

GENERAL TERMS OF FACTORING ("TERMS AND CONDITIONS")

1. GENERAL

1.1 The Terms and Conditions were issued by the HSBC France (Spółka Akcyjna) Oddział w Polsce (hereinafter referred to as the **Bank**) pursuant to Article 109 clause 1 item 4 of the Banking Law and include conditions for the provision of the following services by the Bank to the Client:

- (a) Factoring With Recourse,
- (b) Factoring With Credit Protection,
- (c) Factoring With Credit Protection With the Client's Policy
- (d) Confidential Factoring With Recourse,
- (e) Confidential Factoring With Credit Protection,
- (f) Confidential Factoring With Credit Protection With The Client's Policy,

unless the Parties determine their rights and obligations differently in the Agreement.

1.2 By concluding the Agreement, the Bank acquires from the Client:

- (a) Debts existing on the date of this Agreement; and
- (b) future Debts,

that the Client has in respect of the Customers, subject to the Right of Recourse.

2. FUNDING LIMITS

2.1 The Bank shall at its own discretion establish, increase, decrease, suspend or cancel a Funding Limit for any Customer notified by the Client and give a notice of it to the Client, in any form, including oral notice. Such notice shall have immediate effect.

2.2 If at any time the total amount of Notified Debts, fulfilling conditions to recognise them as Eligible Debts, due from a given Customer, exceeds the established Funding Limit, the Bank will consider as Eligible Debts those first Notified up to the amount of the Funding Limit.

2.3 Upon the termination of this Agreement all Funding Limits shall expire without the necessity of notifying the Client.

2.4 Notwithstanding any other provisions of the Terms and Conditions and the choice made in item 1.2 of the Agreement, the Bank, with respect to the Polish Currency Debts, due from all or some Customers, may at any time decide that their Funding shall be done according to their Net Amount, which shall be communicated to the Client in writing. In such an event, the amount available from Funding in connection with the particular Debt shall be calculated as a product of the Funding Percentage and the Net Amount.

3. PURCHASE PRICE OF DEBTS

3.1 The Purchase Price of a Debt is reduced by the total amount of:

- (a) Credit Notes issued by the Client in relation to this Debt;
- (b) any set-offs made by the Customer in relation to this Debt;

3.2 The Purchase Price of the Debts shall be increased by ancillary claims, or any part thereof, related to the Debts (e.g. interest), in case the Customer pays these claims to the Bank.

3.3 The Bank has the right to set-off any of its claims against the Client, including any fees due to the Bank under the Agreement, from the Purchase Price of a Debt.

3.4 The Purchase Price of a Foreign Currency Debt shall be calculated in this foreign currency or such other currency as the Bank may agree with the Client.

- 3.5 If the parties agree that the Purchase Price is to be expressed in any currency other than that in which the Debt is expressed, then:
- (a) the Purchase Price shall be provisionally calculated at the rate of exchange used by the Bank (or, at the Bank's discretion, at the rate of exchange quoted to the Client by the Client's bankers) at the time of Notification; and
 - (b) the Purchase Price of the Debt shall be finally calculated at the rate of exchange used by the Bank on the day when the Client is authorised to make an Order or when the Bank exercises the Right of Recourse.
- 3.6 For payments that constitute an exercise of the Client's rights under the Credit Protection or Credit Protection With the Client's Policy, the Purchase Price of a Foreign Currency Debt will be converted from foreign currency to PLN at the average exchange rate of the National Bank of Poland of the day on which an invoice was issued for the particular Debt. In the event of the Foreign Currency Debt being insured by the Bank or the Client, the Bank may convert the Purchase Price to PLN on the basis of the exchange rate applied by the particular insurer.
- 3.7 The Client bears all risks connected with currency rate fluctuations. In particular, any gains or losses resulting from fluctuations in exchange rates connected with the conversions mentioned in items 3.5 and 3.6 will be gains or losses to the Client's account.

4. CREDIT PROTECTION /CREDIT PROTECTION WITH THE CLIENT'S POLICY

- 4.1 The Bank will provide Credit Protection or Credit Protection With The Client's Policy for the Client's Debts within the Credit Protection Limits up to the Credit Protection Percentage, taking into account the First Loss Risk.
- 4.2 The Bank shall at its own discretion establish, increase, decrease, suspend or cancel the Credit Protection Limits for any Customer notified by the Client and give a notice of it to the Client, in any form, including oral notice. Such notice shall have immediate effect.
- 4.3 A reduction or cancellation of a Credit Protection Limit in relation to a given Customer does not affect the effectiveness of the Credit Protection or Credit Protection With the Client's Policy in respect of the already Notified Credit Protected Debts payable by this Customer, provided that the Goods are delivered to the Customer before the receipt by the Client of the notification.
- 4.4 If the total amount of Notified Debts that qualify as Credit Protected Debts payable by a particular Customer, exceeds the Credit Protection Limit for that Customer, the Bank will consider as Credit Protected Debts those Debts which are first notified, up to the amount of the Credit Protection Limit.
- 4.5 The Bank does not provide the Credit Protection for a Debt if:
- (a) that Debt (together with all unpaid Debts owing by the same Customer) exceeds the Credit Protection Limit;
 - (b) the Client is in breach of any warranty or undertaking to the Bank or Insurance relating to that Debt;
 - (c) the Client is in breach of any obligations under the Agreement and consisting in the requirement to notify the Customer of the assignment (to the extent in which this obligation applies);
 - (d) that Debt is within the First Loss;
 - (e) that Debt is a Non-Notifiable Debt or it is in respect of interest;
 - (f) that Debt was in existence on the date of this Agreement and it, or any other undisputed Debt by the same Customer, was more than 90 days overdue on the date of this Agreement;
 - (g) this Debt relates to the Contracts of Sale with private individuals acting in a personal capacity and with Public Buyers from Poland.
 - (h) this Debt relates to the Goods for which payment is made by confirmed and irrevocable, or confirmed, irrevocable and renewable letter of credit;

- (i) this Debt is towards a Customer:
 - (i) which is controlled by the Client, by participation in its management, administration or capital;
 - (ii) which has similar control over the Client; or
 - (iii) which is part of the same capital group as the Client;
- (j) at the moment of the assignment or Notification:
 - (i) that Debt or any other Debt towards the same Customer is more than 60 days past due date of payment;
 - (ii) that Debt is towards an Insolvent Customer;
 - (iii) there occurred any dishonour or non-payment of a bill of exchange, promissory note, cheque or direct debit issued by the Customer; or
 - (iv) relates to Customers from the countries excluded from the Political Risk . The list of countries which are excluded from the insurance cover is held by and up to date by the Bank which is provided to the Client for the demand.
- (k) that Debt relates to any contractual or legal damages; or
- (l) that Debt is related to criminal activities.
- (m) the conditions were not met to include the Receivable under the Client Insurance provisions of the Policy.

