

BANK MASTER POLICY

Policy Reference No. : _____

Name of Policyholder : _____

Country : _____

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GENERAL PROVISIONS

PARTIES

Export-Import Bank of Pakistan, established under the Export-Import Bank of Pakistan Act 2022 and having its head office at Office No. 510-512, 5th Floor, Evacuee Trust Complex, Agha Khan Road, F-5/1, Islamabad, Pakistan (“hereinafter referred to as **“EXIM Bank”**” which expression shall include its successors in interest and assigns”) and _____, a financial institution/bank duly incorporated and licenced to conduct banking activities under the relevant laws of Pakistan acting through Mr./Ms./Mx. _____, bearing CNIC No. _____, and bearing official designation of _____, having registered office at _____, (hereinafter referred to as **“Policyholder”**” which expression, where applicable shall include the legal heirs, legal representatives, successors in interest and permitted assigns of the Policyholder) have entered into this insurance policy comprising of (i) General Provisions, (ii) Credit Application Form (Annexure A), (iii) Credit Approval (Annexure B), (iv) Claim Form (Annexure C), (v) Schedule of Estimated Exposure (Annexure D), (vi) Credit Application Form for New/Additional Buyer(s) (Annexure E), (vii) Declaration Form (Annexure F), (viii) Notification for Probable Loss (Annexure G), (ix) Policy Application Form (Annexure H), (x) Undertaking/Confirmation for Exporter Due Diligence (Annexure I) respectively and any endorsements issued subsequently (together, the **“Policy”**). EXIM Bank and the Policyholder shall hereinafter be referred to individually as a **“Party”** and collectively as **“Parties”** where the context so requires.

Headings in this Policy are for reference only and do not form part of the contract between EXIM Bank as insurer and the Policyholder as the insured.

WHEREAS, the Policyholder is a banking company which provides financing to its customers;

AND WHEREAS, the Policyholder has provided/will provide financing from time to time to Borrowers for financing the respective Borrowers Export Receivables, pursuant to Facility Agreements (**“Financing”**) and intends to apply for Credit Limits for insuring the exposures taken by the Policyholder in regard to the Financing.

ARTICLE 1 INTERPRETATION & DEFINITIONS

1.1. DEFINITIONS

The following terms shall have the meaning set forth when used throughout this Policy:

- (i) **“Annex”** or **“Annexures”** means the annexures to the Policy.
- (ii) **“Administration Fee”** means the fee specified in the Credit Approval and charged by EXIM Bank for the administration of the Policy for the Policy Period.
- (iii) **“Borrower”** means the customer of the Policyholder who is the exporter described as such in the Credit Approval to whom the Financing has been extended by the Policyholder by financing the Export Receivables under the Export Contract.
- (iv) **“Claim Form”** means an application in the form of Annex C hereto submitted in writing by the Policyholder to EXIM Bank for payment of indemnity for a Loss under the Policy.
- (v) **“Claim Determination Date”** shall have the meaning specified in Article 7.3. of this Policy.

- (vi) **“Computer System”** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Policyholder or any other party.
- (vii) **“Credit Approval”** means an approval issued by EXIM Bank in respect of the Policyholder substantially in the form of Annex B to be added as part of obligor wise coverage under this Policy specifying certain terms and conditions of the coverage and any special terms and conditions that supersede or amend the Standard Wording provided hereunder and includes any amendments to the Credit Approval by the mutual consent of the Parties from time to time.
- (viii) **“Credit Limit”** means the maximum credit limit approved by EXIM Bank in respect of the Borrower and specified in the Credit Approval.
- (ix) **“Credit Limit Application”** including but not limited to an application(s) made by the Policyholder in the form of Annex A to secure a Credit Limit or Credit Limits in respect of its Borrower and includes any amendments to the Policy Application by the mutual consent of the Parties from time to time. It is clarified that the Policyholder will submit a Credit Application for each Borrower in respect of which a Credit Limit is requested from EXIM Bank. The Form for New/Additional Buyer(s) is attached as Annexure E.
- (x) **“Customary Due Diligence”** means due diligence carried out by the Information Holders in accordance with the Policyholder’s usual practice and procedure for transactions similar to an Export Contract and associated Facility Agreement that are held uninsured and unhedged and, for the avoidance of doubt, does not require the Information Holders to make enquiries of any other departments in the Policyholder if to do so is not the Policyholder's usual practice and procedure.
- (xi) **“Cyber Act”** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- (xii) **“Cyber Incident”** means:
- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
 - (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- (xiii) **“Date of Loss”** means in case of Insolvency of the Obligor the date on which the first event of Insolvency occurs and in all other cases the date immediately following the period specified in the Credit Approval as the Waiting Period.
- (xiv) **"Declaration Form"** means a form submitted by the Policyholder under Article 21 (Declarations), which is substantially in the form attached herewith as Annexure F.
- (xv) **“Dispute”** is defined in Article 10.
- (xvi) **“Due Date(s)”** means the date(s) on which a Scheduled Payment is required to be made by the Obligor(s) to the Borrower in accordance with the terms and conditions of the Export Contract and associated Export Receivables.
- (xvii) **“Exclusion”** means each exclusion set out in Article 3 of this Policy.
- (xviii) **“Export Receivables”** means the receivables of the Borrower due from the Obligor from time to time in connection with Export Contract.
- (xix) **“Export Contract”** means a supply contract between the Borrower and the Obligor.
- (xx) **“Facility Agreement”** means a financing facility agreement described in Annex B under which the Policyholder has extended finances to the Borrower for financing the Export Receivables under the Export Contract.
- (xxi) **“Financing”** is defined in the Recitals.
- (xxii) **“Government of the Obligor Country”** means the present or any succeeding governing authority of the Obligor Country (without regard to the method of its succession or to whether it is recognised by

- the Policyholder's Country or to whether it is formally described as governmental) or authorised agents thereof in effective control of all or part of the Obligor Country or of any political or territorial subdivision thereof.
- (xxiii) **“Guarantor”** means the guarantor specified in the Credit Approval (Annex B).
- (xxiv) **“Information”** means the information provided by the Policyholder to EXIM Bank In accordance with Article 6.
- (xxv) **“Information Holders”** means the individuals employed by the Policyholder who are directly involved in the negotiation, management and/or approval of the Export Contract and associated Facility Agreement and/or in the negotiation and management of this Policy, or their successors in these functions.
- (xxvi) **“Insolvency”** of a party shall occur if:
- (a) a bankruptcy, winding up or administration order is made against such party; or
 - (b) in the course of execution of a judgement against such party the levy of execution fails to satisfy the debt in full; or
 - (c) a valid assignment, composition or other arrangement is made for the benefit of the creditors of such party generally; or
 - (d) an effective resolution is passed for the winding up of such party; or
 - (e) an administrator, receiver or manager of any of the property of such party is appointed; or
 - (f) the Policyholder shows to EXIM Bank's satisfaction that the Obligor's financial state is such that even partial payment is unlikely and that to enforce judgement or to apply for a bankruptcy or winding up order would have no foreseeable result other than one disproportionate to the likely cost of the proceedings; or
 - (g) an event has occurred which is substantially equivalent in effect to any of the events listed above.
- (xxvii) **“Insured Percentage”** means the percentage specified in the Credit Approval, being the percentage of the Insured Transaction which is insured under this Policy.
- (xxviii) **“Insured Transaction”** includes Insured Shipment and means, from time to time, an amount (in PKR) being the principal component of the Policyholder's portion of the total debt outstanding under the Facility Agreement, taking into account (i) amounts as drawn in accordance with the terms of the Facility Agreement, and (ii) any reduction of such debt by way of either a voluntary or mandatory prepayment in accordance with the terms and conditions of the Facility Agreement and the associated Export Contract.
- (xxix) **“Knowledge”** means such matters as are actually known to the Information Holders, or should have been known to such the Information Holders having conducted Customary Due Diligence.
- (xxx) **“Loss”** means the amount of Scheduled Payment, but excluding any interest, mark up or other return, due by the Borrower to the Policyholder in accordance with the terms and conditions of the Facility Agreement and associated Export Contract (including where there is an acceleration or prepayment of the Borrowers's payment obligations in accordance with the Facility Agreement and associated Export Contract and Article 8.1. of this Policy), which remains unpaid at the expiry of the Waiting Period.
- (xxxi) **“Material Breach”** means a breach by the Policyholder and/or the Borrower of (i) any material obligation under the Facility Agreement (where such Facility Agreement defines material obligations or equivalent); and/or (ii) a breach of any obligation by the Borrower under the Export Contract, other than minor administrative, trivial or clerical obligations; and/or (iii) breach by the Policyholder of any provision of the Policy other than minor administrative or clerical, trivial obligations.
- (xxxii) **“Maximum Aggregate Liability”** means amount as specified in the Credit Approval, and may include specified Insured Percentage of the Insured Transaction and representing EXIM Bank's maximum aggregate liability under the Policy.
- (xxxiii) **“Minimum Earned Premium”** means the part of the Premium, which is non-refundable save in accordance with the provisions of this Policy and is specified in the Credit Approval.

- (xxxiv) **“Minimum Retained Uninsured Percentage”** means the percentage specified in the Credit Approval held by the Policyholder in accordance with Article 5.2. (d).
- (xxxv) **“Non Payment”** means the failure or refusal by the Borrower to honour its payment obligations to the Policyholder in terms of the Facility Agreement as a result of the Obligor’s failure or refusal to honour its obligations of payment to the Borrower which are due in accordance with the terms and conditions of the Export Contract and associated Export Receivables and with Article 2.2.
- (xxxvi) **“Obligor” also expressed as buyer,** means the entity specified in the Credit Approval as such who is the buyer under the Export Contract and is responsible for making payments of the Export Receivables.
- (xxxvii) **“Obligor’s Country”** means the country of the Obligor and/or the Guarantor specified in the Credit Approval.
- (xxxviii) **“Policy Application”** means the main application for insurance cover in form and substance acceptable to EXIM Bank, including all attachments and any updates thereto, delivered to and filed with EXIM Bank by the Policyholder.
- (xxxix) **“Policy Currency”** means the lawful currency of the Islamic Republic of Pakistan in which: (i) the Premium is payable; and (ii) Insured Percentage is payable.
- (xl) **“Policy Effective Date”** means the date specified in the Credit Approval and is the date when the cover provided under the Policy becomes effective.
- (xli) **“Policy Expiry Date”** means the date specified in the Credit Approval and is the date when the cover provided under the Policy expires.
- (xlii) **“Policy Period”** means the Period specified in the Credit Approval commencing from the Policy Effective Date and ending on Policy Expiry Date.
- (xliii) **“Policyholder”** means the policyholder specified in the Credit Approval.
- (xliv) **“Policyholder’s Country”** means Islamic Republic of Pakistan.
- (xlv) **“Premium”** means the premium specified in the Credit Approval and calculated by applying the Premium Rate on the Insured Percentage of all drawn amounts through declaration under the Facility Agreement and in accordance with the projected exposures detailed in Annex D (*Schedule of Estimated Exposures*). The Premium shall include the additional premium charged in accordance with the terms of this Policy at a later stage.
- (xlvi) **“Premium Rate”** means the rate specified in the Credit Approval to calculate the Premium.
- (xlvii) **“Claim Form”** means a written proof of loss (satisfactory to EXIM Bank) substantially in the form of Annex C of this Policy.
- (xlviii) **“Scheduled Payment”** means one (01) or more repayments of principal through realisation of Export Receivables and/or any part thereof as set out in Annex D (*Schedule of Estimated Exposures*).
- (xlix) **“Schedule of Estimated Exposure”** means the schedule attached as Annex D herewith and setting out expected turn over under the facility agreement including projected export contracts and export receivables with due dates and the Premium payment dates.
- (l) **“Waiting Period”** means period specified in the Credit Approval and which, save in case of the Insolvency of the Obligor, must elapse from the Due Date before any claim is payable under this Policy.
- (li) **“War or Civil Disturbance”** means (i) War- contest by force between two or more sovereign nations, carried on for any purpose, armed conflict of sovereign powers and/or declared or undeclared and open hostilities between sovereign nations including invasion and acts of foreign enemies; (ii) Civil Disturbance- any act committed in the course of a disturbance of the public peace (where such disturbance is motivated by political reasons) by any person taking part together with others in such disturbance or any act of any lawfully constituted authority for the purpose of suppressing or minimising the consequence of such act.

1.2. INTERPRETATION

In this Policy, except where the context requires otherwise:

- (a) words indicating one gender include all genders; and “he”, “his” and “himself” shall be read as “he/she”, “his/her” and “himself/herself” respectively;

- (b) words indicating the singular also include the plural and words indicating the plural also include the singular;
- (c) “written” or “in writing” means hand-written, type-written, printed or electronically made, and resulting in a permanent record;
- (d) references to Articles and Annexures are, unless the context otherwise requires, references to Articles of, and Annexures to, this Policy;
- (e) “may” means that the Party or person referred to has the choice of whether to act or not in the matter referred to;
- (f) “shall” means that the Party or person referred to has an obligation under the Contract to perform the duty referred to;
- (g) “including”, “include” and “includes” shall be interpreted as not being limited to, or qualified by, the stated items that follow;
- (h) words indicating persons or parties shall be interpreted as referring to natural and legal persons (including corporations and other legal entities); and
- (i) a reference to any legislation or legislative provision includes any statutory modification, amendment, or re-enactment of or legislative provision substituted for, and any subordinate legislation under that legislation or legislative provision;
- (j) unless otherwise provided herein, whenever a consent or approval is required by one Party from the other Party, such consent or approval shall not be unreasonably withheld or delayed;
- (k) in carrying out its obligations and duties under the Policy, each Party shall have an implied obligation of good faith;
- (l) unless otherwise specifically provided in the Policy, a reference to an agreement or contract shall be a reference to that agreement as amended, re-stated, supplemented, modified or novated from time to time.

In any list in this Policy, where the second-last item of the list is followed by “and” or “or” or “and/or” then all of the list items going before this item shall also be read as if they are followed by “and” or “or” or “and/or” (as the case may be).

ARTICLE 2 INSURING AGREEMENT AND RISKS COVERED

- 2.1. In consideration of the payment of Premium and the Administration Fee to EXIM Bank by the Policyholder, and subject to the terms and conditions of this Policy, EXIM Bank hereby agrees to indemnify the Policyholder for the Insured Percentage of the Policyholder’s Loss up to the Maximum Aggregate Liability, provided that such Loss is caused by Non-Payment by the Borrower under the Facility Agreement and occurs during the Policy Period.
- 2.2. The Non-Payment covered in Article 2.1. shall have arisen from one or more of the following:
- (a) Commercial Risks:**
 - (i) Insolvency of the Obligor.
 - (ii) Failure or refusal of the Obligor to discharge any payment obligations under the Export Contract, provided that the Policyholder was in compliance with all terms and conditions of the Facility Agreement at the Date of Loss.
 - (iii) Failure or refusal of the Guarantor of the Obligor to fulfil any of its obligations under a guarantee of payment issued by the Guarantor in respect of the Export Contract.
 - (b) Non-Commercial Risks:**
 - (i) Currency transferability and convertibility restrictions, sanctions imposed by the government of the Obligor Country or, where applicable, Guarantor’s country.
 - (ii) Any legislative action or administrative action or omission of the Obligor’s Country which has the effect of depriving the Borrower of its right to receive any Export Receivables due under an Export Contract or of any benefit relating to such Export Receivables.
 - (iii) War or Civil Disturbance in the Obligor’s Country (excluding any of the following: United States of America, United Kingdom, People’s Republic of China, Russian Federation and France).

ARTICLE 3 EXCLUSIONS

- 3.1. EXIM Bank shall not be liable for any Loss caused directly or indirectly by the following events under this Policy:
- (a) Material Breach by the Policyholder in the performance of its obligations under the Facility Agreement, provided that both:
 - (i) compliance with the obligation(s) in question was within the control of the Policyholder; and
 - (ii) the Material Breach in question has the effect at law of extinguishing the Policyholder's right to the Scheduled Payment in question (or the relevant part thereof) and/or rendering the Policyholder's participation in the Insured Transaction invalid and unenforceable.
 - (b) any failure by the Borrower to fulfil any of the terms and conditions of the Export Contract or to comply with the provisions of any law, including any order, decree or regulation having the force of law in the Borrower's Country, Obligor's Country and/or otherwise relating to the Export Contract; or
 - (c) theft, physical loss of, or damage to, the goods being supplied under the Export Contract by the borrower, including any risks covered by marine insurance; or
 - (d) delays by the Borrower in performing its obligations under the Export Contract including delays in delivering goods under the Export Contract to the Obligor, unless such failure, loss, damage or delay results from war (including civil war, hostilities, rebellion and insurrection) in the Obligor's Country or any measure or decision of the government of the Obligor's Country subsequent to the date of shipment of the relevant goods under the Export Contract; or
 - (e) war (whether before or after the outbreak of hostilities) between any of the following: People's Republic of China; France; United Kingdom; the Russian Federation; and the United States of America; or
 - (f) any loss, damage, liability or expense, directly or indirectly, caused by, or contributed to, or arising from:
 - (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - (iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes; or
 - (v) any chemical, biological, bio-chemical, or electromagnetic weapon.
 - (g) any breach by the Policyholder of its obligations or representations and warranties under the Policy.
- 3.2. EXIM Bank shall not be liable for any Loss arising from the Policyholder and/or the Borrower engaging in any fraudulent, criminal or dishonest acts or omissions in relation to the Financing, Export Contract and/or this Policy.
- 3.3. EXIM Bank shall not be liable for any Loss arising from the Insolvency of the Policyholder.
- 3.4. Subject to the provisions of Article 5.2. hereunder, EXIM Bank shall not be liable for any Loss resulting from credit granted by the Policyholder to the Borrower and the Borrower to the Obligor beyond the Due Date of Payment (including, among others, in the case of cash against documents, documentary sight draft or documents against payment transactions).

ARTICLE 4 LIABILITY

- 4.1. EXIM Bank shall not be liable to pay the Policyholder:
- (a) where the Obligor claims in good faith that it is legally justified in withholding payment of all or any part of the amount owing or in not performing any of its obligations under the Export Contract until either the Obligor has withdrawn such claim or the Borrower has established the validity or invalidity of such claim by arbitration or legal proceedings against the Obligor or otherwise as the Export Contract may provide.
 - (b) where the Policyholder has obtained a guarantee of payment or EXIM Bank has made it a condition of cover that there be a guarantee or surety, unless: (i) the Guarantor or surety has failed to pay any amount for which it is liable under such guarantee; or (ii) in case of a dispute commenced in good faith by the Guarantor or surety under the guarantee, a judgement or award has been obtained against the Guarantor or surety.
- 4.2. In all cases EXIM Bank shall not deem the validity or invalidity of a claim to have been established by arbitration or legal proceedings in accordance with this Article until the decision of such arbitration or legal proceedings has become final and binding upon the parties and is not subject to any appeal, or unless EXIM Bank agrees otherwise in writing.
- 4.3. Insurance coverage for facility agreement, under the Policy begins,
- (a) when the "Credit Approval" is provided for already shipped goods under the facility agreement, and
 - (b) pursuant to clause (a) above, further Goods are shipped to the Buyer and a declaration is submitted to EXIM Bank, provided such Goods are shipped under the auspices of facility agreement and
 - (c) pursuant to the Schedule of Estimated Exposures, a declaration as described in Article 21 (*Declarations*) is provided to EXIM Bank.

Provided that, where the Approved Credit Limit and/or Credit Approval state that payment of Premium is a pre-condition to the commencement of coverage under the Policy, then insurance coverage shall commence upon payment of the Premium to EXIM Bank.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 5.1. For the avoidance of doubt no term of this Policy (whether express or implied) is a representation or warranty unless it is expressly set out in this Article 5.
- 5.2. The Policyholder represents, warrants and undertakes that:
- (a) the Policyholder has ensured that the Borrower has, at Policy Effective Date, obtained all material authorisations and licences which, to the Knowledge of the Information Holders, the Borrower is required to obtain under the regulations of the Policyholder's Country and/or the constitutive document of the Borrower for the performance of the Facility Agreement and the Export Contract;
 - (b) the Policyholder has, at Policy Effective Date, obtained all material authorisations and licences which, to the Knowledge of the Information Holders, the Policyholder is required to obtain under the regulations of the Policyholder's Country and/or the constitutive document of the Policyholder for the performance of the Facility Agreement;
 - (c) so far as the Information Holders are aware, as at Policy Effective Date, the Export Contract and Facility Agreement were legally valid, binding and enforceable between the respective parties. The Policyholder shall have satisfied this obligation if a legal opinion of counsel, as mutually acceptable, is provided to and accepted by EXIM Bank prior to Policy Effective Date;
 - (d) subject to Article 14, the Policyholder will maintain the Minimum Retained Uninsured Percentage of the Insured Transaction uninsured for the Policy Period (as such amount may be reduced from time to time by any repayment or pre-payment of the amounts due and payable under the Facility Agreement in accordance with the terms of the Facility Agreement and this Policy or as reduced from time to time pursuant to Article 8.4. (*Cancellation*) in this Policy);
 - (e) no extension of credit shall be granted to the Borrower under the Facility Agreement unless EXIM Bank agrees in writing with or without additional conditions. If EXIM Bank does agree, an additional premium will be charged to the Policyholder;

- (f) it will not assign or transfer its rights under the Facility Agreement or this Policy to any third party without prior written consent of EXIM Bank; and
- (g) it has complied with the Framework for Managing Risks of Trade Based Money Laundering and Terrorist Financing issued and amended by the State Bank of Pakistan time and again, in regard to the Obligor and the Borrower and has performed applicable statutory and regulatory compliance checks in regard to the Borrower.

5.3. **CONSEQUENCES OF NON-COMPLIANCE WITH WARRANTIES AND UNDERTAKINGS**

- (a) It is understood and agreed between the Parties that warranties, representations and undertakings contained in Article 5 define the risk as a whole. If these terms are not complied with, EXIM Bank may rely upon such non-compliance to exclude, limit or discharge its liability, even if non-compliance with these terms could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.
- (b) Insofar as any term in this Article 5 would result in a suspension of the Policy if breached by the Policyholder, EXIM Bank shall be entitled to rely on such breach to terminate the Policy and/or discharge its liability, notwithstanding such suspension.

ARTICLE 6 DUTIES OF FAIR PRESENTATION AND DISCLOSURE

6.1. **DISCLOSURE AND FAIR PRESENTATION**

Subject to Article 6.2 below, this Policy applies to all contracts between the Policyholder and any Buyers, except: The Policyholder and EXIM Bank have agreed that the duty of fair presentation and disclosure owed by the Policyholder in respect of the subject matter insured under this Policy are amended and limited by those specifically set out in this Article 6.1.

At Policy Effective Date and at the time of any endorsement hereto the Policyholder's duty to make a fair presentation and disclosure is satisfied provided that:

- (a) the Information which the Information Holders have provided to EXIM Bank is true, accurate and complete to the best of the Information Holders' Knowledge;
- (b) the Information Holders have no Knowledge of any material circumstance which could reasonably give rise to a Loss under this Policy which has not been disclosed to EXIM Bank;
- (c) to the best of the Information Holders' Knowledge after Customary Due Diligence, no facts which are material to the risk insured under this Policy, have been withheld from EXIM Bank;

6.2. EXIM Bank acknowledges and agrees that:

- (a) it has entered into this Policy on the basis of its independent judgement regarding the creditworthiness of the Borrower and the Obligor using the underwriting Information provided by the Policyholder to EXIM Bank as of Policy Effective Date;
- (b) Subject to Article 6.1. (a) and (c) above, material information shall be limited to the Information; and EXIM Bank shall not rely on any oral statement or representation of any description except where oral statements or representations are documented and listed under the Information;

6.3. The Policyholder will inform EXIM Bank promptly upon becoming aware of inaccuracy or incompleteness of the Information.

6.4. **REMEDIES**

Where the Policyholder has failed to comply with Article 6.1. (*Duty of Fair Presentation and Disclosure*) herein in any way, EXIM Bank shall be entitled to avoid the contract. Nothing in this Article 6.4. shall affect any right of EXIM Bank to recover damages from the Policyholder in respect of loss suffered by EXIM Bank as a result of a failure by the Policyholder of the duty of fair presentation and disclosure.

ARTICLE 7 PROOF AND PAYMENT OF LOSS

7.1. In case of default of the Buyer, unless agreed otherwise, all amounts received from the Buyer after Due Date of Payment and before payment of indemnification by EXIM Bank, including pursuant to contracts not covered by the

Policy, shall for the purpose of this Policy be applied to amounts owing under all contracts between the same Buyer and the Policyholder in chronological order of due dates of payment under such contracts.

7.2. **NOTIFICATION OF LOSS**

If the Policyholder has reason to believe that the Obligor is in financial difficulty or if the Policyholder becomes aware of any event likely to cause a Loss, the Information Holders must notify EXIM Bank through **Annexure F** within thirty (30) days thereof. Also, the Policyholder must notify EXIM Bank if payment of any amount remains overdue from the Borrower and/or the Guarantor thirty (30) days after the Due Date of Payment.

7.3. **PROOF OF LOSS**

- (a) EXIM Bank shall not pay any indemnity to the Policyholder prior to the Date of Loss. The Policyholder shall submit a Claim Form (Annex C) not later than forty-five (45) days from the Date of Loss.
- (b) The responsibility for proving that a Loss constitutes a valid claim hereunder shall at all times rest with the Policyholder. The responsibility for proving the application of an Exclusion shall at all times rest with EXIM Bank.
- (c) In the event of a reasonable demand by EXIM Bank for submission of additional evidence reasonably necessary to prove the claim, and unless prevented from doing so by law and/or for regulatory or confidentiality reasons, the Policyholder shall file such evidence as is available to it with EXIM Bank within thirty (30) days of such request. If the Policyholder is restricted or prevented from providing EXIM Bank with requested information due to confidentiality restrictions, the Policyholder shall use its reasonable endeavours to enable disclosure to EXIM Bank and EXIM Bank shall, if required by the Policyholder in order to disclose requested information to EXIM Bank, sign an appropriate non-disclosure agreement provided by the Policyholder in a form satisfactory to both the Policyholder and EXIM Bank (acting reasonably).
- (d) Where a Claim Form has been submitted by the Policyholder, EXIM Bank shall use best endeavours to request any additional evidence as soon as is reasonably practicable but in any event not later than thirty (30) business days following receipt of such Claim Form. The Policyholder shall submit such additional evidence within thirty (30) business days of EXIM Bank's request. If EXIM Bank has not requested such additional evidence by such date, it will be considered to have waived its right to do so unless circumstances warrant otherwise due to new/development of events which require corroboration before acceptance of claim.
- (e) Where a claim has been lodged during the Policy Period, but the Waiting Period extends beyond the Policy Period, it will not impact coverage and payment of Loss under this Policy.

7.4. **DETERMINATION OF A CLAIM**

- (a) Unless otherwise agreed by EXIM Bank and the Policyholder, EXIM Bank shall make a determination of the Policyholder's claim promptly, and in any event must notify the Policyholder, of its determination upon the "**Claim Determination Date**", being the date the later of:
 - (i) the expiry of the Waiting Period; or
 - (ii) thirty (30) business days after the date upon which the Policyholder provided the first Claim Form; or
 - (iii) if additional evidence has been reasonably requested by EXIM Bank within the time period specified in Article 7.3., thirty (30) business days after the date of provision of such information.
- (b) Where EXIM Bank has determined that the Policyholder's claim is not valid or that the Policyholder is not entitled to receive indemnity for a Loss it has incurred, EXIM Bank shall provide the Policyholder with a detailed written explanation of why the claim is being denied within the time frames detailed above.
- (c) Subject to the Maximum Aggregate Liability, in the event of a Loss, and unless otherwise agreed by the Policyholder and EXIM Bank, indemnification due to the Policyholder under this Policy shall be payable within thirty (30) days after the Claim Determination Date.

7.5. **AMOUNT OF INDEMNITY**

- (a) Subject to the Maximum Aggregate Liability, the amount of indemnity payable to the Policyholder by EXIM Bank shall be the Insured Percentage of the Policyholder's Loss where such Loss is caused by Non-Payment. Such indemnity shall be less the pro-rated portion of any amounts (such *pro-rata* based on the

- Insured Percentage and the Minimum Retained Uninsured Percentage) which are recovered in respect of the Scheduled Payment to which the Loss relates.
- (b) Prior to the payment of indemnity:
 - (i) if the Policyholder has extended credits to the Borrower that are not insured by EXIM Bank; and subsequent to the Due Date, the Borrower (or, in the event of the Insolvency of the Borrower, any receiver or administrator thereof) intends to make a payment to the Policyholder, the Policyholder will use its reasonable endeavours to ensure that such payment is allocated equitably between insured payments and other payments owed to the Policyholder by the Borrower, and without preference to payment obligations not covered hereunder by EXIM Bank; and
 - (ii) all monies received by the Policyholder in respect of the Facility Agreement and the Export Receivables shall be allocated according to the Facility Agreement or, if not specified therein, according to the State Bank of Pakistan's instructions and normal practice applied by the Policyholder.
 - (c) In conjunction with the above, the Policyholder agrees that it will not specifically instruct the Borrower to channel monies due to the Policyholder to any facility or guarantee not covered hereunder by EXIM Bank.
 - (d) After payment of indemnity, allocation of monies shall be as per Article 19 (*Recoveries*).

ARTICLE 8 GENERAL CONDITIONS

8.1. ACCELERATION AND PREPAYMENT

- (a) EXIM Bank's liability for payment of Loss shall be based only on the original Due Date(s) as set out in the Facility Agreement and the associated Export Contract. An acceleration (either in part or in full) of the Borrower's obligation to pay the Scheduled Payment and/or prepayment by the Borrower, even though contemplated in the Facility Agreement, shall accordingly reduce the EXIM Bank exposure against such Facility Agreement and related Export Contracts. In case the working capital finance is provided to borrow under the facility agreement and the prepayments are made by the borrower against the Export Receivables, and the loss occurs in such receivables, in calculating the Loss:
 - (i) the prepayments made shall be counted towards reduction of indemnity amount,
 - (ii) the amount of such Loss shall be reduced by the amount of remaining Premium in minimum earned premium calculated in accordance with the Credit Approval
 - (iii) in the case of a partial payment, the proportionate part of the remaining Premium that relates to the accelerated portion of the Insured Percentage of the Insured Transaction payable over the balance of the Policy Period; and
 - (iv) such remaining Premium (or part thereof) with which the Loss has been reduced in accordance with Article 8.1. (a) (iii) shall be treated as having been paid by the Policyholder and the Policyholder shall have no further liability to pay any such Premium (or part thereof).
- (b) In the event of Loss in any of the Export Contract, payment of indemnity for Loss shall be made based on the original Due Date(s) provided a Non-Payment event has occurred. In such case, the Waiting Period shall only apply to the first Due Date. In respect of subsequent consecutive Due Date(s) (if applicable) falling after the first Due Date, payment of indemnity for the Loss shall be made ten (10) days after the submission of the Claim Form, provided that the Waiting Period applying to the first Due Date has expired and the corresponding Loss has been agreed.
- (c) If EXIM Bank elects to continue the coverage for the same facility agreement of the borrower, then the Policyholder shall be obligated to continue paying the Premium in accordance with Annex D (*Schedule of Estimated Exposures*) of this Policy.
- (d) Subject to Article 8.4. (c), where the Obligor makes a voluntary or mandatory prepayment at any time in accordance with the Export Contract and associated Facility Agreement and reduces the total amount

outstanding, the liability of EXIM Bank regarding Claim Payment (subject to completion of all conditions) shall be reduced accordingly.

- (e) Notwithstanding anything to the contrary herein, the Policyholder will not require the consent or approval of EXIM Bank in order to accelerate and/or require a pre-payment in respect of the Payment(s) in accordance with the Facility Agreement.

8.2. ACCOUNTING PRINCIPLES

All financial statements and accounts as well as the accounting treatment of this Policy shall be in accordance with the principles of accounting as advised through State Bank of Pakistan's instructions and other regulatory guidelines, consistently applied and as used by the Policyholder in its audited financial statements.

8.3. ASSIGNMENT

- (a) This Policy is assignable only with the prior written consent of EXIM Bank and no assignment by the Policyholder of any right, title or interest to any amount payable under this Policy shall be valid and binding upon EXIM Bank unless the Policyholder notifies EXIM Bank thereof and EXIM Bank endorses this Policy in the manner provided for in this Article.
- (b) In the case of any assignment or transfer in part pursuant to this Article, the assigned or transferred portion of the Policy and the portion retained by the Policyholder shall, with effect from the date of the assignment or transfer, be deemed to operate as if independent and composite policies and all rights, benefits and obligations under this Policy shall be taken as applying as between the Policyholder and the assignee/transferee in the relevant proportionate shares having regard to the portion assigned/transferred.
- (c) Notwithstanding any of the foregoing, the Policyholder may require any payments of indemnity hereunder to be made (either in whole or in part) to a named loss payee, such loss payee to be agreed by endorsement issued by EXIM Bank, with such agreement not to be unreasonably withheld or delayed. All of EXIM Bank's and the Policyholder's obligations under this Policy will remain unaffected.

