

# Atradius Modula Policy - Sample

## A flexible and tailored approach to Credit Insurance

## Agreement

### 00100.00 Agreement

We, the Insurer, have issued this policy of insurance to you, the Insured named in the Policy Schedule. We agree to indemnify you in accordance with the terms and conditions of this policy for the loss you may sustain in the event that you do not receive full payment for Insured Receivables because of the occurrence of a Covered Cause of Loss.

## Covered causes of loss

### 00300.00 Insolvency

For the purposes of this policy, the Covered Cause of Loss Insolvency shall mean any of the following situations or events:

- a) the institution of a judicial or administrative procedure pursuant to the law of the Buyer's country, whereby the assets and affairs of the Buyer are made subject to control or supervision by the court or a person or body appointed by the court or by law, for the purpose of reorganisation or liquidation of the Buyer or of the rescheduling, settlement or suspension of payment of its debts;
- b) a procedure as described above has been rejected or stopped by the court for lack of assets;
- c) the execution of a judgement fails to satisfy the amount owing in full;
- d) an extrajudicial full and final settlement has been agreed with all or the majority of creditors and we have given our prior approval;
- e) you show to our satisfaction that the financial position of the Buyer is such that to start or continue legal proceedings will have no cost effective result;
- f) such situations or events which, in our sole opinion, in substance or effect are equivalent to the situations and events mentioned in a) to d) above.

For this Covered Cause of Loss, the Date of Loss shall be:

- a) for a) and b) the date of the court order or decision;
- b) for c) the day of the unsuccessful execution of the judgement;
- c) for d) the day on which all or the majority of creditors have agreed to the settlement;
- d) for e) and f) the day on which we have informed you that we have formed such opinion.

### 00500.00 Protracted default

For the purposes of this policy, the Covered Cause of Loss Protracted Default shall mean the failure of a Buyer to pay the receivable within the *waiting period* specified in the Policy Schedule.

If the Schedule of Countries specifies a longer *waiting period* for the country of the Buyer, this shall be the applicable *waiting period*.

The *waiting period* commences on the original due date of payment of the receivable.

For this Covered Cause of Loss, the Date of Loss shall be the date on which the applicable *waiting period* expires.

## Excluded causes of loss

### 01200.00 Generally excluded losses

Cover shall not apply to:

- a) losses directly or indirectly caused by, contributed to by or arising from the ionising, radioactive, toxic, explosive or other hazardous or contaminating properties or effects of any explosive nuclear assembly or component thereof, nuclear fuel, combustion or waste;

- b) losses caused by or resulting from disputes where the Buyer claims for any reason whatsoever that he is justified in withholding partial or full payment or not performing any of his obligations under the contract. This exclusion shall no longer apply as soon as and to the extent that the dispute has been resolved in your favour either amicably or by a final court judgement or final arbitration award;
- c) losses caused by or resulting from a failure by you or by any person representing you or acting on your behalf to fulfil any of the terms and conditions of the contract or to comply with the provisions of any law or any order, decree or regulation having the force of law;
- d) losses caused by or resulting from a failure to obtain any import or export licence or other authorisation necessary for the performance of the contract or where performance of the contract would contravene any exchange control regulation.
- e) This exclusion does not apply where the necessity arose or exchange control regulation came into force after the date of Commencement of Cover;
- f) where goods are to be despatched to, services or work are to be performed in, or payment is to be made from a country other than the Buyers country – losses arising in connection with the third country, unless we agree otherwise in writing.

### **01300.00 Exclusion of political risk**

Cover shall not apply to any loss directly or indirectly caused by, contributed to by or arising from:

- a) a general moratorium, decreed by the government of the Buyers country or of any country through which payment must be effected;
- b) political events, economic difficulties, currency shortages, devaluations or fluctuations, or legislative or administrative measures in the Buyers country which prevent or delay the transfer of amounts deposited by the Buyer;
- c) war (including civil war, hostilities, rebellion and insurrection), revolution or riot;
- d) cyclone, flood, earthquake, volcanic eruption or tidal wave or other forms of natural disaster or force majeure;
- e) the introduction of import or export restrictions or the cancellation of import or export licences or other governmental measures which prevent performance of the contract.

## **Insured Receivables**

### **01700.00 Insured Receivables**

Insured Receivables are contractual amounts owing to you:

- a) by Buyers in the countries included in the Schedule of Countries and
- b) that arise from your normal *trade activities* as mentioned in the Policy Schedule
- c) and
- d) that relate to goods despatched or services or work performed within the *policy duration* and
- e) for which you have a valid Credit Limit for the Buyer and
- f) for which the payment terms agreed with the Buyer do not exceed the *maximum credit terms* mentioned in the Policy Schedule which shall be calculated from date of invoice and
- g) which comply with the conditions of cover for the Buyers country as specified in the Schedule of Countries.

### **02100.00 Invoicing period**

You must submit your invoices to the Buyer within the *invoicing period* mentioned in the Policy Schedule. The invoicing period shall be calculated:

- a) for the supply of goods: from the date of despatch of the goods;
- b) for the performance of services or work: from the date when you have completed such services or work for which you are entitled to receive payment from the Buyer.

### **02400.00 Value Added Tax**

Amounts of Value Added Tax or comparable turnover-related tax or charges on Insured Receivables shall be either included or excluded from cover as indicated in the Policy Schedule.

**05005.00 Run-off cover**

Insured Receivables remaining unpaid or not yet due for payment at the expiry date of this policy shall continue to be covered under the same terms and conditions, until they are paid or a Covered Cause of Loss has occurred.

You must continue to comply with all terms and conditions of the policy in respect of such receivables.

Where the Date of Loss occurs after the expiry date of the policy, the terms and conditions applicable at the expiry date of the policy will continue to apply to claims made in respect of such losses.

**Excluded receivables****05400.00 General exclusions**

Cover shall not apply to any loss:

- a) in respect of any interest accruing after the original due date of payment;
- b) in respect of any penalties or damages, whether contractual or otherwise, which you may be entitled to be paid by the Buyer in addition to the amount owing;
- c) in respect of banking costs, unless contractually agreed to be part of the amount owing from the Buyer;
- d) in respect of any costs which you incur in resolving disputes between you and the Buyer or in defending any proceedings brought against you or initiated by you;
- e) you may sustain where and to the extent that such loss is (or would be but for the existence of this policy) capable of being covered by any other insurance held by you or from which you may be entitled to benefit or receive payment.

**05405.02 Sanctions exclusion**

We shall not be deemed to provide cover for any of your receivables and we shall not be liable to pay any claim or provide any benefit under the policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the United Kingdom, the United States of America or any applicable national sanction laws or regulations.

**06600.00 Advance payments exclusion**

The policy shall not apply to parts of receivables for which you have received cleared funds to your account before Commencement of Credit Risk Cover.

**07000.00 Cash on delivery exclusion**

The policy shall not apply to any cash on delivery business.

**08100.00 Allocations of payments of excluded receivables**

All amounts received, irrespective of whether they result from or relate to excluded receivables or not, shall be allocated in accordance with the allocation of payments conditions of this policy, unless we agree otherwise in writing.

**Excluded buyers****08400.00 Associated buyers exclusion**

The policy shall not apply to amounts owed by Buyers over whom you have direct or indirect control or in whom you have a direct or indirect interest or who have such a control over or interest in you, unless we agree otherwise in writing.

You must in any event notify us where:

- a) you hold any of the shareholding and/or voting rights in a Buyer;
- b) you possess or are entitled to acquire a substantial part of the income or assets of the

- Buyer;
- c) you and the Buyer are under the control of the same person or persons whether directly or indirectly, or otherwise part of the same group;
  - d) you and the Buyer have common directors;
  - e) you have significant control or influence over the management of the Buyer, whether directly or indirectly, or vice versa;
  - f) there is any family relationship between the directors or management or shareholders of you and the Buyer; or
  - g) there are any loans or financial guarantees between you and the Buyer, either directly or indirectly.

You should also inform us in the future if any of the above applies to any insured Buyer, or if any other form of control or interest exist between you and the Buyer.

#### **08500.00 Private individuals exclusion**

The policy shall not apply to amounts owed by private individuals not carrying out a commercial activity.

#### **08700.00 Public buyers exclusion**

The policy shall not apply to amounts owed by any State or governmental department, institution or organisation or any entity which cannot be declared insolvent.

### **Credit Limits**

#### **09600.00 Credit Limits**

Credit Limits specify the maximum amount and the conditions on which we accept liability for each Buyer to which the policy applies.

You must have a Credit Limit for every Buyer to which the policy applies.

The Credit Limit must be established without undue delay, but in any event before the Date of Loss.

Outstanding receivables which exceed the Credit Limit shall fall within the Credit Limit as soon as and to the extent that payment is received in respect of earlier receivables which fell within the Credit Limit.

#### **10020.00 Credit Limits transferred or carried forward**

Any Credit Limit transferred either to a new policy or carried forward at renewal of your existing policy are continuing aggregate limits and not the granting of additional or new cover. The Credit Limit transferred or carried forward represents the aggregate maximum exposure we will cover under both the previous and new policy durations for the particular Buyer. The terms and conditions stated on Credit Limit Decisions will continue to apply and will prevail over the new policy duration.

#### **10400.00 Credit Limit Decisions**

You may obtain a Credit Limit Decision by submitting a Credit Limit application for the amount you require. You will be informed of the Credit Limit Decision in writing or via electronic communication.

We may at any time and for any reason attach terms and conditions to Credit Limit Decisions. Those terms and conditions may vary or override the terms and conditions of the policy.

We may also at any time and for any reason vary, reduce or withdraw Credit Limit Decisions. Such variations, reductions and withdrawals have no retroactive effect.

Credit Limit Decisions will be valid until we withdraw them or the policy is terminated.

**10700.00 Maximum Credit Limit**

The maximum Credit Limit Decision on any one Buyer shall be no more than the *maximum credit limit amount* specified in the Policy Schedule.

**10800.01 Credit Limit Decisions / Credit Checks**

You may obtain a Credit Limit Decision using the online Credit Check facility.

A positive Credit Check results in a Credit Limit Decision for the amount specified as *credit check amount* in the Policy Schedule.

A negative Credit Check results in a zero Credit Limit Decision.

We may at any time and for any reason withdraw Credit Checks. Such withdrawals have no retroactive effect.

Credit Checks will be valid until we withdraw them or the policy is terminated.

**10950.02 Maximum aggregate credit limit decisions amount**

The aggregate amount of all Credit Limit Decisions shall not exceed the amount of the *maximum aggregate CLD amount specified in the Policy Schedule*. As soon as the aggregate of your Credit Limit Decisions reaches this figure, we have the right to postpone the processing of any further Credit Limit applications.

In order to avoid this, you should on a regular basis, reduce the aggregate amount of all Credit Limit Decisions by cancelling or reducing existing Credit Limit Decisions that are no longer in use.

**12000.00 Fixed Credit Limit costs**

The *fixed credit limit costs* and any applicable tax or charges are payable per *insurance year*. The amount of the *fixed credit limit costs* is mentioned in the Policy Schedule. This amount is net of any applicable tax or charges which, if due, will be included in the invoice to you.

**13600.02 Discretionary Credit Limits by payment experience**

For Buyers in countries highlighted in the Schedule of Countries, you may establish a Credit Limit yourself using your own payment experience.

The following conditions shall apply:

- a) the Credit Limit shall be equal to the total payments received from the Buyer before the expiry of the *maximum extension period* in the period twelve months before the date of Commencement of Cover;
- b) you must not have suffered any previous loss on the Buyer in the twelve months before the date of Commencement of Cover and
- c) any Credit Limit Decision (including zero limits) shall with effect from the date of the Credit Limit Decision override any Discretionary Credit Limit you may establish on the same Buyer.
- d) However, where we have issued a zero limit, you may again establish a Credit Limit yourself, but such a Discretionary Credit Limit shall only apply where cover commenced no earlier than 12 months after the effective date of the most recent zero limit.

A Credit Limit based on payment experience

- a) can only be used for trade on terms, which are not more favourable to the Buyer or less secure than the terms of trade on which you have based your payment experience and
- b) cannot exceed the amount of the *maximum discretionary credit limit* specified in the Policy Schedule.