4.6 Additionally, the Bank will not provide the Credit Protection in respect of any particular Debt where non-Remittance arises directly or indirectly from:

- (a) failure of the Client (or any party acting on behalf of the Client) to comply with contractual obligations owed to the Customer or with any relevant laws or regulations in force;
- (b) the termination of any Contract for Sale, distribution agreement, franchise or similar arrangement between the Client and the Customer, unless the Bank has agreed to the termination beforehand in writing;
- (c) the loss of any export or import licence or other similar authorisations preventing the performance of the Contract for Sale or the Remittance;
- (d) the Client's failure to effect the Delivery of Goods due to laws or regulations in its own country or decisions made by the government of its country other than where a Political Risk occurs where such Political Risk.
- (e) exchange rate fluctuations and/or currency devaluations if the Customer is unable to pay the additional amount corresponding to the depreciation of the local currency;
- (f) events occurring in a third country where Goods are to be Delivered or from which the Remittance is to be made, if that country has an Insurer Rating of C or D or is not subject to Insurer Rating; or
- (g) the provisions of the Agreement being declared invalid in the country of the Bank's, Client's or Customer's seat.

4.7 Upon the termination of this Agreement or, at the Bank's discretion, upon the occurrence of any of the Termination Events, all Credit Protection Limits shall expire without the necessity of notifying the Client.

4.8 The Client agrees to notify the Bank of any outstanding Debts which have not been Notified to the Bank and which have become Overdue Debts:

- (a) immediately, if the overdue period is in excess of 60 days – in the case of the Credit Protection or

- (b) no later than 14 days before the end of the overdue period resulting, in accordance with the Policy, in the expiry of insurance coverage for the Customer - In the case of the Credit Protection With The Client's Policy.

5. CREDIT MANAGEMENT

- 5.1 The Bank will manage the Client's sales ledger accounts in respect of Notified Debts and provide the Client with information thereon.
- 5.2 The Client's ledgers and books of accounts shall be kept in a timely manner and shall indicate that the Debts were assigned to the Bank.
- 5.3 The transmission of data through EDI/ HSBCnet Financing of Receivable will be effected in accordance with the relevant rules and standards set out in the HSBCnet system. The Client is obliged to:
 - (a) use HSBCnet Financing of Receivable system only for the purpose of obtaining and using the information and services described in the HSBCnet Financing of Receivable system or any other use approved by the Bank;
 - (b) keep confidential:
 - (i) any information obtained through HSBCnet Financing of Receivable system, and not disclose it to any third party without the Bank's written consent; and
 - (ii) any passwords given to enable the Client to access or use HSBCnet Financing of Receivable or EDI; and
 - (c) comply with requirements relating to HSBCnet Financing of Receivable system as the Bank may prescribe, particularly those set out in the HSBCnet Financing of Receivable system User Guide.
- 5.4 The Bank will incur no responsibility or liability (including for consequential loss) towards the Client in respect of or arising from the use of HSBCnet Financing of Receivable system or EDI.
- 5.5 The Bank shall have the right to collect any Debts acquired by the Bank, in whatever way it chooses, and in the case of Credit Protection With The Client's Policy, in a manner agreed or described in the terms and conditions of the Client's Policy. The Bank shall notify the Client on the commencement of debt collection proceedings.
- 5.6 Non-Notifiable Debts are due to the Bank, similarly to the Notified Debts; however, any payments for Non-Notifiable Debts, are to be received by the Client directly from its Customers (without the intermediation of the Bank), unless the Bank requires the Client to Notify a particular Non-Notifiable Debt.
- 5.7 Any Remittance received from the Customers and relating to a Non-Notifiable Debt is retained by the Client and applied towards its remuneration for the sale of the Debt to the Bank, unless the Bank has previously told the Client to Notify the Bank of the relevant Debt.
- 5.8 The Client is obliged to provide the Bank with all assistance and co-operation as the Bank may require in relation to the Bank's collection of Debts or to the Bank seeking compensation.
- 5.9 In the event the Bank chooses to use its debt collection rights in respect of the Notified Debts to which the Confidentiality Clause applies, the Bank shall notify the Client thereof. Until then the Client will act, at its own expense, to collect the debt on behalf of the Bank.

6. REPOSSESSED GOODS AND ASSOCIATED RIGHTS

- 6.1 If after Notifying a Debt but before its being paid by the Customer, the Client receives a return of Goods relating to the relevant Debt or retrieve those Goods in any other way, ownership of those Goods will be transferred to the Bank from the very moment of repossession by the Client, unless the Bank decides otherwise (e.g. by exercising the Right of Recourse). The Client is then obliged to:
 - (a) immediately notify the Bank of returning or retrieving the Goods,
 - (b) mark the Goods as the Bank's property,
 - (c) on the Bank's demand Deliver them, at its own expense, to the Bank or to a place indicated by the Bank.

- 6.2 Until submission by the Bank of the demand referred to above, the Client is obliged to keep the Goods at its own expense.
- 6.3 If the Bank exercises the Right of Recourse in respect of a Debt following the transfer of the ownership of the Goods to the Bank, the ownership of the Goods shall pass back to the Client upon the Client's payment to the Bank of all sums due to the Bank in connection with the exercise of the Right of Recourse.

