14 Duty of Good faith, Diligence, Reasonableness and Care

The Customer and the Bank shall fulfill its duty of good faith, diligence, reasonableness and care in performing the Agreement.

Article 15 Application

- ① For each process executed for accounts relating to the Service, Terms and Conditions on the relevant account shall apply, and for fund transfer carried out by other financial institutions than the Bank, the Korea Financial Telecommunications & Clearings Institute's Regulations and Operating Rules on Financial Information Network (including CD network and Electronic Financial Network) shall apply.
- ② For matters not specified herein, General Terms and Conditions on Electronic Financial Transactions shall apply. If there is any conflict between this Agreement and General Terms and Conditions on Electronic Financial Transactions, this Agreement shall prevail.
- ③ The Customer shall send notice to the Payer by mail or e-mail prior to the execution of the Service hereunder to ensure that the Payer is informed that Virtual Account assigned by the Bank to the Customer as aforementioned is owned by the Customer and is not the account of the Payer.
- ④ In case where there is any suspicion regarding unsound use of Virtual Account including opening Virtual Account not for collection service but for resale, the Bank may request the Customer to provide a breakdown of transactions including the name of Virtual Account on a quarterly basis and the Customer shall act upon such request.

Article 16 Provision of Information

The Bank may provide information including customer's name, business registration number, business address, Payer's ID number, virtual account name, number of virtual account transactions, virtual account number and ordering customer information (hereinafter referred to as the "Customer Information") received from the Company to the SMS service provider within the necessary scope for the provision of the Service hereunder, and the Company agrees to this. The Bank's Counterparty, the SMS service provider or VAN shall not use, disclose or provide the Customer Information for other purposes than the Service, and shall protect and maintain the security of the Customer Information in accordance with the relevant agreement with the Bank.

Article 17 Governing Law and Jurisdiction

- ① This Agreement shall be governed by and construed and interpreted under the laws of Republic of Korea.
- ② If there is any legal dispute out of or in connection with this Agreement, each party agrees and consents that the competent court under the Civil Procedure Act in Korea or the district

court having jurisdiction over the Bank shall have jurisdiction over such legal action.

- ③ In the event of any conflict between the English version and the Korean version of the Agreement (if the Agreement are executed both in English and Korean versions), the Korean version shall prevail unless otherwise requested by the Customer.

[Customer]

_____ **(Official Seal)**

Appendix 1

Pricing

Category	Pricing
Number of transactions per month: 100 or more	KRW per transaction
Number of transactions per month: Less than 100	KRW per month

1. The aforementioned pricing shall remain in full force and effect for one (1) year from the date when the parties hereto sign the Agreement unless otherwise provided in the Agreement. Following the expiration date, the pricing shall remain in force unless otherwise agreed by the parties hereto.
2. For other fees and charges not specified herein, the general pricing schedule of the Bank shall apply.

I. For Bank Use Only		
VNC Customer Code :		
II. For GPS Use Only		
Checked by GPS Sales Manager:	Reviewed by GPS CS Manager	Checked by GPS Product Manager:
III. For SD Use Only		
Customer setup completed on:	Checked by:	Authorized by: