

## Multiple Contract Export Insurance Policy

**Policy Number [-] BG\EXIP\[Country]\[Number]**

**Issued by The Secretary of State acting through the Export Credits Guarantee Department (operating as UK Export Finance) ("UKEF")**

### SCHEDULE

**Insured:** [-] a company or organisation incorporated and existing under the laws of England and Wales

**Company Number:** [-]

**Registered Address:** [-]

**Insured's Address for Communications:** Post (if different from above):

Email:

Attention:

**Premium:** means, for each **Insured Contract**, an amount equal to the **Purchase Price** multiplied by a **Premium** rate of [-] % (expressed in the **Policy Currency**)

**Pre-Credit Period cover:** You<sup>1</sup> have Pre-Credit Period cover

the type of **Pre-Credit Period** cover **You** have in respect of each **Insured Contract** under which **Goods** are supplied, is pre-shipment cover. **You** expect that this will be required for a period of [-] months<sup>2</sup>

**Insured Percentage:** means [up to 95%]

**Maximum Invoicing Period:** means the period that commences on the date on which **You** are first entitled to submit an invoice (or equivalent) to the **Buyer** under the relevant **Insured Contract** in respect of the relevant **Goods** and/or **Services Rendered** and ends on the

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<sup>1</sup> **Note:** if **You** do not need cover under this policy for the **Pre-Credit Period**, please contact UKEF or **Your** broker (as appropriate) to discuss this

<sup>2</sup> **Note:** if **You** are supplying **Goods** under the **Insured Contract**, cover for the **Pre-Credit Period** will commence on the date **You** have specified that cover should start in the relevant Declaration and end on the date the relevant **Goods** are **Shipped** to the **Buyer** (after which **You** should raise an invoice for payment). If **You** are only entitled to raise an invoice for payment once the **Goods** have been delivered to the destination specified in the **Insured Contract**, however, please discuss with UKEF or **Your** broker (as appropriate) whether **You** should purchase pre-delivery cover. Pre-delivery cover would provide **You** with cover from the date **You** have specified that cover should start in the relevant Declaration up to the date on which the **Goods** are delivered. This is important because under this policy, cover for a **Failure to Pay** will only commence once the **Buyer** is required to make a payment to **You** under the **Insured Contract** (i.e., when **You** have raised an invoice). If **You** are not supplying **Goods** under the **Insured Contract** and only providing **Services**, the **Pre-Credit Period** will end on the date at which the **Services** have been provided.

date which is the [30<sup>th</sup>] **Business Day** thereafter (which may be extended if UKEF agrees in writing)

**Maximum Liability:**

means:

- (a) [-] (or its equivalent in any other currency); or
- (b) if **You** have entered into a Small Export Builder Endorsement, the Insured Percentage of the Permitted Credit Limit (as defined in the Small Export Builder Endorsement) immediately before the loss which is the subject of a claim under this Policy occurs<sup>3</sup>

**Policy Currency:**

[-]

**Buyer:**

means [-]

**Policy Start Date:**

means [time] on [date]

**Policy End Date:**

means the **Insured Contract End Date** of the last **Insured Contract** covered under this Policy after expiry of the **Eligibility Period** (which may be extended in accordance with Clause 2.4 (*Policy Term and Premium*) of the Policy wording)

**Insured Contract End Date:**

means, in relation to an **Insured Contract**, the date falling [-] months after the date on which **You** and the **Buyer** entered into the **Insured Contract**

**Eligibility Period:**

means the period beginning on the **Policy Start Date** and ending [-] calendar months after that date

**Terms of Payment:**

means the terms under the relevant **Insured Contract** extended by **You** to the **Buyer** for payment which are: [-]

**Goods:**

means, in relation to a **Contract**, goods that **You** have agreed to supply to the **Buyer** under that **Contract**, which are [-]

**Services:**

means, in relation to a **Contract**, services that **You** have agreed to supply to the **Buyer** under that **Contract**, which are [-]

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<sup>3</sup> **Note:** the Permitted Credit Limit is only applicable if you have entered into a Small Export Builder Endorsement. If you have not entered into a Small Export Builder Endorsement, the maximum amount that UKEF will be required to pay to you under this Policy is the amount set out in limb (a) of this definition.

<b><u>Permitted Variation:</u></b>	[none]/[means [insert description of the amendments the Insured may make to an Insured Contract]]
<b><u>Waiting Period:</u></b>	means, in respect of each <b>Insured Contract</b> , a period of [-] months which starts on the date on which the <b>Insured Debt</b> or relevant part of the <b>Insured Debt</b> first becomes due and payable to <b>You</b> by the <b>Buyer</b> under the <b>Insured Contract</b>
<b><u>Letter of Credit:</u></b>	[none]
<b><u>Surety:</u></b>	[none]/[means [-]]
<b><u>Security:</u></b>	[none]
<b><u>Loss Payee:</u></b>	[none]/[means [-]]
<b><u>Loss Payee Account:</u></b>	[none][means [-]]
<b><u>Proposal:</u></b>	the final proposal dated [-] submitted by <b>You</b> (by way of the digital portal and/or any other medium) together with any further information received by UKEF from <b>You</b> before entering into this Policy and on which basis UKEF has agreed to enter into this Policy <sup>4</sup>
<b><u>UKEF's address for Communications:</u></b>	<p>Post: <b>UK Export Finance</b>  1 Horse Guards Road  London  SW1A 2HQ</p> <p>Email: <a href="mailto:exipunderwriting@ukexportfinance.gov.uk">exipunderwriting@ukexportfinance.gov.uk</a></p> <p>Attention: Business Group</p>
<b><u>Broker:</u></b>	[-]
<b><u>Broker's Address:</u></b>	[-]
<b><u>Commission Rate:</u></b>	[-]

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<sup>4</sup> If you would like to receive a copy of the final proposal from UKEF, please request a copy from your broker or UKEF (as appropriate) and this will be provided to you.

For and on behalf of the **Secretary of State**  
acting through the **Export Credits Guarantee**  
**Department** operating as **UK Export Finance**

Signature: .....

Name: .....

Position: .....

Date: .....

For and on behalf of [-]

Signature: .....

Name: .....

Position: .....

Date: .....

## CONTENTS

1. POLICY TERMS	1
2. POLICY TERM AND PREMIUM	1
3. SCOPE OF POLICY COVER	2
4. CONDITIONS TO COMMENCEMENT OF THIS POLICY	3
5. MITIGATION AND CONSULTATION	4
6. NOTIFICATION	4
7. LIMITATIONS ON LIABILITY	5
8. OTHER INSURANCES	7
9. CLAIMS PAYMENTS AND PROCESSES	7
10. SUBROGATION	8
11. REIMBURSEMENT OF EXPENSES	8
12. ALLOCATION OF PAYMENTS AND RECOVERIES	9
13. RECOVERIES	9
14. CURRENCY PROVISIONS	9
15. ANTI-CORRUPTION PROVISIONS	10
16. SET-OFF	11
17. RECORDS	11
18. GENERAL	12
19. NOTICES	12
20. THIRD PARTY RIGHTS	13
21. GOVERNING LAW AND JURISDICTION	13
22. DEFINITIONS AND INTERPRETATION	13
APPENDIX	24

## MULTIPLE CONTRACT EXPORT INSURANCE POLICY

No. BG\EXIP\[Country]\[Number]

Issued by **The Secretary of State** acting through the **Export Credits Guarantee Department** (operating as **UK Export Finance**) ("UKEF").

This Policy is designed to protect **You** against certain losses **You** may incur as a result of a **Failure to Pay** by the **Buyer** and, if **You** have **Pre-Credit Period** cover, certain **Pre-Credit Period Costs** incurred if **You** sustain a loss in connection with an **Insured Contract**. UKEF want to ensure that **You** are fully aware of the extent of **Your** cover under this Policy and the terms upon which it is provided and would therefore encourage **You** to read this Policy in full.