7. SETTLEMENTS WITH THE BANK

- 7.1 The Bank shall maintain a Current Account in the Client's name to record dealings between the Client and the Bank. In particular, the Purchase Price of Debts shall be credited to the Client's Current Account upon Notification, and all payments the Bank makes to the Client or on the Client's behalf (including as part of the Finance) shall be debited to the Client's Current Account. For administrative convenience, the Bank shall credit the Client's Current Account with the Notified value of Debts and make any necessary adjustments later on.
- 7.2 The Bank shall debit the Client's Current Account with the amounts of the Client's Liabilities to the Bank, unless the Bank and the Client agree upon a different method of payment.
- 7.3 The Bank shall also maintain a Discounting Account, which shall be an ancillary account, for the purpose of calculating Discounting Charges. The Bank shall record in this account all sums paid by the Bank to the Client, all sums received by the Bank in respect of Debts acquired from the Client, and the Client's Liability, unless the Bank and the Client agree upon a different method of payment applicable to the Liabilities.
- 7.4 The Bank will send the Client monthly statements of the Current Account and of the Discounting Account. These shall be treated as correct and binding on the Client, if the Client does not present the Bank with written objections as to the balances on those accounts, within 14 days of the date of dispatch of those bank statements.
- 7.5 Subject to mandatory provisions of law, the Bank may allocate any Remittance received from (or any credit or allowance granted to) a Customer against any Debts, selected at the Bank's discretion, payable by that Customer. Where the same Customer owes both Credit Protected and Unprotected Debts, the Bank shall allocate any Remittance received from (or any credit or allowance granted to) the Customer towards discharge of any Credit Protected Debt in priority to any Unprotected Debt.
- 7.6 Any payments received in connection with the Insolvency of a Customer shall be allocated between the Bank and the Client pro rata to the amount of Credit Protected and Unprotected Debts owing by the Customer at the date of Insolvency.
- 7.7 The Bank will debit the Client with a Discounting Charge at the rate specified in the Agreement. Relevant entries will be shown on the Discounting Account monthly.
- 7.8 Discounting charges will be calculated on the net daily balances on the Discounting Account by reference to the value date of the transactions, over a year of 360 days. Value dates are to be determined as follows:
- (a) the Bank's payments to the Client shall be debited to the Discounting Account on the date of order of the transfer;
 - (b) the Bank will credit the received Remittances to the Discounting Account on the day of crediting the Bank's account with the funds.
- 7.9 If the Customer makes a Remittance using the Split Payment Mechanism:
- 7.9.1. the funds credited to the VAT account associated with the Bank Account shall be regarded as repayment of the Debt by the Customer;
 - 7.9.2. the repayment of the Debt shall be recognised on the Current Account;
 - 7.9.3. the Customer must immediately pay the amount by which the amount paid under the Funding exceeds the Net Amount received from the Customer, to the Bank Account, in order for the Bank to collect it to repay the Debt.

7.10 The provisions of item 7.9 shall apply accordingly to a partial payment of a VAT invoice with the use of the Split Payment Mechanism.

8. CLIENT'S WARRANTIES TO BANK

8.1 The Client warrants that before entering into the Agreement the Client has disclosed to the Bank all facts and matters which are or ought to have been known to the Client and which might in any way have influenced the Bank's decision to enter into the Agreement, including, in particular, facts and matters relating to the Client's financial situation, liquidity, relationships with Customers, perspectives of business development.

8.2 The Client further warrants in respect of or in connection with each Notified Debt that:

- (a) no other person has or will have any right to the Debt;
- (b) Debts are not and will not be encumbered in any way, except in the Bank's favour;
- (c) the Goods have been delivered and, except as otherwise stated in the Contract of Sale, the Client or the Customer have unencumbered title to them;
- (d) the right of set-off is excluded for those Debts (unless the Bank has accepted the right of set-off in respect of a Debt) and there are no limitations decreasing the Notified value of the Debt or affecting the Bank's ability to collect the Debt (including bans on assignments);
- (e) the Debt is and will continue to be, an existing, enforceable and undisputed obligation of the Customer until payment by the Customer is made;
- (f) the Debt arises out of the sale of Goods by the Client to the Customer in the ordinary course of the Client's business;
- (g) except as otherwise approved by the Bank in writing (lack of a written approval shall be construed as a lack of approval), the Debt is payable in accordance with payment terms set out in the Agreement; such terms are endorsed on every invoice delivered by the Client;
- (h) the Debts arise from the Contract of Sale and are governed by Polish law (or other law approved by the Bank);
- (i) the Customer has an established place of business and is not an Associate;
- (j) the Client is not in breach of his obligations to the Customer;
- (k) there are and will be no contracts between the Client and the Customer, other than the Contracts of Sale (unless approved by the Bank);
- (l) the person that Notifies the Debts on the Client's behalf has the Client's authority to do so; and
- (m) the original invoice has been delivered to the Customer, bearing a notice that the Debt has been assigned to the Bank (in the case such notice is required by the Agreement).

8.3 Until the Agreement is terminated and all of the Bank's claims against the Client have been satisfied, the Client will not, without the Bank's prior written consent:

- (a) sell, assign, charge, encumber or otherwise deal with Debts payable by Customers covered by the Agreement, which exist on, or come into existence after, the date of this Agreement, or the Client's rights under the Agreement; and
- (b) subcontract to third parties the performance of any of the Client's obligations to the Bank.

8.4 Until the termination of the Agreement and the satisfaction of all of the Bank's claims against the Client, the Client agrees that it will not, without written consent of the Bank, set off any of its receivables against those of the Bank.

8.5 At the Bank's request, the Client is obliged to confirm immediately the assignment of any Debt acquired by the Bank, in a written form specified by the Bank.

8.6 Neither the Client nor any of the entities being members of the Group and no person being a member of the corporate authorities of such entities, and, to the best of the Client's knowledge, no employee, representative, agent or affiliated entity of the Client, within the meaning of the Act on Accounting, is (i)

subject to Sanctions or (ii) has its registered office located or is incorporated or is a resident of the state or territory that is subject to, or whose authorities are subject to Sanctions.

9. THE CLIENT'S UNDERTAKINGS TO THE BANK

9.1 Until this Agreement is terminated and all of the Bank's claims against the Client are satisfied, the Client undertakes:

- (a) to furnish the Bank with information concerning the business and financial standing of the Client, including copies of quarterly statements F-01 (or other quarterly statements prepared by the Client, satisfactory to the Bank) within 30 days from the end of accounting periods covered by the statement and shall submit to the Bank certified copies of approved annual financial statements (in particular the balance sheet, profit and loss account and cash flow statement) with an opinion and report of a statutory auditor (if the financial statements underwent an audit), additional information and the report of the Management Board, within 20 days from their approval;
- (b) to promptly notify the Bank of any changes in its organisational, economic, financial or legal situation (including entities related to the Client as regards their property, organisation or capital), of any changes in the management bodies of the Client, of the institution of winding-up, reorganisation (composition), bankruptcy or any other proceedings or actions against the Client on account of insolvency or a threat of insolvency, of any court, arbitration, tax or administrative proceedings that are pending or to its knowledge threatening or expected or of any other circumstances that could have a material effect on the business or financial standing of the Client;
- (c) to provide to the Bank quarterly statements, prepared in the layout indicated by the Bank, of the ageing structure of receivables and liabilities of the Client and information on liabilities of the Client against other Banks –until the end of the month following the end of each quarter (including for the last quarter of the financial year);
- (d) to provide the Bank with:
 - (i) the full and correct name and address of the Customers and such other information relating to the Customer as the Bank may reasonably require;
 - (ii) satisfactory evidence (including existing document as for Contract of Sale, invoice and proof of delivery) of the Client's performance of the Contract of Sale and all other obligations to the Customer; and
 - (iii) all documents and materials possessed (irrespective of the manner in which it was recorded) relating to the Client's attempts to collect the Debts;
 - (iv) any available information which may have a negative impact on the Customers' ability to pay the Debts.
- (e) following Delivery of the relevant Goods, immediately to:
 - (i) Notify the Bank of the Debts, in the way required by the Bank; and
 - (ii) record the disposal of the Debts to the Bank in the Client's books of account;
- (f) to ensure that:
 - (i) each invoice contains details of the payment terms, and where foreign trade is involved, the relevant INCOTERMS 2010; and
 - (ii) any warranties, given by the Client to the Bank, shall remain effective and unaltered until all sums due to the Bank shall be discharged and to notify the Bank immediately when the Client becomes aware of the breach of any such warranties;
- (g) to notify the Bank promptly in writing of any dispute between the Client and a Customer and to make all necessary endeavours immediately to resolve that dispute;
- (h) to open the Bank Account, if the Agreement provides for the Confidentiality Clause or applies to Polish Currency Debts, and ensure that the Bank is exclusively entitled to manage the funds deposited therein;
- (i) to keep all Remittances received from the Customers separately from own funds and to transfer them promptly and in full amount (subject to item 5.7 of the Terms and Conditions):

- (i) to the Bank Account – in case of the Remittances relating to the Debts to which the Confidentiality Clause applies, or Polish Currency Debts; or
 - (ii) to the account of the Bank indicated to the Customers – in the case of Remittances relating to other Debts;
- (j) to promptly pay, no later than within 5 Business Days, upon the Bank's request:
 - (i) any debit Current Account Balance; and
 - (ii) any amount by which the Retention exceeds the credit Current Account Balance;
- (k) to allow any representative or agent of the Bank, at any time to enter any premises to inspect, verify and check all such books, accounts, computer and other records, orders, correspondence and other documents as the Bank may require and to provide copies, at the Client's expense, of such of them as the Bank may decide; in case of the Confidential Factoring, the Bank may set periodic inspections in the scope determined above;
- (l) not to Notify the Bank, unless the Bank requests so, of any Debt which, at the date of this Agreement or at the date of the Notification, shall be:
 - (i) more than 12 months old;
 - (ii) payable by an Insolvent Customer;
 - (iii) in the hands of entities rendering legal services, debt collectors or other third parties for the purpose of collection; or
 - (iv) disputed in any way;
- (m) not to Notify the Bank, unless the Bank requests so, of any Debt which:
 - (i) is described in the Agreement as Non-Notifiable Debts; or
 - (ii) may be agreed by the Client and the Bank, subsequent to the date of this Agreement, as being a Non-Notifiable Debt;
- (n) without the Bank's prior written consent, not to:
 - (i) disclose to any Customer or any other person information from the Bank relating to other Customers or any established limits;
 - (ii) alter the Client's standard terms of business or alter any Contract of Sale following Notification of a Debt arising under it;
 - (iii) enter into any further Contract of Sale with any Customer, if the Bank informs the Client about the impossibility to collect the Credit Protected Debt payable by that Customer; this obligation shall be binding upon the client until such Debt has been collected; and
 - (iv) appoint any third parties as agent for debt collection;
- (o) promptly present to the Bank any information relating to change of registered seat, business name and address data of the Customers; or
- (p) not make any acts which might result in a default under any Sanctions including, in particular, not using, to the extent covered by the Sanctions, either directly or indirectly, any funds disbursed as a part of the Finance to finance: (i) any activity of economic or other nature taking place in a country or within a territory which is, or the authorities of which are subject to Sanctions, or (ii) not lend, contribute or place in any manner whatsoever such funds at the disposal of any entities that engage in any activity in such countries or within such territories or any entities whose registered office is located there, which are incorporated there or are the residents thereof.

9.2 The Client undertakes:

- (a) to ensure that all information about the Customers that the Client may transfer to the Bank is accurate and its transfer complies with the GDPR and the polish act on personal data protection; and
- (b) to advise sole trader and partnership Customers about how the Client processes information about them, the Client's disclosures of it to the Bank and the use the Bank will make of such information including passing it to credit information agencies.

10. COMMUNICATIONS WITH CUSTOMERS AND THIRD PARTIES

10.1 The Client irrevocably authorises the Bank to:

- (a) communicate with Customers, for any purpose, including to obtain the Customer's consent to the solicitation of references relating the Customer; and
- (b) provide the Client's bank, entities providing auditing or accounting services and other professional advisers and any credit insurers with such information as they may require about the Client's settlements with the Bank.

10.2 The right referred to in item 10.1 (a) above does not apply to the Notified Debts to which the Confidentiality Clause applies, unless the Customer has been notified about the assignment in accordance with the provisions of these Terms and Conditions.

11. ASSIGNMENT BY THE BANK

The Bank may assign to any third person all or any of the Bank's rights under this Agreement and the Terms and Conditions. This includes in particular the Bank's rights to any Debt and the Bank's power to act under item 12 of the Terms and Conditions. The Client will, at the Bank's request and in the manner specified by the Bank, confirm an assignment of any of the Debts purchased by the Bank from the Client to such persons as the Bank may direct.

12. RECOURSE

12.1 The Bank may exercise the Right of Recourse in respect of:

- (a) Debts not paid by a Customer (except Credit Protected Debts, within the scope of Credit Protection) as at:
 - (i) termination of Agreement; or
 - (ii) the occurrence of a Termination Event (whether or not the Bank exercises its right to end the Agreement); or
- (b) Debts (except Credit Protected Debts, within the scope of Credit Protection) following:
 - (i) their being disputed or being subject or alleged to be subject to a right of set-off (unless the Bank has accepted the right of set-off), counterclaim or reduction; or
 - (ii) a breach of warranties or undertakings relating to them and set out in the Agreement or the Terms and Conditions;
- (c) all or some of Debts towards the particular Customer if at least one of those Debts becomes an Overdue Debt (except the part of Credit Protected Debt which became Credit Protected); or
- (d) any Debts, in other cases, as may be agreed between the Parties, e.g. in the case of erroneous Notification of a Debt.

