Direct-debits

Recurring collections management

TERMS AND CONDITIONS OF USE

Managing SEPA Direct Debits and Mandates

V 2.0

PURPOSE OF THIS DOCUMENT

The purpose of this document is to define for Customers the Terms and Conditions of Use for the Direct-debits software application marketed by Exalog (97 rue de Bellevue, 92100 BOULOGNE-BILLANCOURT - FRANCE).This document defines the terms and conditions of access and the guarantees that Exalog provides.

By confirming their registration on the site www.direct-debits.com, Customers declares that they have read, understood and accepted these Terms of Use in their entirety.

Exalog regularly provides updates to the product(s) described in these Terms and Conditions of Use, the contents of which are updated periodically.
For any questions regarding rates and the available functions upon registration, please contact the Direct-debits sales department: contact@exalog.com

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TABLE OF CONTENTS

1. GLOSSARY

- Customer: A company using the Direct-debits software for a free trial period or by subscription
- Administrator: An operator authorised to manage the Direct-debits software on behalf of the Customer and in particular to manage the rights for the Customer's other users
- User: An operator authorised by the Customer in the Direct-debits administration module
- Software: The Direct-debits software as described in this document and the optional modules used by the Customer, accessible via the website www.direct-debits.com
- T/Time: Times in CET zone (Central European Time)
- Working Day: Working day from Monday to Friday in accordance with French law
- EPC: European Payment Council
- SEPA: Single Euro Payments Area
- EBICS: Electronic Banking Internet Communication Standard
- FTP: File Transfer Protocol (includes the secure FTPs and SFTP protocols)
- PeSIT: Exchange Protocol for the Interbank Teleclearing System
- Third party: Means any person or legal entity other than the Customer or Exalog

2. FREE TRIAL PERIOD AND CONTRACT

The Customer can register with Direct-debits for free via the Software's website. They then automatically have access to a free trial with no commitment lasting sixty (60) calendar days from the date of registration. Before the trial period comes to an end, the Customer is able to register for the Software using the menu for this purpose within the Software and signing a direct debit mandate. If the Customer does not explicitly validate their subscription, the subscription will be considered lapsed and the Customer will no longer be able to access the software. Exalog reserves the right to terminate any trial if the Customer is found to have already benefited from a free trial with no commitment.

When the Customer uses the Software during the free trial period, all of the following conditions shall apply with the exception of Article 12 - Duration and termination of the Licence and Article 13 - Prices and payment methods.

3. DESCRIPTION OF THE DIRECT-DEBITS SOFTWARE

A. General Points

The general purpose of the Software is to enable the Customer to manage regular banking direct debits and the corresponding unpaid orders. Upon each due date, the direct debit orders are registered in a structured banking file in accordance with the SEPA standard in order to be sent to the Customer's bank in accordance with the terms and conditions set by the Customer and their bank (see below Article B.2 - Transfer of data from the Customer to the bank).

The Direct-debits Software therefore does not carry out any banking processing. The orders generated are processed by the Customer's banks, under the terms of a contract signed by the Customer and each of their banks. As well as providing the functions listed above, the monthly fee gives you access to support from the Exalog technical staff (See Article 7 - Assistance).

Direct-debits is made up of a core module and the optional functions listed below.

B. Core Module

The core module includes three main functions: the creation of direct debit contracts for each third party (customer, subscriber, member, etc.), transmission of remittances to banks and incident management (unpaid orders, overpayment, etc.).

1. *Creation and management of all kinds of direct debit contracts*

- Registration of third party details
- Registration of contracts for each third party
    - Length of each predetermined or unlimited (tacit renewal) contract
    - Fixed or variable due date amount
    - Direct debit frequency (monthly, quarterly, etc.)
    - Registration of direct debit mandate data (Unique Mandate Reference, SEPA Creditor ID, sequential status, amendments)
    - Type of direct debit: SEPA Core or SEPA BtoB

2. *Transfer of data from the Customer to the bank*

- Entry and registration of Customer bank details
- Assisted creation upon each due date of a SEPA file that complies with the exchange standard as defined by the EPC (European Payment Council)
- Sending the SEPA files generated by the Software either directly to the Customer's banks using one of the available remote banking transfer protocols (EBICS, FTPs or PeSIT), or to

the Client themselves via file download from the internet so it can be sent to the bank by another means