### 1. POLICY TERMS

- 1.1 This Policy is issued by UKEF to **You** (being the Insured named in the **Schedule**).
- 1.2 This Policy consists of the **Proposal** and the following:
  - (a) the Policy wording set out in this document;
  - (b) the **Schedule**;
  - (c) all **Endorsements** to this Policy; and
  - (d) all **Declarations**.
- 1.3 In case of any inconsistency between:
  - (a) this Policy wording and the **Schedule** or an **Endorsement** the **Schedule** or **Endorsement** shall prevail (as the case may be); and/or
  - (b) this Policy wording and the **Proposal**, this Policy wording shall prevail.
- 1.4 Please read the Policy wording set out in this document in conjunction with the **Schedule** and any **Endorsements** carefully, as they also contain important information about the cover UKEF will provide to **You**.
- 1.5 Words and phrases that appear in boldface have special meanings which are set out in the Definitions and Interpretation section of this Policy wording in Clause 22 (Definitions and Interpretation) and/or the **Schedule**.

### 2. POLICY TERM AND PREMIUM

- 2.1 In consideration of **Your** payment of the **Premium**, UKEF agrees to provide insurance to **You** subject to and in accordance with the terms and conditions of this Policy.
- 2.2 This Policy shall commence on the **Policy Start Date** and shall end on the **Policy End Date**.

- 2.3 Cover in respect of an **Insured Contract** under this Policy shall commence on the date **You** have specified in the relevant **Declaration** (which must be within the **Eligibility Period**) and end on the **Insured Contract End Date**.
- 2.4 The **Eligibility Period**, **Insured Contract End Date** and/or **Policy End Date** may be extended if agreed in writing between **You** and UKEF.

### 3. SCOPE OF POLICY COVER

#### Failure to Pay

- 3.1 Subject to the other provisions of this Policy, UKEF will pay to **You** the **Insured Percentage** of the amount of an **Insured Debt** that remains outstanding under an **Insured Contract** if **You** sustain a loss as a direct consequence of a **Failure to Pay** all or part of the relevant **Insured Debt** during the **Policy Period** and the **Insured Debt** has not been recovered from the **Buyer**, **Surety** or other third-party by the end of the **Waiting Period**.
- 3.2 The **Waiting Period** in respect of the relevant **Insured Contract** will be shortened to end on the date on which UKEF provides **You** with notice that it has determined that **You** have provided UKEF with:
  - (a) **Illegality Event Evidence** and/or **Political Risks Event Evidence** demonstrating that an **Illegality Event** and/or **Political Risks Event** (as applicable) prevents or makes illegal payment of or **Your** receipt of the relevant **Insured Debt** from the **Buyer**, or the **Buyer's** ability to pay **You** the relevant **Insured Debt**;
  - (b) **Insured Contract Termination Evidence** demonstrating that an **Insured Contract Termination** has occurred; and/or
  - (c) evidence that demonstrates to UKEF's satisfaction that the **Buyer** is subject to an **Insolvency Event**.
- 3.3 UKEF will not cover any loss sustained as a result of a **Failure to Pay** any part of the relevant **Insured Debt** which is due to a dispute between **You** and the **Buyer** (including a dispute that relates to any set-off or cross-claim) until:
  - (a) **You** have obtained (at **Your** own expense and risk) an **Arbitration Award** or **Judgment** determining that the **Buyer** is obliged to pay the **Insured Debt** and is not justified in refusing or failing to pay the **Insured Debt**; or
  - (b) UKEF is satisfied that the **Buyer** is obliged to pay the relevant **Insured Debt** to **You** and is not justified in refusing or failing to pay the **Insured Debt** following the receipt by UKEF of evidence submitted by **You**.

#### Pre-Credit Period Cover

- 3.4 If **You** have **Pre-Credit Period** cover under this Policy in respect of an **Insured Contract**, UKEF will pay to **You** the **Insured Percentage** of the **Pre-Credit Period Costs** that **You**

have incurred in respect of the relevant **Insured Contract** if **You** sustain a loss as a direct consequence of:

- (a) an **Illegality Event** or **Political Risks Event** that prevents or makes illegal the performance of **Your** obligation to supply the relevant **Goods** and/or **Services** under the relevant **Insured Contract**; or
- (b) an **Insured Contract Termination**.

3.5 UKEF will not pay to **You** the **Insured Percentage** of any **Pre-Credit Period Costs** until the date on which UKEF considers that **You** have provided **Illegality Event Evidence**, **Political Risks Event Evidence** or **Insured Contract Termination Evidence** (as applicable) (the "**Satisfactory Evidence Date**"). **You** may submit a claim to UKEF prior to the **Satisfactory Evidence Date** but UKEF will not be liable to pay the claim until after the **Satisfactory Evidence Date**.

#### 4. CONDITIONS TO COMMENCEMENT OF THIS POLICY

4.1 A **Contract** will become an **Insured Contract** for the purposes of this Policy if:

- (a) the **Contract** is entered into between **You** and the **Buyer** during the **Eligibility Period**; and
- (b) **You** serve a valid **Declaration** in respect of the **Contract** on UKEF within the **Eligibility Period**;

4.2 Cover under this Policy in respect of an **Insured Contract** will take effect as of the date **You** specify in the relevant **Declaration** if UKEF receives the full **Premium** from **You** in respect of the **Insured Contract** within 14 **Business Days** of the date at which UKEF receives a **Declaration** from **You**, and, as at the date on which **You** serve a **Declaration** on UKEF:

- (a) **You** are not aware that any **Insolvency Event**, **Insured Contract Termination**, **Political Risks Event** and/or **Illegality Event** has occurred or is likely to occur in respect of the **Insured Contract** or any **Other Contract**;
- (b) no amount payable by the **Buyer** pursuant to the **Insured Contract** has already fallen due and payable;
- (c) there is no amount that is currently due for payment under any **Other Contract** which has been outstanding for a period of more than 30 **Business Days** from the date on which the amount first became due and payable<sup>5</sup>;
- (d) **You** have obtained all required **Consents**;
- (e) any **Security** specified in the **Schedule** has been established in **Your** favour;

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<sup>5</sup> If **You** are unable to satisfy this condition, please contact **Your** broker or UKEF (as appropriate) to discuss this as UKEF may still be able to provide insurance cover for **You** in certain circumstances.

- (f) any **Letter of Credit** specified in the **Schedule** has been opened in **Your favour** and is enforceable by **You** (and, where required by the **Insured Contract**, has been confirmed); and
- (g) unless UKEF has agreed otherwise:
  - (i) no **Goods** have been **Shipped** and no **Services** have been **Rendered**<sup>6</sup>; and
  - (ii) if **You** have **Pre-Credit Period** cover under this Policy, no work has commenced, or expenditure incurred whether by way of purchasing or agreeing to purchase materials or conducting preparatory work or otherwise<sup>7</sup>.

## 5. MITIGATION AND CONSULTATION

- 5.1 **You** shall, at all times, use all due care and diligence in **Your** dealings with the **Buyer** (including but not limited to when granting credit) and, in any event, the same level of care and diligence in any such dealings as **You** would in the event that that **You** were not covered by this Policy.
- 5.2 **You** shall submit all invoices (or equivalent document) requesting payment of any relevant **Insured Debt** to the **Buyer** within the **Maximum Invoicing Period**. UKEF will not be obliged to cover any loss sustained due to a **Failure to Pay** all or part of the relevant **Insured Debt** if **You** do not submit an invoice (or equivalent document) requesting payment of the **Insured Debt** to the **Buyer** within the **Maximum Invoicing Period**.

## 6. NOTIFICATION

- 6.1 In respect of each **Insured Contract**, **You** shall notify UKEF:
  - (a) of each **Notifiable Event** as soon as practical and in any event within 15 **Business Days** of becoming aware of the event and, at the same time or as soon as is practicable thereafter, provide all available information relating to that **Notifiable Event** in writing to UKEF;
  - (b) immediately upon becoming aware that the **Buyer** has failed to pay all or part of the **Insured Debt** under the **Insured Contract** for 30 days after the **Payment Due Date**; and/or
  - (c) if the **Buyer** fails to take up or purchase all or part of the **Goods** or collect or, in respect of an **Insured Contract** which includes a **Retention of Title Clause**, receive the relevant title documents when expected and/or when first presented to them.
- 6.2 If any of the circumstances set out in limb (a)(i) of the definition of **Notifiable Event**, Clause 6.1(b) or Clause 6.1(c) occur in respect of an **Insured Contract**, **You** shall:

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<sup>6</sup> If **You** are unable to satisfy this condition, please contact **Your** broker or UKEF (as appropriate) to discuss this as UKEF may still be able to provide insurance cover for **You** in certain circumstances

<sup>7</sup> If **You** have already commenced work in connection with the **Insured Contract**, please contact **Your** broker or UKEF (as appropriate) to discuss this as UKEF may be able to still provide insurance cover for **You** in certain circumstances.

- (a) promptly take all steps or measures to prevent or minimise any loss covered by this Policy (including preserving all rights **You** may have against third parties for this purpose, unless otherwise permitted by UKEF in writing) including by:
  - (i) enforcing any available security for the performance of the **Buyer's** obligations under the **Insured Contract**;
  - (ii) in respect of an **Insured Contract** which includes a **Retention of Title Clause**, enforcing all of **Your** rights of **Recovery** pursuant to that clause; and
  - (iii) at UKEF's request, executing any documents and taking certain actions as may be necessary to enable UKEF to intervene directly in the proceedings or negotiations relating to the relevant **Insured Debt**; and
- (b) not enter into any compromise of any relevant claim against any person without the written consent of UKEF.

6.3 If **You** fail to take any of the steps and/or measures provided for in Clause 6.2 then UKEF will not be required to make any payment in respect of the specific loss in question unless and until **You** demonstrate to UKEF's satisfaction that the failure to take such steps and/or measures did not increase the risk of that loss being incurred or the amount of the loss suffered.

## 7. LIMITATIONS ON LIABILITY

- 7.1 The aggregate amount payable by UKEF under this Policy shall in no circumstances exceed the **Maximum Liability**.
- 7.2 UKEF shall have no liability under this Policy for any losses arising from any default or breach by the **Buyer** under an **Insured Contract** after the **Policy End Date**.
- 7.3 UKEF shall not be liable to make any payments to **You** in respect of an **Insured Contract** under this Policy if, during or after the **Policy Period**, without UKEF's prior written approval **You**:
  - (a) amend, revoke or waive any of the terms of the **Insured Contract**:
    - (i) in a manner that would result in a reduction in the proportion of UK content of any **Goods** and/or **Services** to below 20%; or
    - (ii) that relate to:
      - (a) the identity of the **Buyer** or any agent;
      - (b) the jurisdiction where the **Buyer** or any agent is resident; or
      - (c) the **Purchase Price** or **Terms of Payment**;

unless such amendment is a **Permitted Variation**;

- (b) agree to or make a material change to the nature of the **Goods** (including their destination) and/or **Services** under the **Insured Contract**;
- (c) assign, mortgage, charge or pledge or otherwise dispose of this Policy or any of **Your** rights and/or benefits arising under it;
- (d) use the name of His Majesty's Government or UKEF or the insurance provided under this Policy directly in connection with the raising of funds from the capital markets;
- (e) fail promptly to provide UKEF with any information, in writing, that UKEF may request from time to time regarding the progress and performance of the **Insured Contract**;
- (f) take the following acts which, in UKEF's opinion, materially increase the level of risk in respect of that (or any other) **Insured Contract** covered under this Policy:
  - (i) in relation to the relevant **Contract Suite**:
    - (a) materially fail to comply with the terms of any component of the **Contract Suite** (including but not limited to any failure to make a compliant presentation of documents under any **Letter of Credit**);
    - (b) waive or release, or fail to take all necessary actions to preserve the legal enforceability of, **Your** rights under any component of the **Contract Suite**; or
    - (c) assign, mortgage, charge or pledge or otherwise dispose of all or part of the **Contract Suite** or any of **Your** rights or interests thereunder, including **Your** right to recover in respect of a loss;
  - (ii) fail to take all necessary actions to preserve the legal enforceability of any security for the performance of the **Buyer's** obligations, or do something which would prejudice **Your** rights against any surety for payment; and/or
  - (iii) **You** amend, revoke or waive any material terms of the **Insured Contract** which is not a **Permitted Variation** (or otherwise permitted under Clause 7.3) without the prior written consent of UKEF.

#### 7.4 If **You** make a fraudulent claim under this Policy, UKEF:

- (a) is not liable to make any payments to **You** under this Policy;
- (b) may recover from **You** any sums which have already been paid by UKEF to **You** in respect of the relevant claim; and
- (c) may, by notice to **You**, treat this Policy as having been terminated with effect from the time of the fraudulent act.

7.5 If UKEF exercises its right to terminate this Policy under Clause 7.4(c), UKEF:

- (a) shall not be liable to **You** in respect of any loss arising from any default, breach or other event occurring after the time of the fraudulent act; and
- (b) shall not be required to return any of the **Premium** paid by **You** in respect of any **Insured Contract** during the **Policy Term**.

## 8. OTHER INSURANCES

8.1 **You** agree that **You** will not take out a **Third-Party Policy** during the **Policy Period** unless UKEF has provided its prior written consent. If **You** do not comply with the requirements of this Clause 8.1<sup>8</sup>, UKEF will not be liable to make any claim payment to **You** under this Policy and shall not be required to return any of the **Premium** paid by **You** in respect of any **Insured Contract**.

## 9. CLAIMS PAYMENTS AND PROCESSES

9.1 Other than as set out in 9.2, **You** shall submit each claim under this Policy by way of the submission of a **Claim Form** as soon as reasonably practicable and no later than 12 months after the **Policy End Date**. UKEF shall not be liable to make any payment under this Policy in respect of that claim if it is not submitted within this period.

9.2 If **You** are required to obtain an **Arbitration Award** or **Judgement** in **Your** favour in respect of an **Insured Contract** pursuant to Clause 3.5 (*Pre-Credit Period Cover*) or Clause 3.3 (*Failure to Pay*) **Your** claim must be submitted by way of a **Claim Form** no later than 12 months after **You** have obtained the relevant **Arbitration Award** or **Judgement**. UKEF shall not be liable to make any payment under this Policy in respect of that claim if **Your** claim is not submitted within this period.

9.3 **You** are responsible for proving to UKEF that **You** have suffered a loss which gives rise to a claim under this Policy. When making a claim **You** must provide suitable supporting evidence of the loss **You** have suffered which shall include the evidence requested in this Policy, the **Claim Form** and any other evidence or information UKEF may require (which may include copies of invoices raised or other similar payment requests).

9.4 Where there is a **Failure to Pay** in respect of an **Insured Contract** which is subject to a **Waiting Period**, **You** shall be entitled to submit a claim to UKEF either during or after the expiry of the **Waiting Period** but UKEF will not be liable to pay the claim until after the date on which the **Waiting Period** has expired.

9.5 If the **Schedule** specifies a **Loss Payee**, **You** irrevocably and unconditionally:

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<sup>8</sup> If you determine that you will need to take out a third-party policy during the term of this policy, please contact your broker or UKEF (as appropriate) to discuss this as in certain circumstances UKEF may be willing to waive this restriction. If UKEF agrees to waive the requirement and you do take out a third-party policy, Clause 8.2 (known as an "excess clause") will be included in your policy. Please speak to UKEF or your broker (as appropriate) to discuss the implications of this. The excess clause will state as follows: "UKEF will not be liable to **You** for any loss which would give rise to a claim under this Policy, which is covered under any **Third-Party Policy** available to **You** (or which would be so covered if this Policy did not exist). In such circumstances, UKEF shall only pay to **You** the difference between the amount that is or would have been payable to **You** under **Your** other **Third-Party Policy** and the amount that it would have been liable to pay to **You** under this Policy."

- (a) direct UKEF to pay to the **Loss Payee Account** every amount which may from time to time be payable by UKEF to **You** pursuant to this Policy; and
- (b) agree that payment of any such amount by UKEF to the **Loss Payee Account** shall discharge UKEF from its obligation under this Policy to pay that amount<sup>9</sup>.

## 10. SUBROGATION

- 10.1 Following the payment of any amount to **You** (or, where relevant, to **Your** appointed **Loss Payee**) by UKEF under this Policy, UKEF is subrogated to all **Relevant Rights**, whether or not the exercise of such rights might, in addition, involve claims, rights or remedies concerning obligations other than those whose non-performance has created a loss under this Policy. These rights of subrogation shall be in addition and without prejudice to all rights and benefits to which UKEF is entitled under the general law of subrogation.
- 10.2 At all times after payment of any claim amount by UKEF to **You** under this Policy in respect of an **Insured Contract**, **You** shall:
  - (a) execute and deliver all instruments and papers and do whatever else is necessary to enable UKEF to exercise the **Relevant Rights**;
  - (b) exercise or enforce or refrain from exercising or enforcing all **Relevant Rights** solely in accordance with the directions of UKEF and take all steps for this purpose as UKEF may require;
  - (c) on request, assign and transfer all **Relevant Rights** to UKEF, and execute and deliver to UKEF all such documents as UKEF may require for this purpose; and
  - (d) authorise and permit UKEF, in **Your** name, to settle or compromise any claim which **You** may have against the **Buyer**, the **Surety** or any other party in connection with the relevant **Insured Contract** or institute and conduct legal or arbitral proceedings in respect of any such claim.

## 11. REIMBURSEMENT OF EXPENSES

- 11.1 UKEF will not be liable to reimburse or indemnify **You** for any legal costs **You** incur when obtaining or attempting to obtain an **Arbitration Award** or **Judgement** if required under Clause 3.5 (*Pre-Credit Period Cover*) and/or Clause 3.3 (*Failure to Pay*).
- 11.2 UKEF will reimburse **You** for any reasonable expenses **You** incur as a result of taking any steps required by UKEF pursuant to Clause 10.2(b) (*Subrogation*) if those expenses were agreed with UKEF in writing in advance. UKEF will not be required to reimburse **You** for expenses which were not agreed in advance of being incurred. It may, at its discretion, agree to reimburse **You** up to the **Insured Percentage** of those expenses if they were incurred by **You** directly for the purposes of minimising any loss.

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<sup>9</sup> You must obtain UKEF's consent to enter into any arrangement under which the benefit of or any other rights under this policy are transferred (for example, pursuant to a factoring or other invoice discounting arrangement) irrespective of whether the relevant transferee is also a Loss Payee under the policy (see Clause (*Limitations on Liability*)).

## 12. ALLOCATION OF PAYMENTS AND RECOVERIES

12.1 Upon receipt of any amount from the **Buyer** which constitutes an **Unallocated Payment**, **You** agree that the amount of the **Unallocated Payment** shall be used to reduce the amount of the **Insured Debt** under any **Insured Contract** by way of **You** (and/or any other third party (as applicable)) applying it in the following order, towards satisfying:

- (a) the **Insured Debt** under any **Insured Contract** which forms the subject of a claim under this Policy;
- (b) any other **Insured Debt** under an **Insured Contract**; and
- (c) any other amount payable but not then due, under an **Insured Contract**.

## 13. RECOVERIES

13.1 If **You** receive a **Recovery** at any time prior to the payment of a claim by UKEF in relation to the **Insured Contract** to which the **Recovery** relates, the amount of that **Recovery** shall be retained by **You** and shall be deemed to reduce the amount of the **Insured Debt** under the relevant **Insured Contract**.

13.2 After a claim has been paid to **You** by UKEF under this Policy, **You** shall hold the relevant **Recovery** on trust for UKEF and, as soon as practicable after receiving that **Recovery**, notify UKEF of that receipt and pay an amount equal to that **Recovery** to UKEF.

13.3 UKEF shall be entitled to retain the **Insured Percentage** of each **Recovery** it receives from **You** and shall pay any amounts which are in excess of the **Insured Percentage** of the **Recovery** to **You**.

## 14. CURRENCY PROVISIONS

14.1 This Policy is issued in the **Policy Currency** and all payments that relate to this Policy including the **Premium** and claims payments in respect of each **Insured Contract** will be paid in the **Policy Currency**.

14.2 If, in respect of an **Insured Contract**, **You** have:

- (a) invoiced or requested payment from the **Buyer** and/or other third party in a currency which is not the **Policy Currency** then, for the purposes of calculating the **Pre-Credit Costs** or **Insured Debt**, the value of that invoice or amount shall be converted into the **Policy Currency** on the date at which the relevant invoices or requests for payment were first issued; or
- (b) received any **Recoveries** in a currency other than the **Policy Currency** then, for the purposes of calculating the value of those **Recoveries** under this Policy, the amount of the **Recoveries** shall be converted to the **Policy Currency** on the date at which such **Recoveries** were first received,

in each case, using the Bank of England rate of exchange prevailing on that date.

14.3 The **Maximum Liability** of this Policy is expressed and fixed in the **Policy Currency**. Where Clause 14.2 applies, the **Maximum Liability** limit shall be applied to all **Insured Debts** and/or **Pre-Credit Costs** covered under this Policy once such amounts have been converted into the **Policy Currency**.

## 15. ANTI-CORRUPTION PROVISIONS

15.1 By serving a **Declaration** on UKEF, **You** represent and warrant that:

- (a) neither **You** nor any **Group Company** has engaged in any **Potential Corrupt Activity** or **Corrupt Activity** in relation to the **Contract** in respect of which the **Declaration** is served and/or any **Related Agreement**;
- (b) neither **You** nor any **Involved Group Company** has any knowledge of any person engaging in any **Potential Corrupt Activity** or **Corrupt Activity** in relation to the **Contract** in respect of which the **Declaration** has been served and/or any **Related Agreement**; and
- (c) **You** have made reasonable enquiries for the purpose of ascertaining whether any **Group Company**, as at the date of this Policy, has had, or is intended to have, any material part in the negotiation or obtaining of any **Insured Contract**.