8.4. CANCELLATION

- (a) Unless Parties otherwise agree, EXIM Bank may cancel this Policy only in the following circumstances:
- (i) where (i) the Policyholder fails to pay the Premium, provided however that EXIM Bank has given written notice to the Policyholder of its intent to cancel the Policy pursuant to this Article 8.4., and (ii) the Policyholder has ten (10) days from the date of receipt of such notice in order to cure such non-payment of Premium before the cancellation of this Policy becomes effective. In the event of payment of Premium being made the Policy shall remain in full force and effect and the notice of termination shall be deemed null and void; or
- (ii) where there has been a Material Breach by the Policyholder of any of the terms of this Policy (including, but not limited, to where the Policyholder has fraudulently failed to comply with the duty of disclosure or has made a misrepresentation to EXIM Bank).
- (b) Unless the Parties otherwise agree, the Policyholder may cancel this Policy only in the following circumstances:
- (i) where the Policyholder no longer has any outstanding exposure or commitments under or in relation to the Financing under the Facility Agreement and associated Export Contract subject to (i) EXIM Bank receiving a written request from the Policyholder to cancel at least seven (07) days prior to the effective date of the cancellation, and (ii) EXIM Bank receiving the Minimum Earned Premium. For clarity, where the Borrower has fully prepaid the amounts due under the Facility Agreement and the associated Export Contract or the Facility Agreement is never drawn down, EXIM Bank further agrees the Premium will be adjusted according to the Policyholder's actual exposures, and that no Minimum Earned Premium shall apply in this instance; or
- (ii) where, subject to giving EXIM Bank not less than thirty (30) days written notice, the Policyholder decides to cancel this Policy for any reason other than that specified under the preceding clause (i) provided this falls within the Policy Period always subject to EXIM Bank receiving the Minimum Earned Premium.

- (c) In the event of a voluntary partial prepayment under the Facility Agreement and the associated Export Contract, this Policy may not be cancelled by the Policyholder. However Policyholder agrees that in the event of a partial prepayment, the Maximum Aggregate Liability may be reduced proportionately from the date of partial prepayment. The policyholder further agrees that in the event of a partial prepayment, the Premium will not be adjusted according to the Policyholder's actual exposures, provided that EXIM Bank may agree, in its sole discretion to grant a proportionate reduction.
- (d) In accordance with the terms and conditions of this Article 8.4., EXIM Bank agrees to pay to the Policyholder a pro rata refund of any unearned Premium paid in excess of the Minimum Earned Premium, where such Minimum Earned Premium is applicable.

8.5. **CYBER AFFIRMATION**

This Policy does not contain a specific Cyber Act or Cyber Incident exclusion, therefore a Loss due to a Cyber Act or a Cyber Incident will be payable subject to all of the terms, conditions, warranties and exclusions of this Policy.

8.6. **SANCTIONS**

- (a) EXIM Bank and the Policyholder shall each comply with all trade or economic sanctions laws and regulations administered, enforced or imposed by the United Nations, European Union, United Kingdom or United States of America (including extraterritorial sanctions) to which the Policyholder is subject and that are applicable to the Facility Agreement ("**Sanctions**").
- (b) No action taken by EXIM Bank in compliance with Sanctions shall prejudice the Policyholder's rights under this Policy.
- (c) EXIM Bank and the Policyholder agree that they shall co-operate in good faith in the event that Sanction(s) affects the ability of EXIM Bank or the Policyholder to perform its obligations under this Policy. The affected Party will use all reasonable endeavours to apply for the necessary governmental and regulatory permissions, approvals, licenses or authorisations to allow that affected Party to perform its obligations hereunder and the Parties shall perform their obligations under the Policy as soon as, if and to the extent, legally possible.
- (d) For the avoidance of doubt, no part of Articles 8.6. (a) to 8.6. (c) (inclusive) gives EXIM Bank any right to rescind, terminate or cancel this Policy or any liability under it.

8.7. **POLICY CURRENCY**

- (a) The Premium shall be payable and any Loss indemnified hereunder and the Maximum Aggregate Liability shall be expressed in the Policy Currency.
- (b) If the value of an Insured Shipment is expressed in a currency other than the Policy Currency, for the purposes of the Policyholder's declarations under Article 21 (*Declarations*), the Policyholder shall convert the relevant amounts relating to the contract for the relevant Insured Shipment into the Policy Currency at the rate of exchange specified by the State Bank of Pakistan for such contracts on such dates. The Policyholder shall use the same rate of exchange when declaring payments received or outstanding in respect of such Goods. EXIM Bank will use the same rate of exchange in calculating the maximum aggregate liability payable for a Claim.

8.8. **COMPLETE AGREEMENT OF THE PARTIES, AMENDMENT AND WAIVERS**

The terms of this Policy may not be waived or changed, except by written endorsement issued and signed by EXIM Bank. The failure of EXIM Bank to exercise any right or remedy shall not be deemed to constitute a waiver of such right or remedy in the future.

ARTICLE 9 GOVERNING LAW

This Policy and any non-contractual obligations arising out of or in connection with it are governed by the laws of the Islamic Republic of Pakistan

ARTICLE 10 DISPUTES

- 10.1. In the case of any dispute arising out of or in connection with this Policy (including a dispute relating to the existence, validity or termination of this Policy or any non-contractual obligation arising out of in connection with this Policy) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the Arbitration Act, 1940.
- 10.2. The claimant(s), irrespective of number, shall nominate jointly one arbitrator; the respondent(s), irrespective of number, shall nominate jointly the second arbitrator, and a third arbitrator (who shall act as chairman or umpire) shall be nominated by the two arbitrators nominated by the claimant(s) and respondent(s) within fourteen (14) days of the last of their appointments or, in the absence of agreement on the third arbitrator in accordance with the Arbitration Act, 1940.
- 10.3. The seat of arbitration shall be Islamabad.
- 10.4. The language of the arbitration shall be English.
- 10.5. Without limitation to the generality of Article 8, the arbitration agreement set out in this Article 10 and any non-contractual obligations arising out of or in connection with it are governed by the laws of the Islamic Republic of Pakistan.

ARTICLE 11 AUTHORISATION

Upon the issuance of the Policy, the Policyholder will communicate to EXIM Bank the names, specimen signatures, designations and contact details of the officers or representatives of the Policyholder who are authorised to take decisions and give instructions in regard to the Policy and send and receive communications with EXIM Bank on all matters pertaining to the Policy. If any subsequent change is made to the aforesaid details by the Policyholder, the Policyholder shall notify EXIM Bank in writing at least fifteen (15) days prior to the change becoming effective. EXIM Bank may seek further information from the Policyholder on the details provided to it.

ARTICLE 12 MATERIAL AMENDMENTS

Subject to Article 8.8., the Policyholder will not make or agree to any material amendments or agree to any material waivers of breaches under the Facility Agreement and/or the Export Contract and shall ensure that the Borrower does not make or agree to any such amendments or waivers under the Export Contract without obtaining the prior written consent of EXIM Bank (such consent not to be unreasonably withheld or delayed).

ARTICLE 13 MINIMISATION OF LOSS

- 13.1. The Policyholder agrees to take all reasonable measures within its power to prevent or minimise Loss, including if deemed advisable by EXIM Bank after consultation with the Policyholder, all reasonable legal, administrative and judicial means which may be reasonably available for the minimisation or recovery of any Loss and the enforcement of any security or the institution of legal proceedings against the Borrower, such actions however shall not be a pre-condition to being paid indemnity under this Policy. The Policyholder shall cooperate with EXIM Bank in the investigation of any claim.
- 13.2. The Policyholder shall not (except as provided in Article 12 above) enter into any material agreement concerning a Loss or potential Loss without the prior written consent of EXIM Bank (such consent not to be unreasonably withheld or delayed).
- 13.3. Any costs and expenses incurred by the Policyholder in respect of action taken under this Article and/or Article 19 (*Recoveries*) below will be shared between EXIM Bank and the Policyholder in accordance with the relative proportions of the Insured Percentage and the Minimum Retained Uninsured Percentage, subject to the following:
 - (a) normal costs and expenses incurred by the Policyholder, from the first Due Date and prior to the expiry of the Waiting Period shall be for the account of the Policyholder. Such normal costs and expenses are

- deemed to be those the Policyholder would have incurred in the normal course of events following a default when uninsured. Recovery of such costs will be in accordance with Article 19 (*Recoveries*);
- (b) costs and expenses incurred by the Policyholder which are outside the scope of sub-paragraph (a) above and which are incurred as a result of action specifically requested in writing by EXIM Bank, and which are incurred from the first Due Date and prior to the expiry of the Waiting Period shall be for the account of EXIM Bank and the Policyholder in accordance with the relative proportions of the Insured Percentage and the Minimum Retained Uninsured Percentage; and
- (c) costs and expenses incurred by the Policyholder in the minimisation of Loss or recoveries after indemnity for valid claim has been paid by EXIM Bank shall be for the account of EXIM Bank and the Policyholder in accordance with the relative proportions of the Insured Percentage and the Minimum Retained Uninsured Percentage.