The above described Right of Recourse shall apply regardless whether the Bank has already paid the price for the purchased Debt. Usually, the Bank shall not exercise the Right of Recourse as regards the Debts referred to in item 12.1 (c) above, overdue less than 60 days – however, it is not the Bank's undertaking.

12.2 The Bank shall notify the Client about its use of the Right of Recourse in any form. Recourse shall be exercised by notice from the Bank to the Client listing the Debts which have been Recoursed or referring to all outstanding Debts.

12.3 The price of resale is the remaining balance of the Notified amount of Debt increased by any charges and other sums due to the Bank in respect of the Debt. For administrative convenience, where all Debts are resold, the amount payable by the Client to the Bank for re-purchasing them shall be treated as discharged when the Client has paid to the Bank a sum equivalent, at the date of payment, to the debit balance on the Discounting Account plus any part of the Client's Liability that has not already been debited.

12.4 The Client is obliged to pay the price for the resale of the Debts, in respect of which the Bank has used its Right of Recourse, immediately following the Bank's notification under item 12.2 above, and if the parties have not agreed otherwise, the payment is made by compensating the Debt resale price with the Purchase Price of other Debts, to the extent that the Client is authorised to make the Order in accordance with the provisions of the Agreement.

A reassignment of the Debts in respect of which the Bank used the Right of Recourse, shall be effective upon the payment by the Client of all sums due to the Bank in connection with the Right of Recourse.

12.5 The Bank is entitled to set off relating to the above settlements.

13. TERMINATION EVENTS

13.1 The Bank may end this Agreement with immediate effect at any time after the occurrence of any of the following events:

- (a) breach, considered by the Bank to be material of:
 - (i) Agreement by the Client; or
 - (ii) any other agreement between the Client and the Bank or between the Client and a Group Company;
 - (iii) any agreement between an Associate and the Bank or between an Associate and a Group Company; or
 - (iv) any representation or undertaking, given by the Client or a third party, in reliance upon which the Bank has entered into the Agreement or made any payment under it;
- (b) filing a Client's bankruptcy petition, or occurrence, with respect to the Client, of any of the legal conditions for the declaration of bankruptcy;
- (c) entering the Client in the register of insolvent debtors;
- (d) seizure of the Bank Account or a material part of Client's assets in enforcement proceedings or proceedings securing a claim;
- (e) the Client ceasing to carry on business or threatening to do so;
- (f) any representation or warranty made by the Client in the Agreement or in any other document submitted in connection with the Agreement proves to have been untrue or misleading when submitted or repeated;
- (g) any Security Interest expires or its value or effectiveness, in the Bank's opinion, is materially impaired and the Client or a third party, despite being called upon by the Bank, does not establish an additional Security Interest at an indicated date;
- (h) change, whether direct or indirect, in the Client's ownership, control or status which – in the opinion of the Bank – could have a material adverse effect on the Client's ability to fulfil its obligations towards the Bank in connection with this Agreement;
- (i) the economic, financial or legal standing of the Client is materially weakened in the Bank's opinion, which may threaten the Client's ability to fulfil the obligations under the Agreement, or if other circumstances exist which could have a material negative effect, in the Bank's opinion, on the business of the Client;
- (j) the Client's failure, for a consecutive period of 30 days, to Notify the Bank of any Debt;
- (k) any part of the Client's income or assets, being subject to:
 - (i) seizure or pledge;
 - (ii) enforcement of security rights; or
 - (iii) court proceedings;
- (l) any judgment or order against the Client which remains unappealed or not complied with for seven days;
- (m) any criminal conviction of the Client or persons having an influence on managing the Client's business, including in particular members of boards of capital companies and partners of partnerships and also any person who has given the Bank a warranty or security in respect of the Client's obligations to the Bank.

13.2 Following a Termination Event or the Bank's reasonable belief of such an event or other event that may cause termination of this Agreement, the Bank is entitled to:

- (a) without notice, reduce or withdraw the Funding Percentage; and
- (b) require the Client to repay to the Bank any payments made to the Client, in the scope of the Financial, in respect of Debts remaining unpaid by the Customers.

13.3 Upon the occurrence of any of the Termination Events and in the case of termination of the Agreement, the Bank shall have the right to set off the Client's Liability, to the extent not already debited to the Current Account against sums due by the Bank to the Client. Such liability and sums, together with the items in the Current Account, shall be treated as being consolidated. Any debit balance arising from such treatment shall become immediately payable to the Bank. Credit balance shall become immediately payable to the Client.

13.4 Notwithstanding any other provisions of the Terms and Conditions, if the Split Payment Ratio is exceeded, the Bank may, on the basis of a unilateral decision, reduce the Funding Percentage by no more than 30 percentage points, which shall be communicated to the Client in writing,

14. INDEMNITY & FORCE MAJEURE

14.1 The Client is obliged to compensate to the Bank all costs incurred by the Bank in relation with:

- (a) entering into, operating or enforcing the Agreement;
- (b) the collection of Debts; and
- (c) the release of Debts from any encumbrances.

14.2 Force Majeure events may affect or prevent the Bank's ability to carry out the Bank's obligations under the Agreement. Where possible, the Bank will advise the Client of the reasons for, the scope and likely length of any delay. Neither the Bank nor any member of the Group shall be liable to the Client for any loss the Client may suffer if the Bank or any Group Company are prevented from performing (or prevented from properly performing) obligations to the Client due to Force Majeure.

14.3 If the Bank has paid the Client the balance of the Purchase Price of a Credit Protected Debt, but the Debt later becomes an Unprotected Debt, then the Bank shall debit the Purchase Price to the Client's Current Account.

15. NOTICES AND SUMMONS

Any notice in writing by the Bank to the Client under the Agreement or the Terms and Conditions, or any legal proceedings issued in the Bank's name which have to be served on the Client shall be delivered or posted to the Client at:

- (a) the Client's address stated in the Agreement;
- (b) the Client's registered office; or
- (c) any address at which the Client carries on, or was known to carry on business (the last applies when the Client did not notify the Bank on discontinuing its business activities at the address).

Such notice or summons may also be given by facsimile transmission or electronic communication media.