15.2 **You** undertake that:

- (a) neither **You** nor any **Group Company** shall engage in, any **Potential Corrupt Activity** or **Corrupt Activity** in relation to any **Insured Contract** and/or any **Related Agreement**;
- (b) if **You** acquire knowledge that any person (including any of **Your** employees or employees of a **Group Company**) has engaged in any **Corrupt Activity** or **Potential Corrupt Activity** in connection with any **Insured Contract** and/or any **Related Agreement**, **You** shall promptly notify UKEF accordingly and supply UKEF with full details of the **Corrupt Activity** or **Potential Corrupt Activity** in question save where such notification would, or might reasonably be considered to, constitute the offence of "tipping off" under s.333A of the Proceeds of Crime Act 2002 or equivalent legislation in any competent jurisdiction;
- (c) if **You** fail to notify UKEF under paragraph (b) above because the notification would, or might reasonably be argued to, constitute the offence of "tipping off" under s.333A of the Proceeds of Crime Act 2002 or equivalent legislation in any competent jurisdiction, **You** will report to an appropriate authority **Your** knowledge of any such **Corrupt Activity** or **Potential Corrupt Activity**; and
- (d) **You** shall if **You** have not already done so:
  - (i) require every **Associated Person** who has been or is involved in obtaining or in performing an **Insured Contract** and/or any **Related Agreement** not to

engage in any **Potential Corrupt Activity** in relation to that **Insured Contract** and/or any **Related Agreement**;

- (ii) monitor compliance with that requirement; and
- (iii) take appropriate action against anyone who has engaged, or engages, in any **Potential Corrupt Activity** or **Corrupt Activity** in relation to the **Insured Contract** and/or any **Related Agreement**.

15.3 If at any time, whether during or after the term of this Policy, **You**, any **Group Company** or any **Senior Officer** of **Yours** has engaged, or engages in, any **Corrupt Activity** in connection with an **Insured Contract** and/or any **Related Agreement**, then UKEF shall be discharged from any liability under this Policy and may cancel this Policy with effect from the **Policy Start Date** and in either event (a) UKEF shall be entitled to retain all **Premium** which it may have received from **You**; and (b) **You** shall on demand repay to UKEF all sums which UKEF may have paid to **You** under this Policy.

## 16. SET-OFF

16.1 UKEF has the right to apply any amount that UKEF owes to **You** under this Policy or under any **Other Contract** between **You** and UKEF towards the payment of any amount owing by **You** under this Policy or under any **Other Contract** between **You** and UKEF provided that any exercise by UKEF of its rights under this Clause 16.1 shall not limit or affect any other rights or remedies available to it.

## 17. RECORDS

17.1 **You** shall:

- (a) permit any person authorised by UKEF (and, if other than an official of UKEF, approved by **You**, such approval not to be unreasonably withheld or delayed) to visit, during business hours, any of **Your** premises in the United Kingdom where **Records** are kept for the sole purpose of inspecting, auditing and taking copies of any **Administration Records** provided that UKEF gives to **You** at least five **Business Days**' notice of that visit;
- (b) permit any person authorised by UKEF (and, if other than an official of UKEF, approved by **You**, such approval not to be unreasonably withheld or delayed) to visit, during business hours, any of **Your** premises in the United Kingdom where **Contract Records** are kept in order to inspect any **Contract Records** to the extent necessary to verify the accuracy of any statements made, and any information given, by **You** provided that UKEF gives to **You** at least five **Business Days**' notice of that visit; and
- (c) in relation to Clause 17.1(a) and 17.1(b), **You** shall also provide oral or written explanations in relation to those **Records** (where **You** have the knowledge and ability to do so) and permit UKEF or its authorised representative to take copies of any of the **Records** upon the condition that UKEF will, on request, pay to **You** the reasonable costs **You** incur for the purposes of supplying any copies of the **Records**.

17.2 Any **Confidential Information** acquired by UKEF pursuant to Clause 17.1, will be held by UKEF in confidence and subject to the terms set out in the **Proposal**.

17.3 Wherever practicable, UKEF will give notice to **You** of any application made under the **Information Legislation** for the disclosure of **Confidential Information**. Nothing in this Clause 17 shall imply that **You** consider any **Confidential Information** to be disclosable under the **Information Legislation**.

17.4 To the extent permitted by its obligations at law and its responsibilities as a government department, UKEF will destroy **Confidential Information**, or, if so requested, return it to **You**, when UKEF considers that it has served the purpose for which it was obtained.

17.5 **You** will ensure that **You** have the right to provide the full terms of each **Contract** and **Insured Contract** (including but not limited to any terms related to payment by the **Buyer** and/or the **Purchase Price** for the relevant **Goods** and/or **Services**) to UKEF or its authorised representative for review where requested for the purposes of this Policy.

17.6 Nothing in this Clause 17 obliges **You** or UKEF to act unlawfully or in breach of any requirement of any regulatory or investigatory body or in breach of any duty of confidence.

17.7 **You** shall not unreasonably delay or withhold **Your** consent to the disclosure by UKEF of any information which is otherwise confidential by virtue of the provisions of the **Proposal**.

## 18. GENERAL

18.1 Any amendment to this Policy is valid only if evidenced by an **Endorsement**.

18.2 This Policy (including the **Schedule**, the **Proposal**, each **Declaration** and each **Endorsement**) is the entire agreement between **You** and UKEF.

18.3 UKEF is deemed not to have excused, waived or accepted any failure by **You** to comply with any term of this Policy unless it has expressly recorded this in writing.

18.4 The headings in this Policy are solely for reference and shall not in any way affect the meaning or interpretation of this Policy.

## 19. NOTICES

### 19.1 Each **Communication**:

- (a) shall be in writing (which shall include email);
- (b) may be given in person, by post or by email;
- (c) shall be sent to its intended recipient at its address for **Communications** as given in the **Schedule** (or to such other address as the intended recipient shall have most recently notified to the sender as being the intended recipient's address for **Communications**); and

(d) shall be marked for the attention of such employee or department of the intended recipient as is specified in the **Schedule** (or such other person or department as the intended recipient shall have most recently notified to the sender as being that to which **Communications** should be addressed).

19.2 Subject to Clause 19.3, any **Communication** will be deemed to have been received by its intended recipient:

- (a) if delivered in person, at the time of delivery;
- (b) if sent by first class letter post, three **Business Days** after being deposited in the post in a correctly addressed envelope; or
- (c) if sent by email when received in a legible form.

19.3 A **Communication** which, pursuant to Clause 19.2, is deemed to have been received on a day which is not a **Business Day** or after 17:00hrs in the place of receipt will be deemed to have been received on the next **Business Day** in that place.

## 20. THIRD PARTY RIGHTS

20.1 Neither **You** nor UKEF intend that any term of this Policy should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a named in this Policy

## 21. GOVERNING LAW AND JURISDICTION

21.1 This Policy and any non-contractual rights and obligations arising in connection with it are governed by, and shall be construed in accordance with, the laws of England and Wales. Save as provided in Clause 21.3, the courts of England and Wales shall have exclusive jurisdiction to hear and determine all disputes, actions, claims and proceedings of whatever nature arising out of, or in connection with, this Policy or the transaction contained in it, and for such purpose **You** submit to the exclusive jurisdiction of, and waive any objections to proceedings being brought against **You** in, those courts.

21.2 All legal process relating to proceedings before the courts of England and Wales shall be sufficiently served upon **You** if addressed to **You** and delivered by post or by hand to **Your** address as stated in the **Schedule**.