ARTICLE 14 MINIMUM RETAINED UNINSURED PERCENTAGE

- 14.1. It is a condition precedent to liability hereunder that the Policyholder will maintain the Minimum Retained Uninsured Percentage of the Insured Transaction for the duration of the Policy.
- 14.2. Nothing in this Article 14 (or this Policy) shall prevent the Policyholder, at any time including in relation to the Minimum Retained Uninsured Percentage, from mitigating its exposure in respect of the Insured Transaction by hedging, trading or otherwise risk managing as part of a general portfolio risk management programme or customary trading activities provided that solely in relation to the Minimum Retained Uninsured Percentage such activities are not specific to the Facility Agreement and the associated Export Contract and the Minimum Retained Uninsured Percentage.

ARTICLE 15 NONDISCLOSURE AND CONFIDENTIALITY

- 15.1. The Policyholder shall not, without EXIM Bank's prior written consent, at any time disclose any terms or conditions of the Policy or any information made available by EXIM Bank to the Policyholder with respect thereto and designated as confidential, to any third party other than government regulators in the country of the Policyholder and the Policyholder's lawyers, auditors, accountants, financial advisors, affiliate companies, syndicate and prospective lenders, and rating agencies (in which case, such information shall only be disclosed on a confidential basis).
- 15.2. Disclosure by the Policyholder of the Policy to government regulators of the Obligor's Country, unless required by enforcement of a law or regulation, will require EXIM Bank's prior written consent, such consent not to be unreasonably withheld.
- 15.3. EXIM Bank shall take all practicable measures to comply with any reasonable request of the Policyholder to safeguard the confidentiality of all documents, data and other information received by EXIM Bank and which is clearly labelled on its face as "**Confidential**"; EXIM Bank may disclose certain information, including: summary information relating to the Financing, including name of Policyholder, the Obligor's Country, the Insured Contract, the Insured Percentage and the risks covered in Article 2 of this Policy for purposes of EXIM Bank's quarterly reports and other reporting obligations under applicable laws.
- 15.4. Article 15.3. above shall not apply as regards: (i) information that is or becomes a matter of public knowledge or is obtained by EXIM Bank from any source other than the Policyholder or any of the Policyholder's respective agents or representatives, including employees, attorneys and financial advisors; and (ii) information disclosed to directors, officers, employees, accountants, consultants, and counsel of EXIM Bank, and reinsurers, co-insurers and brokers, rating agencies, agents and finders representing EXIM Bank in connection with the Financing, who may require such material for the purpose of evaluating the Financing.
- 15.5. In the event that EXIM Bank is requested or required in the context of administrative judicial proceedings or pursuant to an order or notice for disclosure from any competent authority or agency, to disclose any of the confidential information, it is agreed that EXIM Bank will provide the Policyholder with prompt notice of such request(s), order or notice, provided that provision of notice by EXIM Bank is practically possible and would not

result in a contravention of the applicable law, so that the Policyholder may seek an appropriate protective order or other appropriate remedy or waive EXIM Bank's compliance with the provisions of this Article 15. In the event that such protective order or other remedy is not obtained, EXIM Bank will furnish that portion of the confidential information which, in the opinion of EXIM Bank, it is legally obliged to disclose.

ARTICLE 16 NOTICE

All notices under any provision of this Policy shall be in writing and given by hand, prepaid express courier, airmail, electronic notice, or telecopier properly addressed to the appropriate party or its designated representative and will be deemed as having been effected only upon actual receipt.

ARTICLE 17 PAYMENT OF PREMIUM

- 17.1. Payment of Premium in full at the time when due to EXIM Bank shall be a condition precedent to any liability on EXIM Bank's part. The risk only attaches to the Policy on payment of Premium when it becomes due and EXIM Bank shall not be liable to pay indemnity for any Loss that occurred during any period of non-payment, in part or in full, of Premium. If the Policyholder breaches any condition precedent, EXIM Bank shall have the right to retain any premium paid.
- 17.2. Under special circumstances, however, EXIM Bank may, in its sole discretion, waive/vary the condition precedent specified in Article 17.1.

ARTICLE 18 PRESERVATION OF REMEDIES

The Policyholder shall use reasonable endeavours to preserve all legal, judicial, and administrative remedies applicable to any claim and furnish reasonable assistance in maintaining any rights transferred to EXIM Bank.

ARTICLE 19 RECOVERIES

- 19.1. After payment of indemnity all subsequent salvage and recoveries made by the Policyholder and/or EXIM Bank relating to the Facility Agreement and associated Export Contract shall inure to the benefit of EXIM Bank and Policyholder pro rata based on the Insured Percentage and the Minimum Retained Uninsured Percentage and shall be applied as follows:
- (a) first, be paid to EXIM Bank and the Policyholder to recover any reasonable out of pocket costs and expenses incurred by the Policyholder and EXIM Bank pursuant to Article 13.3.; and
 - (b) second, be apportioned between the Policyholder and EXIM Bank in the proportion of the Insured Percentage and the Minimum Retained Uninsured Percentage, and then
 - (c) third, after the entitlements of the Policyholder and EXIM Bank in (i) and (ii) above are fully satisfied, to the Policyholder.
- 19.2. The Policyholder hereby acknowledges that it holds the Insured Percentage of any and all such recovered sums on trust for EXIM Bank, and that it will pay the Insured Percentage of any and all such sums so received to EXIM Bank forthwith upon receipt by it and/or by any person acting on its behalf.
- 19.3. If the Policyholder fails to comply with the provisions of this Article 19 after EXIM Bank has made a payment of indemnity to the Policyholder, the Policyholder will be liable to refund such payment immediately to EXIM Bank.

ARTICLE 20 RESCHEDULING

- 20.1. The Policyholder will not agree to any deferral or rescheduling of any amount due under the Facility Agreement and the associated Export Contract with respect to the Insured Percentage of the Insured Transaction without EXIM Bank's prior written consent.
- 20.2. In the event that:

- (a) the Policyholder does not wish to proceed with any deferral or rescheduling the Policyholder may file a Claim Form, and EXIM Bank shall pay indemnity for such Loss in accordance with the original Due Date(s) in effect immediately prior to such rescheduling;
- (b) the Policyholder wishes to proceed with any deferral or rescheduling, and EXIM Bank consents to such deferral or rescheduling, EXIM Bank and the Policyholder shall, further to the modification of the Insured Transaction, enter into an endorsement to modify this Policy and a fresh Credit Application Form (Annex A) and Schedule of Estimated Exposures (Annex D) shall be filed by Policy Holder to reflect such deferral or rescheduling, the terms and condition of which are to be mutually agreed; or
- (c) EXIM Bank does not consent to any deferral or rescheduling then, subject to the terms and conditions of this Policy, for the purposes of filing any Claim Form the Policyholder will use the original Due Date(s) that were in effect immediately prior to, and without giving any effect to, the deferral or rescheduling. The Policyholder shall be obligated to continue paying the Premium as set forth in Credit Approval (Annex B). For the avoidance of doubt, any such rescheduled amounts shall be treated as recoveries and shall be applied in accordance with Article 19 (*Recoveries*) of this Policy.

ARTICLE 21 DECLARATIONS

- 21.1. The Policyholder shall on a monthly basis notify EXIM Bank of the value in the Export Contract Currency and converted amount in Policy Currency (as per the date of shipment) of all Goods dispatched and payments received and outstanding under any Insured Shipments, using a Declaration Form **separately in case of every Credit Approval covering borrower's facility agreement with policy holder**. Declarations shall be provided to EXIM Bank within fifteen (15) days from month-end, unless agreed otherwise by the Policyholder and EXIM Bank.
- 21.2. The Policyholder shall convert the relevant amounts relating to the contract for the relevant Insured Shipment into the Policy Currency at the rate of exchange specified by the State Bank of Pakistan for such export contracts **on shipment dates**. The Policyholder shall use the same rate of exchange when declaring payments received or outstanding in respect of such Goods. EXIM Bank will use the same rate of exchange in calculating the maximum aggregate liability payable for a Claim.