**13210.02 Discretionary credit limits by credit reports**

For Buyers in countries highlighted in the Schedule of Countries, you may establish a Credit Limit yourself using credit reports.

The following conditions shall apply:

- a) the credit report must be obtained from an independent credit agency or a bank in your country or in the Buyer's country;
- b) the credit report must not contain any material adverse or unfavourable information regarding the Buyer's financial position, reputation or debt payment performance;
- c) you must not have suffered any previous loss on the Buyer in the twelve months before the date of Commencement of Cover and
- d) ny Credit Limit Decision (including zero limits) shall with effect from the date of the Credit Limit Decision override any Discretionary Credit Limit you may establish on the same Buyer. However, where we have issued a zero limit, you may again establish a Credit Limit yourself, but such a Discretionary Credit Limit shall only apply where cover commences no earlier than 12 months after the effective date of the most recent zero limit.

A Credit Limit based on credit reports:

- a) shall be valid for a period of 12 months from the date of the report and
- b) cannot exceed the amount of the 'maximum discretionary credit limit' specified in the Policy Schedule.

## Country cover terms

### 15600.00 Country cover terms

We may at any time vary any of the conditions of cover or withdraw cover in respect of a particular country and revise the Schedule of Countries accordingly. Such variation or withdrawal shall have no retroactive effect and shall apply to goods to be despatched or services or work to be performed on or after the effective date specified in the revised Schedule of Countries.

## Start and end cover. Notifications

### 16500.00 Commencement of Credit Risk Cover

Credit Risk Cover for each receivable commences

- a) for the supply of goods: when the goods are despatched. Despatch is deemed to be made when you or anyone acting on your behalf parts with possession of the goods for the purpose of fulfilling your contractual obligations with the Buyer;
- b) for the performance of services or work: when each invoice for such services or work performed is submitted to the Buyer.

### 16900.00 Extending the due date of payment

If the need arises, you may agree to or allow extensions of the original due date of payment for a receivable provided that these extensions do not exceed the *maximum extension period* specified in the Policy Schedule, which is calculated from the original due date of payment for the receivable.

The original due date of payment shall remain the date to be used for the application of the terms and conditions of the policy.

Such an extension is not permitted in the case of bills of exchange, promissory notes, cash against documents, documentary sight draft, documents against payment transactions or where payment is to be made by a letter of credit.

### 17300.01 Automatic Stoppage of Cover

Cover shall not apply in respect of any loss you may sustain in relation to goods despatched or, in the case of work or services, invoices submitted after the date of any of the following circumstances of Automatic Stoppage of Cover:

- a) payment of any receivable is still overdue from the Buyer at the expiry of the
- b) *maximum extension period* specified in the Policy Schedule. As soon as such receivable is paid, cover shall be reinstated for goods despatched or, in the case of work or services, invoices submitted after the date of payment, provided no other circumstance of Automatic Stoppage of

Cover applies.

- c) you have placed for collection amounts owing to you from the Buyer. As soon as these amounts are paid, cover shall be reinstated for goods despatched or, in the case of work or services, invoices submitted after the date of payment, provided no other circumstance of Automatic Stoppage of Cover applies.
- d) the Buyer's Insolvency or
- e) we withdraw the Credit Limit Decision for the Buyer or withdraw cover in respect of the country of the Buyer.

#### **18100.00 Services or work not yet invoiced**

However, cover shall apply in respect of losses relating to services or work performed before the date of Automatic Stoppage of Cover, but not yet invoiced at that date.

#### **18500.01 Obligation to notify breach of maximum extension period**

You must notify us within 30 days if payment of any receivable is overdue from a Buyer at the expiry of the *maximum extension period*, unless such receivable is paid within these 30 days.

#### **18900.00 Obligation to notify adverse information**

You must notify us without undue delay of the occurrence of any circumstance or event likely to cause a loss. Such a circumstance or event shall include without limitation:

- a) the Buyer requests an extension of the due date of payment beyond the
- b) *maximum extension period* ;
- c) the Buyer fails to take up the goods or the documents on first presentation where
- d) the payment terms are cash against documents or documents against
- e) acceptance;
- f) the imminent or actual Insolvency of the Buyer;
- g) you have reason to believe that the Buyer is unable or is likely to be unable to
- h) perform or comply with the terms of the contract;
- i) the Buyer fails to honour a bill of exchange or a cheque due to lack of funds;
- j) the institution of any proceedings against the Buyer for non-payment of an
- k) amount owing;
- l) you become aware of unfavourable information concerning the Buyers financial
- m) position, reputation or debt payment performance.