21.3 UKEF shall be at liberty to take proceedings against **You** in whichever jurisdiction UKEF may think fit.

## 22. DEFINITIONS AND INTERPRETATION

22.1 In this Policy:

<b>“Administration Records”</b>	means, in relation to each <b>Insured Contract</b> , any records (other than those covered by legal privilege) preserved in any medium
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	or form (and including records stored electronically) which relate to the performance of that <b>Insured Contract</b> ;
<b>"Arbitration Award"</b>	means, in relation to an <b>Insured Contract</b> , an award against the <b>Buyer</b> pursuant to an agreement for arbitration contained or incorporated in that <b>Insured Contract</b> ;
<b>"Associated Person"</b>	means a person associated with <b>You</b> within the meaning given in s. 8 of the Bribery Act 2010;
<b>"Business Day"</b>	means any day other than a Saturday, Sunday or public holiday in England and Wales;
<b>"Claim Form"</b>	means a claim form which <b>You</b> must obtain from UKEF by emailing <a href="mailto:claims@ukexportfinance.gov.uk">claims@ukexportfinance.gov.uk</a> ;
<b>"Communication"</b>	means each <b>Declaration</b> , claim, notice or other communication which may be served or made pursuant to this Policy;
<b>"Confidential Information"</b>	means, in respect of each <b>Insured Contract</b> : <ul style="list-style-type: none"> <li>(a) the <b>Records</b>;</li> <li>(b) the contents of the <b>Records</b>; and</li> <li>(c) all written or oral explanations provided in respect of the <b>Records</b> pursuant to Clause 7.1(c);</li> </ul>
<b>"Consents"</b>	means all or any authorisations and/or licences <b>You</b> are required to obtain to be able to lawfully perform <b>Your</b> obligations under an <b>Insured Contract</b> ;
<b>"Consortium Party"</b>	means any company, partnership, limited liability partnership, person or other legal entity (other than <b>You</b> ) that is a party to any written joint venture, consortium or other similar arrangement (other than a sub-contract) to which <b>You</b> are also a party and which has been, or will be, entered into in connection with the performance or financing of all or any part of a <b>Contract</b> in respect of which a <b>Declaration</b> has been served on UKEF and/or an <b>Insured Contract</b> ;
<b>"Contract"</b>	means a contract for the supply by <b>You</b> to the <b>Buyer</b> of <b>Goods</b> and/or <b>Services</b> which arises by, and upon, <b>Your</b> written acceptance of a written order from the <b>Buyer</b> for such <b>Goods</b> and/or <b>Services</b> (such order and acceptance being given in hard copy or electronically);
<b>"Contract Records"</b>	means, in respect of each <b>Insured Contract</b> , <b>Records</b> for the period up to the date of award of the <b>Insured Contract</b> ,

preserved in any medium or form (including **Records** stored electronically) which relate specifically to **Your** obtaining of that **Insured Contract** or the employment of, and payments to, or for the benefit of, any agent;

**“Contract Suite”**

means, in respect of each **Insured Contract** and all agreements, financial instruments (including, without limitation, any letter of credit or bill of exchange), undertakings, consents, authorisations or other documents relating to the relevant **Insured Contract** or issued in connection with any payments made or to be made under it;

**“control” and “controlled”**

means, in relation to a company (the “company controlled”), control of the company controlled:

- (a) by virtue of any contractual arrangements including, without limitation, any provisions in the memorandum and articles of association (or the equivalent documents in the case of a company incorporated in a jurisdiction other than that of England and Wales) of the company controlled or any other company; and/or
- (b) by virtue of ownership (whether directly or through nominees or trustees) of more than 50% of the voting share capital of the company controlled; or
- (c) through a chain of companies each of which controls the next by the means described at paragraph (a) and/or (b) above;

**“Corrupt Activity”**

means any activity with reference to a person (including without limitation the offering of any payment, reward or other advantage to any public official or other person), that:

- (a) is found by a court in a competent jurisdiction (after all available rights of appeal have been exhausted) to have rendered an **Insured Contract** and/or **Contract** illegal, void, voidable or unenforceable under its governing law; or
- (b) other than under duress, has been admitted by that person (which shall include, for the avoidance of doubt, admissions of activity made under a deferred prosecution agreement in England, civil forfeiture order or similar administrative settlements in other jurisdictions); or
- (c) is found by a court or competent authority in any competent jurisdiction (after all available rights of appeal have been exhausted) outside the United Kingdom to constitute an

offence under any applicable law (except by virtue of changes to that law having retrospective effect); or

(d) is found by a court or competent authority in the United Kingdom (after all available rights of appeal have been exhausted) to constitute a **Relevant Offence**,

and which activity in respect of paragraphs (a), (b) and (c) above corresponds to a **Relevant Offence** provided that, where for the purposes of paragraph (b) above, any such activity is admitted by an **Excluded Person**, such activity shall not, for the purposes of this Policy, constitute **Corrupt Activity** if such activity was not, at the time it was engaged in, unlawful under the laws or regulations of the country in which it took place;

**“Declaration”** means a declaration substantially in the form set out in the Appendix;

**“Directors”** means, in relation to a company, the members of that company’s board of directors (including non-executive Directors);

**“Endorsement”** means a written amendment to this Policy in the format prescribed by UKEF;

**“Excluded Person”** (a) where such activity was engaged in prior to 1 July 2011:  
(i) a person other than a national of the United Kingdom (as defined in s.109(4) of the Anti-terrorism, Crime and Security Act 2001); or  
(ii) a body incorporated under the laws of a country other than the United Kingdom; and  
(b) where such activity was or is engaged in on or after 1 July 2011, a person or body of a type not listed in s.12(4) of the Bribery Act 2010;

**“Failure to Pay”** means, in respect of each **Insured Contract**, a failure of the **Buyer** to pay all or some of the relevant **Insured Debt to You** by the **Payment Due Date** under the terms of the **Insured Contract** (including, for the avoidance of doubt, due to an **Insured Contract Termination** and/or **Insolvency Event**) in the currency specified therein (unless payment in an alternative currency is accepted by **You** having obtained UKEF’s prior written consent);

<b>"Group Company"</b>	means a company (in any jurisdiction) that is controlled by <b>You</b> or that controls <b>You</b> or that is controlled by a company which controls <b>You</b> ;
<b>"Illegality Event"</b>	means, in respect of each <b>Insured Contract</b> , any act, decision or legislative or administrative measure of the government or courts of any country (including the non-renewal or cancellation of an export or import licence but excluding a refusal or failure to grant a United Kingdom export licence or other United Kingdom authorisation required as at the date of the relevant <b>Insured Contract</b> for the performance of the <b>Insured Contract</b> );
<b>"Illegality Event Evidence"</b>	means evidence satisfactory to UKEF that demonstrates that an <b>Illegality Event</b> has occurred (and the date on which such event occurred), which may include:
	<ul style="list-style-type: none"> <li>(a) where available, a court order issued by a competent authority; or</li> <li>(b) where a court order is not obtainable by <b>You</b>, or is not sufficient, any such evidence which, in UKEF's opinion, demonstrates that the <b>Illegality Event</b> has occurred<sup>10</sup>;</li> </ul>
<b>"Information Legislation"</b>	means the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 as, in each case, amended or re-enacted from time to time and any other legislation from time to time governing the disclosure of information held by public bodies in response to requests from individuals or organisations;
<b>"Insolvency Event"</b>	means, in respect of the <b>Buyer</b> , any or all of the following:
	<ul style="list-style-type: none"> <li>(a) it is adjudicated by a competent court to be, or a competent officer certifies that it is, unable to pay its debts as they fall due;</li> <li>(b) it admits in writing its inability to pay its debts as they fall due;</li> <li>(c) it suspends making payments to its creditors generally;</li> <li>(d) by reason of actual or anticipated financial difficulties, it begins negotiations with any creditor for the rescheduling or restructuring of any of its indebtedness; or</li> </ul>

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<sup>10</sup> **Note:** the evidence that UKEF may be willing to accept in these circumstances includes electronic copies of the relevant legislation issued by a competent authority (and English translations where necessary) accompanied by an English language legal opinion confirming that the Legislation is binding on you and has been validly enacted. It would be advisable to discuss with your broker or UKEF (as appropriate) the type of evidence which UKEF would be willing to accept in your circumstance before obtaining it.