ARTICLE 22 SUBROGATION

Upon payment of indemnity for a Loss by EXIM Bank (or its agent) to the Policyholder in respect of a claim brought under this Policy:

- (a) EXIM Bank shall be subrogated to all the Policyholder's rights of recovery under the Facility Agreement and associated Export Contract in respect of and to the extent of that payment and, on the written request of EXIM Bank to the Policyholder, EXIM Bank (so far as the Policyholder is legally able to do so) shall receive from the Policyholder a transfer or assignment (by way of transfer certificate or assignment agreement, or such other manner customary for transferring the Facility Agreement at the time of such transfer) so as to receive all of the Policyholder's rights, title and interest in the Financing, the Facility Agreement and associated Export Contract and Export Receivables in respect of and to the extent of that payment; and
- (b) unless prevented from doing so by law and/or for regulatory or confidentiality reasons (it being agreed that where there are confidentiality restrictions, the Policyholder shall use its reasonable endeavours to enable disclosure to EXIM Bank and EXIM Bank shall, if required by the Policyholder in order to disclose information to EXIM Bank, sign an appropriate non-disclosure agreement in a form satisfactory to both the Policyholder and EXIM Bank), the Policyholder shall provide reasonable assistance to EXIM Bank by way of providing such testimonies, documents or information relating to the Financing, Facility Agreement and associated Export Contract and Export Receivables, and other support as is reasonably requested by EXIM Bank, for the purpose of enabling EXIM Bank to substantiate its rights of subrogation *vis-à-vis* the Borrower and to collect the debt in any court, arbitral

tribunal, out-of-court proceeding or settlement. For the avoidance of any doubt, it is hereby stated that where the Policyholder is bound by confidentiality obligations, it shall use its best endeavours to obtain consent for disclosure of confidential information to EXIM Bank.

ARTICLE 23 GOOD FAITH

The parties to this Policy shall, in respect of any matter arising under or in relation to this Policy and in exercising their respective rights and complying with their respective obligations under this Policy (including when conducting any discussions or negotiations arising out of the application of any provisions of this Policy or exercising any discretion under them), at all times act in good faith.

SIGNATURE PAGE

IN WITNESS WHEREOF, EXIM Bank has caused this Insurance Policy to be signed by its authorised officer, but this Insurance Policy shall not be valid unless countersigned by a duly authorised representative(s) of the Policyholder.

Signed for and on behalf of : _____
EXPORT-IMPORT BANK OF PAKISTAN

Name : _____

Designation : _____

Date : _____

Executed in the presence of the following witnesses:

Witness 01

Full Name:	
Address:	
Signature:	
CNIC No.:	

Witness 02

Full Name:	
Address:	
Signature:	
CNIC No.:	

Signed for and on behalf of: : _____
 _____ *[INSERT NAME OF POLICYHOLDER]*

THE POLICYHOLDER

Name : _____

Designation : _____

Date : _____

Executed in the presence of the following witnesses:

Witness 01

Full Name:	
Address:	
Signature:	
CNIC No.:	

Witness 02

Full Name:	
Address:	
Signature:	
CNIC No.:	

ANNEXURE A – CREDIT APPLICATION FORM

(TO BE SUBMITTED FOR EVERY FACILITY ARRANGEMENT)

NAME OF APPLICANT :

TYPE OF POLICY REQUESTED : Bank Master Policy

Policy Reference No.:		
Policyholder Title:		
Policy Period:	From:	To:
Effective Date:		

I/We _____ (the Applicant[s]) a financial institution/bank dully incorporated and licensed to conduct banking activities under the relevant laws of Pakistan acting through Mr./Ms./Mx. _____, bearing CNIC No. _____, having _____ registered _____ office _____ at _____, and a branch at _____, do hereby request EXIM Bank to issue the Applicant(s), based on the information/representations provided by the Applicant(s) in this application and in intention to insure Facility Agreement with the Borrower as per EXIM Bank's "Bank Master Policy" (BMP) as disclosed hereunder:

Name of Exporter:			
Constitution of Exporter:			
Registered Address:			
Registration/Incorporation No. (For companies):		Date of Registration/Incorporation:	
Place of Registration/Incorporation:		N.T.N. #:	
Nature of Business:			
Number of Years of Policy Holder's Relationship with Exporter:	_____ Years		
Type of Finance Granted to Borrower:		Amount of Finance Granted to Buyer (PKR):	
Date of Finance:		Due Date of Repayment:	
Export Contracts:	<input type="checkbox"/> Single Transaction		<input type="checkbox"/> Multiple Transactions
Security:			
Terms of Repayment:			

a. Details of "Export Contracts" and "Export Receivables".

(In case of multiple contracts submit monthly declarations after shipments)

#	FI/E Form No.	Consignee/ Buyer (Obligor)	Contract Under Which Shipment Made	Date of Shipment	Contract Amount			Due Date of Realisation
					FCY	RATE	PKR	
1								
2								
3								
4								
5								
6								
7								
8								
9								

(Please use extra sheet, if needed.) (Table must be replicated and filled.)

b. Business History of Exporter

#	Years	Annual Export Volume (In FCY)	Annual Export Volume (In PKR)	Buyer's Country	Amount of Loss	Reason for Loss
1						
2						
3						
4						
5						

(Please use extra sheet, if needed.)

NOTE: EXIM Bank may request for further information if needed.**c. Details of Buyers** (In case of already executed transactions of export contracts to be included in Insured Transactions)
(The buyer[s] included in facility agreement)

#	Buyer (Obligor) Name	Country	Address	Tenor/ Credit Terms	Fiscal Code/VAT/ Registration No.	Sales Turnover for last 12 months (In policy currency)	Credit Limit Requested (USD)	Credit Limit Requested (In requested Policy currency rate on the date of application)
1								
2								
3								
4								
5								

(Please use extra sheet, if needed.)

Declaration of the Applicant(s)

- (a) We, the applicant(s) named above, declare that we have not entered any contract of credit insurance or indemnity relating to any contract to which the BMP (if issued) will apply as regards any risk covered by the BMP.
- (b) We will not enter into any insurance contract or indemnity regarding the Credit Approval (if issued) relating to BMP without EXIM Bank's written consent.
- (c) We shall provide monthly reports to EXIM Bank regarding the changes in exposure detail pertaining to Export Contract(s) and Export Receivable(s) realised.
- (d) We will submit Credit Application Form for New/Additional Buyer(s) in case coverage is required for new/additional buyers.
- (e) We are not aware of any circumstances relating to any particular beneficiary of our financing operation with the above referred Exporter which might adversely affect EXIM Bank's decision to insure. If such circumstances arise at any time, we will notify EXIM Bank immediately.
- (f) We certify that the statements made and the information provided by us are true and we have not misrepresented or omitted any material relevant to the BMP or to the risks to be insured under the BMP. We agree that the truth of such statements and information and due performance of each and every undertaking in this application or in the BMP will be a condition precedent to any liability on EXIM Bank's part under the BMP.

Applicant(s)'s Signature

ANNEXURE B – CREDIT APPROVAL

Dear Policyholder,

With reference to your Credit Application Form dated _____ EXIM Bank is pleased to issue a Credit Approval for a credit limit subject to the terms and conditions of the Bank Master Policy (BMP), the summary of the BMP is mentioned herein below. Unless otherwise defined herein, the capitalised terms used in this context shall carry the same meaning as outlined in the BMP.

Policy Application Reference:				
Policy Number:				
Name of the Policyholder:				
Name of Exporter:				
Date of Facility Agreement:				
Tenure of Facility Agreement:				
Buyer(s): (Please use extra sheet, if needed)				
Address of the Policyholder:				
Period of Policy:	From	To		
Commercial Terms				
Description	Option 1		Option 2	
Premium Rate:				
Policy Currency:				
Total Credit Limit Approved:				
Validity of Credit Limits Approved:				
Total Expected Business Insured:				
Aggregate Annual Premium Expected:				
Minimum of Premium:				
No Claim Bonus:				
Credit Reports Cost on Actual Incurred Basis:				
Maximum Aggregate Liability:				
Insured Percentage:	Commercial Risk	Non-Commercial Risk	Commercial Risk	Non-Commercial Risk
Minimum Uninsured percentage to be retained by the policyholder:	Commercial Risk	Non-Commercial Risk	Commercial Risk	Non-Commercial Risk
Maximum Credit Period in Days: (Between Borrower and Obligor)				
Waiting Period:				
Credit Approval Validity Date:				

Special Conditions (If any):

Export Contracts Details:

(Where Facility has been granted and disbursement has already been made)

#	FI/E Form No.	Consignee/ Buyer (Obligor)	Contract Under Which Shipment Made	Date of Shipment	Contract Amount			Due Date of Realisation
					FCY	RATE	PKR	
1								
2								
3								
4								
5								
6								
7								

Approval as Per Schedule of Estimated Exposure:

(List of Buyers [Obligors] and Approved Limits)

#	Buyer's Name	Country	Tenor (Maximum Credit Period in Days)	Premium Rate	Limit Approved (USD)
1					
2					
3					
4					
5					
6					

Note:

- The Policyholder shall on a monthly basis notify EXIM Bank of the value in the Policy Currency of all Goods despatched and payments received and outstanding under any Insured Shipments, using a Declaration Form format as per Annexure F. Declarations shall be provided to EXIM Bank within fifteen (15) days from month-end, unless agreed otherwise by the Policyholder and EXIM Bank.
- Please note that if the declaration is made in a currency other than the Policy currency, the Policyholder is required to convert the applicable amount into the Policy Currency using the exchange rate as at the date of respective shipments, specified by the State Bank of Pakistan for such contracts, through declaration. EXIM Bank will employ this same exchange rate when determining the indemnity payable for any claims.
- Minimum of Premium recovered will be adjusted towards premiums payable on each declaration and should the Minimum of Premium be zero or less, then the Policyholder will remit the additional sums to EXIM.