#### **19300.01 Reporting threshold**

Where the total of the unpaid amount(s) for which the *maximum extension period* has expired is less than or equal to the *reporting threshold* mentioned in the Policy Schedule, the following shall apply:

- a) you need not notify us thereof and the non-payment of such amount(s) shall not be deemed to be a circumstance that automatically stops cover for further trade with the Buyer until the
- b) occurrence of a Covered Cause of Loss.

However, your obligation to notify us without undue delay of the occurrence of any circumstance or event likely to cause a loss remains unaffected.

#### **19700.01 Queried invoices**

Where the Buyer disputes or queries that an amount is owing and the total of such queried or disputed amounts is less than 100% of the total amount outstanding on the Buyer, the non-payment of such an amount at the expiry of the *maximum extension period* shall not be deemed to be a circumstance that stops cover for further trade with the Buyer.

Your obligation to notify us if payment of the disputed or queried amount is overdue from a Buyer is no longer required.

However, your obligation to notify us without undue delay the occurrence of any circumstance or event likely to cause a loss remains unaffected.



## Loss prevention and debt collection

### 20100.00 Actions to minimise loss

In all your dealings with Buyers, you must use due care and diligence as if you were uninsured. You must take all practicable measures to effect payment of the amount owing from the Buyer and to prevent and minimise loss. This includes, without limitation, ensuring that all rights against contract goods, Buyers and third parties are properly preserved and exercised. You must also take all steps that we may require in connection with a potential or actual loss - either before or after indemnification - including the institution of legal proceedings.

### 20700.00 Contribution to costs

We will contribute to the costs (excluding your own administrative costs) that you incur in fulfilling your obligation to prevent or minimise loss or in collecting the amount owing, made with our approval or on our instruction.

Our contribution to the costs will be proportionate to our liability for the amount owing from the Buyer. We will indemnify 100% of such costs.

We will not contribute to costs which you incur in resolving disputes between you and the Buyer or in defending any proceedings brought against you or where you choose not to collect the costs from the Buyer.

We will not be liable for any Value Added Tax or comparable turnover-related tax or charges included in the costs.

## Claims

### 21300.00 Allocation of payments

All amounts received by you, by any person acting on your behalf or by us before the Date of Loss shall for the purposes of the policy be allocated to all receivables due from the same Buyer in chronological order of due dates.

All amounts received by you, by any person acting on your behalf or by us after the Date of Loss shall be divided between you and us in the proportion in which the loss is borne by each of us. You must notify us immediately of the receipt of such amounts.

### 21310.00 Amounts held in trust

All amounts received by you or by any person acting on your behalf after the Date of Loss should immediately be remitted to us. Until this remittance is made, you hold such amounts in trust for us.

### 21700.00 Claims

#### 1. Latest date for submission

Any claim, including all available information, must be submitted at the latest 6 months from the Date of Loss.

You must submit all information and documents we require for assessment of the claim at the latest 1 months from the date of our request for such information and documents.

#### 2. Our response

We will provide you with the results of our claims examination within 30 days of the receipt of all information and documents required by us.

#### 3. Calculation of loss

Your loss shall be calculated as the amount owing to you from the Buyer at the Date of Loss less any credits due to the account of the Buyer and any savings that you make through non-fulfilment of the contract (including Agent's commission not payable).

For the application of the terms and conditions of the policy, credits are:

- a) payments by the Buyer (including cash on delivery) or by third parties but

- excluding cheques or bills of exchange not yet honoured or paid;
- b) credit notes;
- c) set offs;
- d) counterclaims;
- e) proceeds from securities or guarantees and
- f) proceeds from the resale of repossessed goods.

The Insured Loss shall be your loss in so far as it relates to unpaid Insured Receivables. The amount of our indemnification shall be the *insured percentage* either of the Insured Loss or of the amount of the Credit Limit for the Buyer, whichever is lower.