- (e) any of the following occurs in respect of it:
  - (i) any resolution for its winding-up, administration or dissolution is passed at a meeting of its shareholders;
  - (ii) any liquidator, trustee in bankruptcy, receiver, administrative receiver or administrator is appointed in respect of it or substantially all of its assets;
  - (iii) its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, receiver, administrative receiver or administrator;
  - (iv) a petition is presented for its winding-up or liquidation; or
  - (v) any other analogous step or procedure is taken in any jurisdiction;

<b>“Insured Contract”</b>	means a <b>Contract</b> in relation to which the requirements of Clause 4 have been satisfied;
<b>“Insured Contract Termination”</b>	means, in relation to an <b>Insured Contract</b> , a termination of the <b>Insured Contract</b> , or termination of <b>Your</b> obligation to supply <b>Goods</b> and/or <b>Services</b> under the relevant <b>Insured Contract</b> due to a breach of that <b>Insured Contract</b> by the <b>Buyer</b> ;
<b>“Insured Contract Termination Evidence”</b>	<p>means, in respect of an <b>Insured Contract</b>:</p> <ul style="list-style-type: none"> <li>(a) an <b>Arbitration Award</b> or <b>Judgment</b> that <b>You</b> have obtained (at <b>Your</b> own expense and risk) determining that the <b>Buyer</b> has breached the relevant <b>Insured Contract</b> and that breach justified the relevant <b>Insured Contract Termination</b>; or</li> <li>(b) where appropriate, such other evidence that demonstrates to UKEF’s satisfaction that the <b>Buyer</b> is in breach of its obligations under the relevant <b>Insured Contract</b> and that breach justified the <b>Insured Contract Termination</b>;</li> </ul>
<b>“Insured Debt”</b>	means an amount that has become due and payable to <b>You</b> under the terms of an <b>Insured Contract</b> (exclusive of any <b>Interest</b> ), or which would have become payable but for the effect of any moratorium or prohibition on payment;
<b>“Interest”</b>	means any sum paid or payable to <b>You</b> in respect of interest pursuant to an <b>Insured Contract</b> , any <b>Security</b> , any <b>Judgment</b>

or any **Arbitration Award** or otherwise in connection with that **Insured Contract**;

**“Involved Group Company”**

means:

- (a) a **Group Company** that **You**, having made the reasonable enquiries referred to in Clause 15.1(c), believe has had, or is intended to have, at the date of this Policy, any material part in the negotiation or obtaining of a **Contract** in respect of which a **Declaration** is served on UKEF or an **Insured Contract**; or
- (b) a **Group Company** that employs personnel providing head office, legal, compliance, audit or similar functions;

**“Judgment”**

means, in relation to an **Insured Contract**, a final court decision binding on both **You** and the **Buyer** that is enforceable in the **Buyer’s** country;

**“Letter of Credit”**

means an irrevocable and unconditional letter of credit required for the purpose of making any payments under an **Insured Contract** as described in the **Schedule**;

**“Notifiable Event”**

means, in relation to each **Insured Contract**:

- (a) any matter of which **You** become aware which indicates that:
  - (i) the **Buyer** may fail to perform any material obligation under the **Insured Contract** or may be unable to pay any **Insured Debt** (including but not limited to the possibility or occurrence of an **Insolvency Event**, cash flow difficulties or material defaults in respect of any **Other Contract**);
  - (ii) if **You** have **Pre-Credit Period** cover, the **Pre-Credit Period** in respect of the **Insured Contract** is likely to be extended by a period of 30 days or more<sup>11</sup>; and/or
  - (iii) **You** are reasonably likely to require an extension to the **Policy End Date, Eligibility Period** and/or **Insured Contract** End Date; and/or
- (b) one or more of the **Consents** held by **You** and which are required for **You** to be able to fulfil **Your** obligations under the **Insured Contract** has expired and/or has been

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<sup>11</sup> As an example, this would include a scenario where there are material delays to the procurement of materials to manufacture goods or to obtaining the required access or workforce to render the services.

withdrawn or cancelled (or is reasonably likely to expire, be withdrawn or cancelled); and/or

(c) **You** receive a **Recovery** or an **Unallocated Payment**;

<b>“Other Contract”</b>	means, in respect of an <b>Insured Contract</b> , any <b>Contract</b> between <b>You</b> and the <b>Buyer</b> other than the <b>Insured Contract</b> ;
<b>“Payment Due Date”</b>	means, in respect of each <b>Insured Contract</b> , a date on which the <b>Buyer</b> is required to make the relevant payment to <b>You</b> in accordance with the terms of the relevant <b>Insured Contract</b> ;
<b>“Policy Period”</b>	means the period specified in the <b>Schedule</b> which commences on the Policy Start Date and ends on the Policy End Date;
<b>“Political Risks Event”</b>	means war, civil war, revolution or insurrection;
<b>“Political Risks Event Evidence”</b>	means evidence satisfactory to UKEF demonstrating that a <b>Political Risks Event</b> has occurred (and the date at which such event occurred);
<b>“Potential Corrupt Activity”</b>	means activity that could, subject to the occurrence of subsequent events referred to in paragraphs (a), (b) or (d) of the definition of <b>Corrupt Activity</b> , amount to <b>Corrupt Activity</b> ;
<b>“Pre-Credit Period”</b>	means, in respect of each <b>Insured Contract</b> , the period that commences on the date <b>You</b> have specified that cover should start in the relevant <b>Declaration</b> and ends:  (a) if the type of <b>Pre-Credit Period</b> cover <b>You</b> have is pre-shipment cover, in respect of <b>Goods</b> (i) dispatched in one <b>Shipment</b> , on the date of that <b>Shipment</b> ; and/or (ii) dispatched in more than one <b>Shipment</b> , in respect only of the <b>Goods</b> being so dispatched, on the date of that <b>Shipment</b> ; or  (b) if the type of <b>Pre-Credit Period</b> cover <b>You</b> have is pre-delivery cover, in respect of <b>Goods</b> : (i) dispatched in one <b>Shipment</b> , on the date of the delivery of those <b>Goods</b> to the destination specified in the <b>Insured Contract</b> <sup>12</sup> ; or (ii) dispatched in more than one <b>Shipment</b> , in respect only of the <b>Goods</b> being so dispatched, on the date of the delivery of those <b>Goods</b> to the destination specified in the <b>Insured Contract</b> ; and/or

<sup>12</sup> **Note:** please contact your broker or UKEF (as appropriate) to discuss if there have been minor changes to the place of delivery under the insured contract which have been agreed between you and the buyer. As an example, in respect of goods, a change in port or delivery site (save that the new delivery site or port should be within the same jurisdiction and region as specified in the insured contract) or rendering of services performance of those services at a different location.

(c) if you have **Pre-Credit Period** cover in respect of **Services**:  
(i) on the date that the **Services** have been **Rendered** if they are not **Rendered** in separate stages; or (ii) where the **Services** are **Rendered** in separate stages, in respect only of such **Services**, the date at which such **Services** were **Rendered**;

**"Pre-Credit Period Costs"**

means, in respect of each **Insured Contract**:

(a) all costs and/or expenses that **You** have already paid and/or are contractually liable to pay incurred by **You** in a **Pre-Credit Period** specifically and directly for the purposes of being able to fulfil part or all of **Your** obligations under the **Insured Contract** (which, for the avoidance of doubt shall not include ordinary course internal costs and/or expenses related to the carrying on of **Your** business) and provided that UKEF shall not pay **You** any costs and/or expenses in excess of the amount that would have been payable by the **Buyer** under the **Insured Contract** in respect of those Goods and/or Services;

*Less:*

(b) all amounts that have irrevocably been paid to **You** by the **Buyer** (or any third party) in respect of any Goods and/or Services under the **Insured Contract** and/or which otherwise relate to the **Goods** and/or **Services**; and

(c) the value of all and any **Goods** and/or **Services**, that are available for resale and any other benefit that **You** may have received by not supplying such **Goods** and/or **Rendering** the **Services** pursuant to the relevant **Insured Contract**;

**"Purchase Price"**

means, in relation to each **Insured Contract**, the full amount payable by the **Buyer** to **You** for the **Goods** and/or **Services** (as applicable) pursuant to that **Insured Contract** and excluding any applicable value added tax (or its equivalent in any relevant jurisdiction);