16. THE CLIENT'S INFORMATION

16.1 The rules governing the processing of data relating to Clients or persons acting on Clients' behalf shall be subject to a separate agreement between the Parties.

16.2 For training, quality control and security purposes, the Bank is authorised to monitor and/or record the Client's phone calls with the Bank (and the Client undertakes to ensure that all relevant employees of the Client are made aware of this).

17. AMENDMENT OF THE TERMS AND CONDITIONS

17.1 Without the need to terminate or amend the Agreement, the Bank may amend these Terms and Conditions at any time.

- 17.2 Notifying the Client of the change to these Terms and Conditions, the Bank shall:
- (a) provide the Client with the amended Terms and Conditions or the changes made, as well as specify their effective date and notify of the possibility to make a declaration referred to in item 17.3 below, or
 - (b) publish on the www.hsbc.pl website the information of the change and the amended content of the Terms and Conditions; therefore, the Client shall check – at least once a week – the abovementioned website.
- 17.3 If, within 14 days following the date of the Client’s notification (as specified in item 17.2 above) of the amendment of the Terms and Conditions, the Client does not terminate the Agreement, the new Terms and Conditions or the amendments to the Terms and Conditions shall be considered as accepted and effective as of the date of expiry of the period specified in the notification provided by the Bank. In the case of provision of a declaration on non-acceptance of the new provisions of the Terms and Conditions or the new Terms and Conditions, the Agreement shall be terminated within 30 days following the date of such declaration.

18. DEFINITIONS

Unless otherwise specified in the Agreement, the terms used in the Terms and Conditions shall have the following meaning:

Act on Accounting – Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2002, No. 76, item 694, as amended).

Act on Certain Types of Financial Collateral – Act of 2 April 2004 on Certain Types of Financial Collateral, or another law replacing that act,

Additional Retention – an amount which the Bank may stipulate, taking into account the expected value of the Remittances made with the Split Payment Mechanism. The Bank may, at any time, determine or change the amount of the Additional Retention, which shall be communicated to the Client in any form, also orally. The Bank shall not have the right to determine the Additional Retention in the event of Debt Funding according to the Net Amount.

Arrangement Fee – a charge to the Client collected by the Bank every year for activities related to the entry into and performance of the Agreement.

Associate – any form of conducting business (including sole traders, partnerships and companies) being affiliated with the Client within the meaning of the accountancy law (dominant unit, significant investor, dependent unit, co-dependent unit or associated unit, or being jointly controlled with the Client, and a partner of the Client’s co-dependent unit) or any person having an influence on the management of the Client’s business, including members of bodies, partners or employees and other officials of the Client.

Associated Rights – In relation to any Notified Debt:

- (a) all of the Client’s rights provided for or retained under the Contract of Sale bringing this Debt;
- (b) rights under insurance agreements relating to a Contract of Sale relating to this Debt;
- (c) all instruments relating to a Contract of Sale relating to this Debt, and in particular all securities, bonds, guarantees and indemnities;
- (d) the Bank’s right to use any ledger belonging to the Client or document recording or evidencing a Debt, including electronic data; and
- (e) the Bank’s right to all Goods, pursuant to item 6.1 above.

Availability – an amount that may be managed by the Client, equal, at the time of Disposal, to any credit Current Account Balance less the Retention, within the scope of the Availability Limit defined in the Agreement (in relation to the Finance).

Availability Limit (applicable to the Finance) – the maximum debit balance of the Discounting Account.

Bank Account (applicable to Polish Currency Debts and Debts to which the Confidentiality Clause applies, regardless of the currency) – an account of the Client at the Bank in which the Client collects all Remittances from the Customers related to the Notified Debts to which the Confidentiality Clause applies.

Banking Law – Act of 29 August 1997, Banking Law (consolidated text: Journal of Laws of 2002, No 72, item 665, as amended) with the relevant implementing regulations.

Base Rate – the base interest rate of the Discounting Account. The Base Rate for a calendar month is calculated as the arithmetical average of daily quotations published in the previous month of 1 M WIBOR (for PLN), 1 M LIBOR (for other currencies, for which LIBOR is published) or other relevant one-month rates published in relation to a given currency (for other currencies, for which LIBOR is not published). The Bank may, at its discretion, change the calculation manner of the Base Rate which shall not be considered an amendment to the Agreement and shall not be required to be made in writing. However, if the Client does not accept the new calculation manner of the Base Rate, it may terminate the Agreement upon 30-day notice.

Blocked Funds – funds blocked in the Bank Account under the Agreement, as collateral for Secured Debts,

Business Day – shall mean each and any day except for Saturdays, Sundays and other bank holidays in the Republic of Poland, on which the Bank is open for business as covered by these Terms and Conditions.

Client – the entity that signed the Agreement with the Bank.

Client's Liability – all of the Client's liabilities to the Bank and the Bank's reasonable estimate of any future and contingent liabilities however arising including but not limited to:

- (a) any debt of the Client assigned to the Bank by the Client's supplier or other entity;
- (b) any liability under the Rights of Recourse;
- (c) any liability in respect of charges calculated by the Bank.

Client's Policy (Policy) – a credit risk insurance agreement concluded by and between the Client and the insurer approved by the Bank, covering the risk of non-payment of the Debts.

Concentration Limit (applicable to the Finance) – the maximum share of the amount of Eligible Debts due from a single Customer in the total amount of Eligible Debts due from all Customers.

Confidentiality Clause – provision according to which certain Customers are generally not notified of the assignment of all or particular Notified Debts.

Contract of Sale – any contract by the Client for:

- (a) the sale or supply of goods (products); or
- (b) rendering services to the Customer.

Credit Management – an activity consisting in: (i) with respect to Factoring – collection of Debts, Customer management and maintenance of a Customer settlement ledger; or (ii) with respect to confidential Factoring – maintenance of a Customer settlement ledger, as well as collection of Debts, provided that the Customer is notified of the assignment of the Debt in accordance with the provisions of the Terms and Conditions.

Credit Note – any document confirming any reduction of any Debt relating to any Customer, in particular a correcting invoice.

Credit Protected Debt – Debt for which the Bank provides Credit Protection or Credit Protection With The Client’s Policy, unless it becomes Unprotected Debt under the provisions of the Terms and Conditions.