#### 4. Assignment and approval

If we so require, claims payments may be made subject to assignment to us of the total amount owing from the Buyer, including all rights and securities.

If we so require, claims payments may be made subject to your prior approval of our calculation of liability.

#### 22900.01 Obligatory refund of payments to the insolvent estate

If under the law applicable to the Buyer's Insolvency, you are obliged to refund any payments which you received from the Buyer before their Insolvency due to a rightful claim to refund preferential payments or revocatory action from the insolvent estate or on the basis of a court ruling, you may submit a claim for any subsequent loss you sustain, provided that such loss relates to Insured Receivables and the terms and conditions of the policy have been met.

We will assess your claim in accordance with the policy terms and conditions in force at the date of the Insolvency of the Buyer. However, this cannot result in us paying in total more than the insured percentage of the Credit Limit for the Buyer. The following conditions shall apply:

- a) You must notify us without undue delay as soon as you become aware of the claim to refund, revocatory action or court ruling;
- b) You pursue, in a timely and appropriate manner, any valid defences available to you under the applicable (Insolvency) law;
- c) You must provide evidence that these payments have been refunded to the insolvent estate of the Buyer and that the underlying receivables have been filed in the creditor's list.

#### 23300.00 Insurer's maximum liability

The maximum amount which we shall be liable to pay per *insurance year* shall be either the amount of the *insurer's maximum liability* or the *multiple* of the premium (nett of any applicable tax) paid in respect of the *insurance year*, whichever is higher, notwithstanding that the *insurer's maximum liability* may be less than the *insured percentage* of any individual Credit Limit or aggregate of Credit Limits.

The amount of the *insurer's maximum liability* and the *multiple* are specified in the Policy Schedule.

#### 24100.00 Allocation of claims liability

Any claims payment shall be allocated to the *insurance year* in which cover commenced.

### General obligations and non-observance

#### 27350.00 Providing information and disclosure of facts

Your proposal is incorporated into and forms part of the policy.

You must provide us with all information and documents that we may require in order to confirm your compliance with the terms and conditions of this policy including, at the time of making a claim, details of any other insurance policies and claims which cover or may cover your loss. Where we require, you must also co-operate with a certified auditor or other independent party that we may employ to verify the accuracy of information and documents you have provided.

You must provide information and documents which are to the best of your knowledge and belief correct and you must disclose promptly and at all times continue to disclose promptly all material information and documents which might affect the risks insured under this policy or might influence our acceptance or assessment of the risks and Buyers insured under the policy.

#### **27700.00 Retained risk**

You must retain exclusively for your own account as an uninsured risk and must not insure elsewhere, any amount which exceeds the amount we are liable to pay you under the policy.

#### **29800.00 Consequences of failure to comply**

Failure to comply with any term or condition of the policy, including payment of premiums and charges and provision and disclosure to us of material information and documents during the *policy duration*, or any non-disclosure or misrepresentation by you in your proposal, shall entitle us to cancel the policy (including all Credit Limits) and may entitle us to reduce or refuse to pay any claim. If any non-disclosure or misrepresentation is fraudulent, we may avoid the policy – that is, treat this policy as if it was never effected.

If we cancel or avoid the policy, we may also retain any premium, charges and other fees paid.

#### **Waiver and variation**

No waiver or variation relating to cover provided or the terms and conditions of the policy shall be binding unless we have specifically agreed in writing. Any non-compliance with the terms and conditions of the policy by you shall not be deemed to have been accepted or excused by us unless expressly accepted or excused by us in writing. Any specific waiver made by us in respect of any term or condition of this policy shall not be construed as a general waiver of the same term or condition or any other term or condition of the policy.

#### **Instalment premium**

If you are permitted to pay your premium in monthly instalments, it will be specified in the Policy Schedule and:

- a) if you are 14 days (or more) late in paying at least one instalment, we may refuse to pay your claims; and
- b) if you are one month (or more) late in paying an instalment, we may cancel the policy immediately without notice to you.