3. Handling payment incidents

- Registration of unpaid order files, either by online entry, direct delivery via the exchange protocol used with the Customer's banks in compliance with the EPC exchange standards or online upload
- Automatic reconciliation of unpaid orders with the corresponding direct debit orders
- Creation of regularisation orders, representation of unpaid orders or refund sum transfers as a result of overpayment

C. Optional Modules

Depending on the Customer's operating requirements (type of contracts or volume to manage), the Software offers the following optional functions:

1. Mandate and pre-notification management

- Creation of mandate bases, by inputting or importing files (CFONB or text with separators)
- Single or mass delivery of mandates by e-mail
- Digital signature of mandates by the debtor:
  - E-mails and SMS sent
  - Online validation interface
- Document archived in PDF format
- Follow-up and delivery of pre-notifications
- Maintaining a detailed amendment history
- Multi-criteria searches and batch mandate updates (amendments)

2. Banque de France database for companies with activities in France

Subscription to the Banque de France database provides access to its services enhancing the database of third parties domiciled in France:

- BIC check of a French bank when entering BIC/IBAN codes
- Calculation of the BIC and IBAN of a French bank when entering account details
- Conversion of account details saved in the Direct-debits database

Exalog accepts no liability in respect of the quality of the conversions carried out on bank details, as long as these comply with the data contained in the database provided by the Banque de France.

3. Direct debit file conversion

- CFONB to SDD (SEPA Direct Debit)

This module will not work without a subscription to the following two modules:

- ▪ Mandate and pre-notification management
- ▪ Banque de France database

When these three options are combined, this module enables CFONB 160 direct debit files to be converted into SDD XML files.

During conversion, the Customer's bank details are converted into IBAN format then enriched with the BIC, and the data for each mandate stored in the database enhances the SDD XML file. This enhancement takes into account the status of the mandate and any amendments introduced since the last bank remittance.

- • AEB to SDD (SEPA Direct Debit)

This module should be linked to the optional mandate and pre-notification management module. When these two options are combined, this module enables AEB 34 direct debit files to be converted into SDD XML files.

During conversion, the Customer's account numbers are converted into IBAN form and the data for each mandate stored in the database enhances the SDD XML file. This enhancement takes into account any amendments introduced since the last bank remittance.

4. *Banking communication in the PeSIT protocol*

When the Customer's bank requires the use of the PeSIT protocol in place of the other protocols available as standard, the Customer shall have to pay an additional fee to use the corresponding communication platform within the Software infrastructure.

4. LICENCE

Under the terms of this Contract, Exalog grants the Customer and the Customer's companies the non-exclusive right to use, for their own purposes, the Software and all of the associated documentation.

Access to the Software is secured in such a way as to permanently protect, in relation to Third Parties or other unauthorised users, all of the Customer's data which may be transmitted through the systems within the context of the use of the Software. Exalog undertakes to comply with the security standards in relation to applications used via the Internet, including in relation to banking.

In the context of the Licence:

- • Exalog undertakes to provide the Customer with support services in relation to the users, and maintenance and development services
- • The Customer shall benefit from all of the updates available for the Software (for all modules ordered by the Customer: solutions for malfunctions, improvements to functionalities) produced by Exalog without any change to the licence cost, over the full term of the Contract
- • Exalog is bound by a commitment of non-regression for all updates

5. TERMS AND CONDITIONS OF ACCESS TO THE SOFTWARE

The Software is accessible 7 days a week, 24 hours a day. However, this availability is not guaranteed contractually. For maintenance reasons, access may temporarily be restricted, within the limits set out below in paragraph 7 relating to guarantees (See Article 7 - Exalog Guarantees).

A. Password management

On the first login, before registering any data, the Customer should choose their own username and password to access Direct-debits. Direct-debits does not include any function which enables it to know a user's password.

If the lost password belongs to the Software's Administrator (the person originally registered), Exalog will send them a form by e-mail that must be completed and returned the same day by e-mail, signed by the signatory to this contract, or, by default, by any person named in the company's registration document with an official body (e.g. the KBIS in France). This document must be dated within the last 3 months. Upon receipt of this e-mail, Exalog will reset the password and the Customer will have to create a new one before being granted access to their data.

For all other users, password management is carried out in the Software by the administrator or any other person nominated by them.