Credit Protection – the resignation by the Bank of a Right of Recourse in respect of those Debts purchased by the Bank which the Bank designates as Credit Protected Debts under the Agreement, up to the value of the Credit Protection Percentage, taking into account the First Loss Risk

Credit Protection Limit (applicable to the Credit Protection and Credit Protection With The Client’s Policy) – determined separately for each Customer, the maximum amount of Notified Debts which may be owed by that Customer and be qualified by the Bank as Credit Protected Debts.

Credit Protection Percentage shall mean:

- (a) with respect to the Credit Protection – a percentage of the value of a Notified Debt, specified in the Agreement; and
- (b) with respect to the Credit Protection With The Client’s Policy – a percentage of the value of a Notified Debt, determined according to the Policy.

Credit Protection With The Client’s Policy – the resignation by the Bank of a Right of Recourse in respect of those Debts purchased by the Bank which the Bank designates as Credit Protected Debts, within the scope of compensation received by the Bank on the basis of an assignment of rights arising from the Client’s Policy.

Current Account – an account in the computer system of the Bank for evidencing transactions between the Bank and the Client, including in particular the purchase of Notified Debts and payments of the Purchase Price for these Debts.

Current Account Balance – the debit or credit balance for the time being on the Current Account or (in case of lack or incorrectness of relevant entries) the amount that would represent such debit or credit balance if all debits or credits due to be made to that account had been made.

Customer – entrepreneur covered by the Agreement according to the arrangements made between the Bank and the Client, purchasing Goods from the Client under a Contract of Sale

Debt – any receivable (or any part thereof) or other right (including any tax, duty or interest), present, future or contingent, against any Customer under a Contract of Sale, as well as any Associated Rights.

Delivery – in respect of the Goods means that:

- (a) the Goods have been released to an independent freight company in order to be transported to the place from which the Customer is obliged to collect them; or
- (b) in the case when services of independent freight company are not used – the Goods have been released to the Customer or to a third party acting on behalf of the Customer.

Discounting Account – an account in the computer system of the Bank for the calculation of the Discounting Charge due to the Bank from the Client and any charges related to the Agreement.

Discounting Charge – interests due to the Bank from the Client, calculated in respect of any daily debit balance on the Discounting Account.

EDI – *Electronic Data Interchange*; an application that creates a file for data transmission between the Klient and the Bank.

EURIBOR – the Euro Interbank Offered Rate determined by the European Money Markets Institute (or a successor of that entity as the administrator of the Euro Interbank Offered Rate), published on the relevant page of the Thomson Reuters service, or – if the page is replaced or the service is no longer available – on another equivalent page or service publishing the relevant percentage rate, as determined by the Bank after consultation with the Client.

Eligible Debts (applicable to Finance) – Notified Debts within the Funding Limits except:

- (a) Debts which are or have been at any time subject to breach of any warranty or undertaking given to the Bank (including Debts in any way disputed by Customers);
- (b) Debts in excess of the Concentration Limit;
- (c) Non-Notifiable Debts;
- (d) Debts which the Customer cannot pay by reason of Force Majeure;
- (e) Overdue Debts (not applicable to Credit Protected Debts) unless agreed otherwise by the Bank;
- (f) Debts, selected by the Bank at its discretion, that the Bank may wish to confirm whether they have been Notified in compliance with the Client's warranties and undertakings to the Bank, before the Bank treats them as Eligible Debts;
- (g) at the Bank's discretion, Debts in respect of interest;
- (h) Debts which are or shall be payable by an Associate;
- (i) Debts which are or shall be the subject of any known or expected counterclaim or set off by the Customer; or
- (j) Debts which arise from a Contract of Sale by which:
 - (i) Goods are supplied subject to the right to their return;
 - (ii) ownership of the Goods or documents of title are transferred to the Customer whilst the Goods remain in the Client's possession or under the Client's control;
 - (iii) the due date for payment is fixed by reference to the date upon which ownership of the Goods passes and not to the date of physical delivery; or
 - (iv) tooling is provided which is intended to remain indefinitely at the Client's premises or under the Client's control, unless the Bank agrees otherwise.

Factoring – a service provided by the Bank including other activities indicated in the Agreement or the Terms and Conditions, consisting in the purchase by the Bank from the Client of existing, undisputed receivables of the Client under Contracts of Sale concluded with its Customers, for the agreed Purchase Price,

Finance – financing of selected Debts purchased by the Bank (Eligible Debts), prior to the due date of these Debts or, if their due date has passed and subject to the Bank's consent, prior to their payment.

Financial Pledge – a financial pledge established by the Client under the Agreement and the Act on Certain Types of Financial Collateral on the Pledged Debts as collateral for the Secured Debts.

First Loss shall mean:

- (a) with respect to the Credit Protection – an amount threshold set out in the Agreement. If the amount of Debts that meet the criteria referred to in item 4.3 of the Agreement, due from a particular Customer, does not exceed this threshold, these Debts cannot be Credit Protected. In relation to a Foreign Currency Debt, First Loss expressed in PLN is converted into the foreign currency at the rate of exchange used by the Bank. Should the Bank insure the Foreign Currency Debt, the Bank may convert First Loss expressed in PLN into the foreign currency at the rate of exchange used by the insurer; or
- (b) with respect to the Credit Protection With The Client's Policy – an amount which, in accordance with the Policy, can be deducted by the insurer from the compensation. If the amount of Debts that meet the criteria for the payment of compensation under the Policy, due from a particular Customer, does not exceed this threshold, these Debts cannot be Credit Protected.

Force Majeure – any event or circumstance, whether arising from natural causes, human intervention or otherwise, beyond the Bank's control or the control of the Customer (as applicable), including strikes,

lockouts, labour disputes, riots, civil commotion, war, fire, flood, laws, acts or directions of any government or governmental agency.

Foreign Currency Debt – a Debt which, according to the Contract of Sale, is payable in a currency other than PLN.

Funding Limit (applicable to the Finance) – determined separately for each Customer, the maximum amount of Notified Debts which may be owed by that Customer which may qualify as Eligible Debts.

Funding Percentage (applicable to the Finance) – determined in accordance with the Agreement, percentage of the Purchase Price of Eligible Debt, which can be paid by the Bank on the basis of an Order before receiving payment from the Customer.

GDPR - means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (Official Journal of the European Union, L 119, 4 May 2016).

Goods – products, goods or services which are the subject of a Contract of Sale.

Group Company – HSBC Holdings plc and each of its dependent companies.

Group – shall mean the Client and its subsidiaries and holding companies within the meaning of the Act on Accounting.