**"Records"**

means, in respect of each **Insured Contract**, the **Administration Records** and the **Contract Records**;

**"Recovery" and "Recoveries"**

means, in respect of each **Insured Contract**, any sum recovered or available to **You** (and any **Interest**) from the **Buyer** or any third party for the purposes of reducing or mitigating the loss suffered by **You** in relation to a **Failure to Pay** or any **Pre-Credit Period Costs** incurred;

<b>"Related Agreement"</b>	means, in respect of each <b>Contract</b> and <b>Insured Contract</b> :
	<ul style="list-style-type: none"> <li>(a) any agreement or undertaking, other than any agreement or undertaking for the supply of any <b>Goods</b> and/or <b>Services</b> to <b>You</b> or any <b>Consortium Party</b>, which relates to the <b>Insured Contract</b> and/or <b>Contract</b> and to which <b>You</b> or any <b>Consortium Party</b> is a party; and/or</li> </ul>
	<ul style="list-style-type: none"> <li>(b) any consent or authorisation, required by <b>You</b> or any <b>Consortium Party</b> for the obtaining or performance of the <b>Insured Contract</b> and/or <b>Contract</b> and of which <b>You</b> or any <b>Consortium Party</b> is the direct recipient or beneficiary;</li> </ul>
<b>"Relevant Rights"</b>	means (in relation to a loss sustained by <b>You</b> that has led to any payment by UKEF under this Policy) all rights, remedies, claims, guarantees and securities available to <b>You</b> to mitigate such loss, including any rights against a guarantor or surety;
<b>"Relevant Offence"</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) in relation to acts committed or events occurring before 1st July 2011, an offence under the Prevention of Corruption Acts 1889 to 1916 as amended by Part 12 of the Anti-terrorism Crime and <b>Security</b> Act 2001 (as from time to time amended or re-enacted); and/or</li> <li>(b) an offence of conspiracy to corrupt under the Criminal Law Act 1977 or under common law, or, in relation to acts committed or events occurring on or after 1st July 2011, an offence under s. 1, 2, 6, or 7 of the Bribery Act 2010 (as from time to time amended or re-enacted);</li> </ul>
<b>"Rendered"</b>	means, in respect of an <b>Insured Contract</b> , the relevant <b>Services</b> have been performed by <b>You</b> in accordance with the <b>Insured Contract</b> with the result being that <b>You</b> are entitled to invoice the <b>Buyer</b> and to be paid for such <b>Services</b> ;
<b>"Retention of Title Clause"</b>	means an "all monies clause" or similar <b>Retention of Title Clause</b> which is included in an <b>Insured Contract</b> and which provides that legal ownership or title to the relevant <b>Goods</b> will not pass from <b>You</b> to the <b>Buyer</b> until the <b>Buyer</b> has paid in full for the relevant <b>Goods</b> <sup>13</sup> ;
<b>"Satisfactory Evidence Date"</b>	has the meaning given to it in Clause 3.5;

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<sup>13</sup> **Note:** Policyholders should inform UKEF in the proposal document whether a retention of title clause is included in the relevant insured contract. Such clauses are sometimes referred to as "cash against sales" transactions.

<b>“Schedule”</b>	means the <b>Schedule</b> to this Policy;
<b>“Security”</b>	means such security (if any) for the <b>Insured Contracts</b> as is referred to in the <b>Schedule</b> ;
<b>“Senior Officer”</b>	means:
	(a) a body corporate, a Director or senior executive of the body corporate;
	(b) a partnership, a partner in the partnership; and
	(c) a limited liability partnership (“LLP”) all members or, if applicable, all those members appointed or entitled to manage the LLP;
<b>“Shipped” or “Shipment”</b>	means the relevant <b>Goods</b> leave the custody and control of <b>You</b> or <b>Your</b> agent to transit to the destination of delivery where the <b>Buyer</b> or its agent is required to accept them pursuant to the relevant <b>Insured Contract</b> ;
<b>“Third-Party Policy”</b>	means a trade credit insurance policy with another insurer or provider which covers the same insured subject matter and risks as covered under this Policy;
<b>“Unallocated Payment”</b>	any amount irrevocably paid to <b>You</b> by: (i) the <b>Buyer</b> ; or (ii) any other third party, which is not appropriated to a specific debt (other than: (i) in either case, where such amount is returned to the <b>Buyer</b> (or any other third party (as applicable)), as a result of the non-renewal or cancellation of any <b>United Kingdom</b> export licence or other authorisation required for the supply to the <b>Buyer</b> of the <b>Goods</b> and/or <b>Services</b> ; and/or (ii) where such an amount is a <b>Recovery</b> );
<b>“United Kingdom”</b>	means the United Kingdom of Great Britain and Northern Ireland together with the Channel Islands and the Isle of Man; and
<b>“You” or “Your”</b>	means you, being the company or organisation who has entered into this Policy.

22.2 The headings in this Policy are solely for reference and shall not in any way affect the meaning or interpretation of this Policy.

## APPENDIX

### Declaration

[ON YOUR HEADED NOTEBOOK]

UK Export Finance ("UKEF")  
1 Horse Guards Road  
London  
SW1A 2HQ

Dear Addressee,

**Declaration issued pursuant to the Export Insurance Policy numbered  
BG\EXIP\[Country]\[Number] (the "Policy")**

1. We refer to the [Contract(s)] between ourselves and the Buyer which arises under the purchase order(s) from the Buyer described in the table below and our acceptance of those order(s) (the "**Contract(s)**").
2. Unless otherwise specified, all words and phrases in this **Declaration** which are capitalised and in bold text shall have the meanings given to them in the Policy or the **Proposal**.
3. We wish the **Contract(s)** to be insured under the Policy. Cover under the Policy for the **Contract(s)** will start on [date] at [time] (which is a date within the **Eligibility Period**);
4. We calculate that the **Premium** in respect of each **Contract** is as set out in the table below.
5. [We hereby increase the **Permitted Credit Limit** under the Policy from the existing **Permitted Credit Limit** of £[ •] to £[ •] with effect from the date of this Declaration.]
6. By issuing this **Declaration**, we understand and acknowledge that:
  - (a) UKEF does not issue invoices for **Premium** payments;
  - (b) the **Premium** should be paid to UKEF within 14 **Business Days** of the signing of this **Declaration**;
  - (c) the **Contract(s)** will only become **Insured Contract(s)** under the Policy if the requirements of Clause 4 of the Policy are met; and
  - (d) UKEF shall have no liability for bank processing fees or charges in connection with the **Contract(s)**.
- 6.2 Further, by issuing this **Declaration** we make the representations and warranties in Clause 15 of the Policy in relation to the **Contract(s)** and also represent that:
  - (a) except as stated in the **Proposal**, no agent of ours, **Group Company** or **Consortium Party** has had any involvement in procuring any of the **Contract(s)**; and

(b) if, in the Proposal, we have stated that any agent, **Group Company** or **Consortium Party** has had, or would have, any involvement in procuring any of the **Contract(s)**:

- (i) we have made reasonable enquiries regarding that agent, **Group Company** or **Consortium Party** and its/their conduct in relation to the **Contract(s)** and any **Related Agreement**; and
- (ii) those enquiries have given us no cause to believe, and we do not believe, that agent, **Group Company** or, as the case may be, **Consortium Party** has engaged in any **Corrupt Activity** in relation to any of the **Contract(s)** or any **Related Agreement**.

**The Order(s)**

The applicable premium rate is: [-] %

Your Order Ref. Number	Order date	Quantity and description of Goods and/or Services	Purchase Price	Estimated due date of payment	Premium

Yours faithfully,

For and on behalf of

[ ]

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_