B. Rights management

The Software includes a function for managing user rights which enables the Customer to limit the actions each User is authorised to take. It is up to the Customer and their Administrator to define these authorisations to suit themselves, and they are solely responsible for the consequences of the choices made.

6. CONFIDENTIALITY, OWNERSHIP AND DATA STORAGE

A. Data encryption

The Software encrypts the data transmitted online between the Administrator and Users' workstations and the Direct-debits server, in both directions.
The protocol used is the standard TLS (Transport Layer Security), supported by most Internet browsers. The encryption key used by Exalog has been deposited with a reputable international certification body. The Customer's data is held on servers running in a framework which is protected against unauthorised access. Exalog undertakes not to make any use of this data, and to limit any processing of it strictly to what is necessary to provide a backup.

B. Data ownership

The Customer is at all times the sole owner of the data their Administrator and Users register in their database using the Software. For this reason, the Customer has at their disposal the tools for exporting data.

If necessary and at the request of the Customer in the event of termination of this contract by one of the parties, Exalog shall return the data to the Customer within a period of two months, in the form of standard ASCII files, consisting of records separated by line breaks, each record comprising fields separated by tabs. All data shall be written in unencrypted form in this file, and the detailed description of the file structure shall be provided by Exalog.

C. Master data

The master data relating to third parties are preserved for an unlimited time in the database. Only the Customer can delete some or all of the master data they have saved in the database. The storage period for remittance history sent to the bank is 365 days after the sent date. This storage period can be extended on request from the Customer, subject to an additional fee agreed as a rider defining the specific conditions applied to the Customer.

7. ASSISTANCE

Assistance in using the Software can be obtained by e-mail or over the telephone on Working Days from 9 a.m. to 12.15 p.m. and 2 p.m. to 5.15 p.m.
e-mail: assistance@exalog.com
Tel.: +331 818 900 81

This support is provided by Exalog technical staff, and consists of explaining how the Software functions work.

The technical support staffs are not trained in accounting or finance, and they cannot know the Customer's own administration rules. Whatever instructions may be given by the technical staff, only the Customer is in a position to judge the impact on their own processes of any choices they make in how they use the product, and is solely responsible for these choices.

8. MAINTENANCE OF THE SOFTWARE

Under the terms of the Licence, the Customer shall automatically benefit from functional or regulatory changes made by Exalog to the Software in connection with changes in banking standards or regulations.

Exalog shall update the Software approximately every four months. When an update is delivered, a detailed description of the changes applied shall be displayed for each user when they log on. The history of updates is available in the Software's "Help" menu.

9. EXALOG GUARANTEES

Provided the Customer has paid for the relevant fees to use the Software, Exalog's guarantee covers:

- The availability of their data and the Software functions on Working Days from 9 a.m. to 12.15 p.m. and 2 p.m. to 5.15 p.m., with a restart period of less than four working hours in the event of a breakdown
- Maintaining strict confidentiality of the data saved in the Software's database or exchanged between the Customer and their banks
- Compliance with EPC and CFONB standards on order remittance files created by the Software and sent to the Customer, or on the Customer's bank servers
- The transmission of order remittances submitted by the Customer within a maximum of 4 working hours starting from the point at which the Customer sends a fax or e-mail indicating they are having difficulty in transmitting such an order, provided that this difficulty is not caused by a system malfunction at the Customer's bank unrelated to the Software

For remittances sent using EBICS or PeSIT, receipt by the Direct-debits server of acknowledgement from the bank represents the transfer of submitted Customer order remittances to the Customer's bank system. From that moment, remittances are classed as transferred to the bank and the processing of remittances is covered exclusively by the remote service contract between the Customer and their bank.
For other protocols, once the file has been issued by the Software, the remittances are considered as transferred to the bank and the processing of remittances is governed exclusively by the remote service contract between the Customer and their bank.

Exalog does not accept any liability in relation to:

- The commercial, legal or financial validity of any banking orders created and sent by the Customer
- The quality of the data files imported by the Customer via the Internet into their database on the Direct-debits server
- The consequences of the choices of how to use the Software made by the Customer (selection of values entered, choice of processing dates, validation of transactions by pressing a confirm button, and so on), no matter what may have been indicated by support staff
- The contents of unpaid order statements sent by the bank's server to the Direct-debits server, or imported or entered by the Customer into the Software
- The security of access to the Customer's data if this access is obtained through the normal entry of a username and password or presentation of an individual digital certificate chosen by and known to the Customer alone

The guarantee of service availability does not apply in the event of 'force majeure' applying to Exalog.