INCOTERMS 2010 – rules for the interpretation of trade terms of the International Chamber of Commerce in force when the relevant Contract of Sale was made.

Insolvency (respectively Insolvent) – Any of the events:

- (a) occurrence of conditions for declaration of bankruptcy or for the commencement of restructuring proceedings
- (b) entering into the register of insolvent debtors;
- (c) a seizure of significant part of assets in execution or security proceedings;
- (d) significant impairment of creditworthiness; or
- (e) in relation to persons other than natural persons – the commencement of liquidation.

Insurer Rating – the rating (AA, A, BB, A, C or D) given to a country by the insurer which provides insurance protection to the Bank in relation to the Debts acquired by the Bank on the basis of the Agreement. The list of countries and their ratings shall be maintained and updated by the Bank, and shall be made available to the Client upon request.

Interest Rate – the interest rate specified in the Agreement within Factoring, constituting a basis for the calculation of Discounting Charges.

HSBCnet Financing of Receivable - system enables electronically exchange of information between Bank and the Client and which is the channel used by the Bank to utilise the factoring product for the Client.

LIBOR – the London Interbank Offered Rate determined by ICE Benchmark Administration Limited (or the successor of this entity as the administrator of the London Interbank Offered Rate), published on the relevant page of the Thomson Reuters service or, if such page is replaced or the service is unavailable, another equivalent page or service publishing the relevant rate, as determined by the Bank after consultation with the Client.

Minimum Annual Service Charge – the minimum total of Service Charges for any Transactional Year.

Nominal Amount – the total amount payable by a Customer, including VAT and before any deduction, discount or allowance, regardless of the due date for their payment.

Net Amount – the Nominal Amount less the amount of VAT due.

Non-Notifiable Debt – a Debt, acquired by the Bank under the Agreement, which must not be notified by the Client to the Bank unless the Bank requests so from the Client, including all the Debts referred to in items 9.1 (l) and (m) above and the Debts specified in the Agreement as Non-Notifiable Debts.

Notify/Notified Debt – in relation to a Debt, the notification by the Client to the Bank of the existence of that Debt and the invoice or another document relating to it, in such form and by such method as the Bank may require.

Order – an order to pay the funds, made by the Client through HSBCnet Financing of Receivable system or in any other form agreed upon with the Bank, within the Availability.

Overdue Debt – a Debt not paid at a due date of payment.

Pledged Debts – the Client's future claims against the Bank for the payment of the funds collected in the Bank Account.

Political Risk – risk of receiving no Remittance from any Customer being a Public Buyer and the risk of receiving no Remittance from any other Customer, due to military operations, riots, *coup d'etat*, governmental bans and orders or non-exchangeability of the currency of the Customer's country. If the Political Risk occurs before other circumstances which may lead to the non-Remittance, the Bank may assume that the non-Remittance is due to this Political Risk.

Polish Currency Debt – a Debt payable in PLN in accordance with the Sale Agreement.

Public Buyer – the Customer the credibility of which may be deemed equal to the credibility of the state in which this Customer has its registered seat, due to its statutory position or commitment of the state.

Purchase Price – amount equal to the Debt Nominal Value reduced in accordance with the provisions of the Agreement or the Terms and Conditions.

Recourse, Right of Recourse – the Bank's right to demand in oral form or in writing that the Client repurchase promptly a particular Debt unpaid by the Customer for a price determined in accordance with the Terms and Conditions.

Remittance – a payment made by or on behalf of a Customer or in his favour, fully or partially settling a Debt.

Retention – that part of the credit Current Account Balance that the Client may not withdraw, being equivalent to the total of:

- (a) the excess of the Notified value of Debts over the Funding Percentage for these Debts (however, the amount of this excess is not taken into account for the purpose of establishing the amount with respect to which the Client may make an order regarding the payment of funds due to the Client under the Credit Protection or the Credit Protection With The Client's Policy);
- (b) the value of all claims and defences of Customers which have arisen or may arise against the Client or the Bank; and
- (c) the Client's Liability to the Bank (to the extent that it has not already been debited to the Current Account),
- (d) the amounts of the Notified Debts which the Bank intends to verify as having been notified in compliance with the representations and warranties of the Client towards the Bank,
- (e) Additional Retention, as specified by the Bank.

Sanctions – shall mean financial sanctions, economic, trade or other restrictions administered or imposed by the Finance Minister of the Republic of Poland in agreement with the General Inspectorate of Finance Information [Generalny Inspektor Informacji Finansowej – GIIF], United Nations’ Security Council, the European Union, US Department of Treasury’s Office of Foreign Assets Control (OFAC), US Department of State, Her Majesty’s Treasury or Hong Kong Monetary Authority.

Security Interest – any security interest on the Bank's claims arising under the Agreement, specified in the Agreement or in the Terms and Conditions.

Secured Debts – shall mean collectively: (i) the Debt purchased by the Bank and (ii) all Debts due to the Bank from the Client under the Agreement and the Terms and Conditions, including Debts resulting from the Funding and the Bank’s exercise of the Right of Recourse.

Service Charge – a periodic charge to the Client for the Credit Management and Credit Protection or Credit Protection With The Client’s Policy, and for administrative services provided by the Bank.

Split Payment Mechanism – a mechanism of PLN payments for invoices with specified VAT amounts, made according to the method described in Article 108 a of the Act of 11 March 2004 on Tax on Goods and Services.

Split Payment Ratio – a percentage determined in the Agreement, describing the ratio of the value of Polish Currency Debts paid with the use of the Split Payment Mechanism and the value of all Polish Currency Debts paid within a period specified by the Bank, acceptable to the Bank.

Termination Event – an event, listed in item 13 above, entitling the Bank to end the Agreement with immediate effect.

Transactional Year – a period of one year beginning on the day of conclusion of the Agreement or on the next day after the last day of the preceding Transactional Year, and ending on the day preceding the same day in the next calendar year.

Unprotected Debt – each Debt which is not subject to the Bank’s Credit Protection, or the Credit Protection With the Client’s Policy, including any Debt which is outstanding at the time the Agreement is terminated, even if previously Credit Protected.

WIBOR – the Warsaw Interbank Offered Rate determined by GPW Benchmark SA (or the successor of this entity as the administrator of the Warsaw Interbank Offered Rate), published on the relevant page of the Thomson Reuters service or, if such page is replaced or the service is unavailable, another equivalent page or service publishing the relevant rate, as determined by the Bank after consultation with the Client.