#### **Cancellation by us**

We may cancel the policy:

- a) for failure by you to comply with your duty of utmost good faith;
- b) or failure by you to comply with your duty of disclosure;
- c) for misrepresentation by you at the time you entered into the policy;
- d) for breach by you of a term or condition of the policy, including non-payment of premium;
- e) where you make a fraudulent claim during the *policy duration*, under any contract of insurance;
- f) where an act or omission occurs which is required to be notified by you to us; or
- g) where an act or omission occurs in respect of which, under the terms and conditions of the policy, we may refuse to pay a claim.

In Australia, any such cancellation will be in accordance with the cancellation procedure specified in the Insurance Contracts Act 1984 (Cth).

### **Premium**

#### **30100.01 Declarations**

After the expiry of each *declaration period* specified in the Policy Schedule you must declare to us your turnover invoiced during that *declaration period* to Buyers to which the policy applies. Each declaration must be returned to us by the dates specified in the Policy Schedule. Receivables or parts of them that are specifically excluded from cover under this policy need not be included in your declaration.

The declaration must be specified by country of the Buyer and, if premium rates vary per payment term, also by the agreed payment terms.

The declaration must be made in the *policy currency* or in the currency of the contract.

You may not deduct from your declaration:

- a) credit notes, except where they relate to corrections which have no effect on the risks we have already covered under this policy and for which we are entitled to premium;
- b) receivables in excess of the Credit Limit;
- c) receivables arising before the withdrawal of the Credit Limit;
- d) receivables paid for by cheque;
- e) receivables from Buyers where you have established a Discretionary Credit Limit;
- f) Limit;
- g) receivables paid for before the date of your declaration;
- h) contra-trade amounts due to the Buyer and
- i) disputed receivables/invoices.

Where appropriate, a Nil declaration must be submitted.

### **32500.00 Premium payment**

Premium and any insurance premium tax or other applicable tax or charges are payable on the amounts you declare to us.

Premium will be calculated at the *premium rate(s)* shown in the Policy Schedule and must be paid at the times we specify.

### **32900.00 Advance premium**

The premium amounts specified in the Policy Schedule are *advance premium* amounts. These amounts are nett of any insurance premium tax or other applicable tax or charges, which, if due, will be included in the invoice to you.

At the end of the *insurance year* the actual premium payable in respect of that period shall be calculated on the basis of the declarations received from you.

If the actual premium payable exceeds the total advance premium, you shall pay the difference to us. If the actual premium payable is less than the total advance premium, we shall refund the difference to you. However, this cannot result in you paying less premium than any *minimum premium amount* mentioned in the Policy Schedule.

### **33300.00 Minimum premium**

If the premium calculated on the basis of your declarations in respect of a completed *insurance year* falls short of the *minimum premium amount* mentioned in the Policy Schedule, this *minimum premium amount* shall be the premium amount you must pay in respect of the completed *insurance year*.

The *minimum premium amount* mentioned in the Policy Schedule is nett of any insurance premium tax or other applicable tax or charges, which, if due, will be included in the invoice to you.

## **Policy duration and termination**

### **38900.00 Policy duration and renewal**

The *policy start date* and the *policy duration* are specified in the Policy Schedule.

We will send you a proposal of policy renewal terms or a notification of non-renewal at least 14 days before the expiry date.

**39310.00 – Termination of the policy (sanctions laws or regulations)**

We have the right to terminate the policy if you, any of your directors, or those who control you or own more than 50% of you, become a designated person or entity under United Nations resolutions or sanctions laws or regulations of the European Union, the United Kingdom or the United States of America or the equivalent thereof under any other applicable national sanctions laws or regulations.

**Miscellaneous****44700.00 Communication**

In your communications with us in respect of the policy administration and in fulfilling your policy obligations, you should make use of those facilities of your online connection with us that we make available for that purpose.

In our communications with you in respect of the policy administration and in announcing changes to the policy (such as, but not limited to, variations in the country cover terms) we may make use of our online connection with you.

**45100.01 Transfer of the policy**

You can transfer (e.g. by pledge, assignment or any other form) your rights or rights to claims payments under this policy only with our prior written consent.

**45900.00 Set off**

We have the right to apply any amount payable by us under this policy in or towards payment of any amount owing from you (paying cost and interest before principal) under this policy.

You have no right to apply any amount payable by you to us under this policy in or towards payment of any amount owing from us to you under this policy.