Exalog 10

10. CUSTOMER'S RESPONSIBILITIES

The Customer shall be the sole judge of the impact of the banking orders processed using the Software. The Customer must be aware that the Software, the Internet and the banking communication system are mere automata which are liable to failures, even if these occur rarely. It is therefore the Customer's responsibility to take all precautions they deem necessary based on the scale of their orders, to ensure that these are processed in the manner they want.

In particular, the Customer must prepare fallback procedures, both internally and with their banks, to ensure their transactions can be processed within the desired timescales even should the Software fail.

11. ENTRY INTO FORCE OF THE TERMS AND CONDITIONS OF USE

During the free trial period, the Terms and Conditions of Use published on the day of registration, in the same form as when validated by the Customer during the registration period, remain valid.

After the free period has come to an end, if the Customer subscribes to the Software, the Terms and Conditions of Use published most recently following the date of subscription shall govern the contract between the Customer and Exalog.

12. DURATION AND TERMINATION OF THE LICENCE

Following the free trial period, this contract is agreed for a period of three months, with tacit renewal. It can be terminated by the Customer sending a recorded delivery letter, at least two months prior to the requested termination date addressed to:

Exalog développement
Service résiliation Direct-debits
97 rue de Bellevue
92100 Boulogne Billancourt
FRANCE

The request for cancellation shall take effect at the latest 15 days after receipt of the letter and any future direct debits will be suspended.

The Contract may be terminated by Exalog in the event of rejection of the direct debit payment, if this is not corrected by the Customer within six (6) business days following the rejection.

13. PRICES AND PAYMENT METHODS

The monthly payment amount the Customer owes depends on the number of countries, banks, accounts and remittances to be sent to its banks, as well as the optional modules activated, in line with the rate policy outlined in the rate section.

Invoices are issued quarterly and payment is taken by automatic quarterly direct debit, in accordance with the mandate signed by the Customer and sent to Exalog before the subscription was activated. The fee is collected on the 15th of the first month of the quarter in question, based on the modules activated on the first day of that same quarter (term to come), and on the number of remittances sent by the Customer during the previous quarter (term expired).
The invoice will be delivered to the Customer by e-mail in PDF format to the address supplied for this purpose by the Customer in their environment within the Software.

Fees are reviewed annually based on the development of the Syntec Informatique index, using the following formula: $R1 = R0 \times (S1/S0)$ with:

- R1: revised fees
- R0: last fees paid
- S0: latest SYNTEC index published as of the date of the previous review
- S1: latest index published as of the date of this review

The reference index shall be sent to the Customer with their first invoice, and shall correspond to the index published on the day the Customer activated the subscription.

14. APPLICABLE LAW AND REGISTERING A DOMICILE

The Parties explicitly agree that the following contractual documents govern the relations between the Parties and are classified in hierarchical order in decreasing legal value:

- French law
- The specific conditions signed between the Customer and Exalog
- These Terms and Conditions of Use

In the event of contradiction between the different contractual documents, the highest ranked document shall prevail.

The Parties recognise that as a consequence of signing the Contract, the application shall be separated from their Terms of Purchase or Use and from any specific clauses included on order forms or invoices that have not been expressly accepted by the other Party.

No written note added by one Party shall be valid unless expressly accepted by the other Party.
For the execution of this document and its continuations, the Parties shall give their respective addresses or headquarters as their domicile. For Exalog, this address is mentioned in the section Purpose of this document, and the Customer has entered this address into the Software's database.

Any change to the head office or address of one of the Parties shall only be actionable by the other eight (8) calendar days after being duly informed of the change.

In the event of a dispute, the Parties agree to seek an amicable settlement prior to launching legal proceedings. To this effect, the Parties agree to meet within thirty (30) days of receipt of a letter containing notice of the disagreement sent by registered post with recorded delivery.

In the absence or event of failing to reach an amicable solution or action plan expressly accepted by the Parties detailing the solutions agreed to and the implementation periods, within fifteen (15) days of the initial meeting of the Parties as specified in the previous paragraph, the Parties shall be able to submit the dispute and attribute competency to the Nanterre Commercial Court.

This clause shall apply even in the event of a summary judgment, the introduction of third parties or in the event of multiple defendants.

13