**46400.00 Local taxes and duties**

Payment of Premiums and Other Charges

You must pay to us all amounts specified in our invoice including premiums, fees, taxes and any other amounts on account of other charges.

Goods and Services Tax (GST)

All references in the policy to Value Added Tax (VAT) are deleted and replaced with Goods and Services Tax (GST) which is defined for Australia, in A New Tax System (Goods and Services Tax) Act 1999 (Cth) or any replacement legislation and for New Zealand, Goods and Services Tax as imposed by the Goods and Services Tax Act 1985 or any replacement legislation.

If any GST is payable by you to us under this policy, the GST must be paid by you at the earlier of:

- a) when we are required to remit the GST; or
- b) no later than the payment date specified on our invoice to you.

Stamp Duty

In Australia, stamp duty is payable at the applicable rate determined by each Australian State or Territory and may be subject to change.

**46700.00 Policy currency and conversion**

The *policy currency* is specified in the Policy Schedule.

For the purpose of making declarations and calculating any loss, amounts in a currency other than the *policy currency* shall be converted to the *policy currency* using the applicable exchange rate on the last working day of the month during which cover commenced.

Amounts received by you, by any person acting on your behalf or by us after the Date of Loss in a currency other than the *policy currency*, shall be converted to the *policy currency* using the applicable exchange rate on the date of receipt.

The applicable exchange rate on a given date shall be the closing mid-point rate quoted on that date by the European Central Bank or, if the European Central Bank has not quoted such rate, in the London Foreign Exchange Market, or if not quoted in the London Foreign Exchange Market, by the Central Bank of your country.

Any disputes between you and us arising under, out of or in connection with this policy shall be subject to the jurisdiction of the competent court or arbitral tribunal specified in the Policy Schedule.

The *language of the policy* shall be that specified in the Policy Schedule. Where we provide translations of the policy the version in the language of the policy shall prevail in the event of any conflict or difference in meaning or effect.

#### **47300.00 Confidentiality agreement**

You undertake to treat any information provided to you in strict confidence and not to disclose such information to any third party. You further assume the obligation to release us from claims which might arise from third parties gaining access to confidential information. All information, including but not limited to Credit Limit Decisions, is non binding. We are not liable for any loss you may sustain in case you use this information, especially for your own commercial decisions.

#### **47308.00 Personal Data Protection**

- 1) For the purposes of this provision, "Data Protection Law" shall mean all data protection or privacy laws and regulations applicable to the parties and any replacement thereof from time to time and "personal data" shall have the meaning ascribed to them in the relevant Data Protection Law.
- 2) In respect of any processing of personal data, each party is separately responsible for compliance with Data Protection Law and each party will comply with their respective obligations under such Data Protection Law. Each party agrees not to do, or fail to do, or permit to be done, anything which causes the other party to be in breach of its obligations under Data Protection Law.
- 3) Where you, the Insured, disclose personal data with us in connection with this policy you shall:
  - a) only disclose personal data that are necessary for the purposes of this policy and where you have an established lawful ground for such disclosure where required by Data Protection Law (including compliance with any international data transfer requirements); and
  - b) take reasonable steps to ensure that such personal data is accurate and up to date.
- 4) Each party shall notify the other party without undue delay where the respective party has an information security incident involving personal data processed under this policy and the parties shall co-operate with each other, to the extent reasonable, in relation to any required notifications under Data Protection Law.
- 5) We, the Insurer, may disclose personal data processed in connection with this policy to recipients in other jurisdictions provided that in relation to each disclosure, we will ensure that all requirements under the Data Protection Law are complied with (including where necessary executing supplementary safeguards or standard contractual clauses).

#### **47500.00 Applicable law, jurisdiction and language**

The policy shall be governed by the applicable law specified in the Policy Schedule.

#### **47900.00 List of terms used**

Buyer: any company established in a country included in the Schedule of Countries which can be



considered a debtor by virtue of a trade contract concluded with you.

Credit Limit: the amount which indicates the maximum acceptable risk for us on the Buyer.

Credit Limit Decision: a Credit Limit established by us or by the information company.

Recoveries: any amounts or payments in respect of any loss that are received by you or by us, or by someone acting on your or our behalf, after the Date of Loss.