Signed for and on behalf of: _____

EXPORT-IMPORT BANK OF PAKISTAN

Full Name:	
Position:	
Date:	
Signature:	

Full Name:	
Position:	
Date:	
Signature:	

Executed in the presence of the following witnesses:

Witness 01

Full Name:	
Address:	
Signature:	
CNIC No.:	

Witness 02

Full Name:	
Address:	
Signature:	
CNIC No.:	

Credit Approval Option 1 / Option 2 (please strike off which is not applicable) **is accepted by the Policyholder.**

Signed for and on behalf of: _____

_____ [INSERT NAME OF POLICYHOLDER]

The Policyholder

Full Name:	
Position:	
Date:	
Signature:	

Full Name:	
Position:	
Date:	
Signature:	

Executed in the presence of the following witnesses:

Witness 01

Full Name:	
Address:	
Signature:	
CNIC No.:	

Witness 02

Full Name:	
Address:	
Signature:	
CNIC No.:	

ANNEXURE C – CLAIM FORM

Bank Master Policy					
Name of Policyholder:					
Address of Policyholder:					
Policy No.:				Date:	
Buyer's Information					
Buyer's Name:					
Buyer's Address:					
Buyer's Country:					
Telephone No.:					
Fax No.:					
Email:					
Website:					
Goods Description:					
Cause of Loss:					
Date of Notice of Probable Loss:					
Details of Amount(s) Dishonoured					
#	Gross Invoice Value <small>(In currency of Invoice)</small>	Date of Shipment	Terms of Payment	Original Due Date of Payment	Extended Due Date of Payment <small>(If applicable)</small>
1					
2					
3					
4					
5					
<small>(Please use extra sheet, if needed.)</small>					
Reason(s) for Claim <small>(Tick the appropriate box(es)):</small>					
<input type="checkbox"/> Buyer's Insolvency		<input type="checkbox"/> Statutory Protracted Default		<input type="checkbox"/> Inconvertibility	
<input type="checkbox"/> Buyer's Default					
<input type="checkbox"/> Other Insured Risk <small>(Please define):</small>					
Claim Deductions					
Interest:					
Amount which the Buyer is entitled to offset:					
Amount disputed by the Buyer:					
Amount received by insured from other sources:					
Expenses saved by non-fulfilment of contract:					
Other deduction or savings <small>(Please describe):</small>					
Total					
Amount Claimed					
Amount owing:					
Total loss:					
Total deductions:					
Net loss:					
Percentage indemnity:					
Insured loss:					

Please describe the actions taken to recover the debt:			
(Please use extra sheet, if needed.)			
Present location of goods:			
Present nature of bills of exchange or promissory notes: (If applicable)			
Have the bills or notes (if applicable) been protested for Non-Payment?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If the Buyer is insolvent, has the debt been registered with the Liquidator?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Name of Liquidator:			
Address of Liquidator:			
Has the Buyer made payment(s) in local currency?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, what amounts?			
Are any of the unpaid invoices being disputed by the Buyer?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, give full details:			
Have you paid commission to an agent?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, give full details (Names, amounts & reasons):			
Was any security of payment obtained?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, give full details and explain what attempts have been made to enforce this security and with what result:			
Please send originals or certified copies of the following documents in support of your claim, to the extent applicable (Tick the appropriate box):			
<input type="checkbox"/> Summary of circumstances giving rise to the loss.			
<input type="checkbox"/> Buyer's order request and your confirmation/acceptance (i.e., evidence of the contract).			
<input type="checkbox"/> Unpaid Invoices.			
<input type="checkbox"/> Bills of lading or equivalent evidence of shipment.			
<input type="checkbox"/> Your instructions to your bankers when the transactions were negotiated with them.			
<input type="checkbox"/> Advice(s) of acceptance of bills of exchange and of Non-Payment and of protestation.			
<input type="checkbox"/> Any guarantee of payment or evidence of other security.			
<input type="checkbox"/> Evidence of insolvency and registration of debt.			
<input type="checkbox"/> Evidence of steps taken to transfer local currency, including all documents necessary for such transfer.			
<input type="checkbox"/> All correspondence and visit reports relating to the loss and your attempts to recover it.			
<input type="checkbox"/> Full details of your trading experience with the Buyer commencing two years prior to the first shipment forming the basis of this claim (Or prior to the date of contract, if pre-shipment cover is given).			
<input type="checkbox"/> If shipments were made on the basis of your discretionary limit, evidence of how the credit limit was calculated, including all reports on which such calculation was based.			
<input type="checkbox"/> If a pre-shipment loss is claimed, evidence of all costs and expenses incurred and amounts which you will be liable to			

pay.

- In case of protracted default, evidence of third-party collection action (if any), evidence of judgement or execution (if any).
- Any other documents (As requested by the EXIM Bank of Pakistan).

The Policyholder declares that:

- (a) It has sustained the loss described in this form;
- (b) It has no financial interest in the Buyer nor has the Buyer any financial interest in the Policyholder;
- (c) It has not entered into any other contract of insurance or indemnity in respect of loss claimed;
- (d) Other than as indicated in this form there are no amounts which can be offset against this claim nor does it hold any security or credits against this Buyer;
- (e) Other than as previously notified to EXIM Bank under a loss payee nomination it has not assigned, charged or pledged its contract with the Buyer named herein or any part of the amount owing in respect of such contract or any right or interest acquired in connection with such contract or amount owing and it has not received any security in respect of such contract or amount owing;
- (f) It can take all steps required by EXIM Bank at any time to effect recoveries after payment of this claim and it agrees to undertake all action which EXIM Bank may require at any time for this purpose;
- (g) The information contained in this form and the documents supplied to EXIM Bank in this connection are true and complete in every detail;
- (h) The Policyholder agrees that if any claim is made by it knowing it to be false or fraudulent the policy shall become void and it shall forfeit all claims under this Policy; and
- (i) The Policyholder agrees that any payment by EXIM Bank is subject to the terms and conditions of Policyholder's Policy, including Policyholder's proposal;
- (j) The Policyholder agrees that where a claim is paid in accordance with Policy terms and conditions as soon as EXIM Bank notifies the Policyholder of their payment of the claim;
- (k) The Policyholder agrees that its rights to any Salvage, including any dividend declared in the Insolvency of the Insured Buyer, will be automatically assigned to EXIM Bank or its nominated reinsurer/debt collector;
- (l) The Policyholder warrants that at the time of the assignment to EXIM Bank, it has full ownership of the debt as well as the rights to any Salvage;
- (m) The Policyholder confirms that all documents relating to the debt are available for inspection if required;
- (n) The Policyholder authorises EXIM Bank or its nominated reinsurer or debt collector to communicate on its/their behalf with any person dealing with the Buyer's affairs.
- (o) The Policyholder hereby claims payment for the insured loss stated in this form. Payment should be made as per following details of beneficiary:

Authorised Signatory*:	
Full Name:	
Designation:	
Date:	

**In the case of an incorporated company this form should be signed by an authorised officer for and on behalf of the company and should state the capacity in which the signatory acts.*

**In the case of a partnership this proposal should be signed by a partner in the firm.*

**In the case of a privately owned business this proposal should be signed by the owner.*

ANNEXURE D – SCHEDULE OF ESTIMATED EXPOSURE

Relating to Bank Master Policy Number _____, dated _____, and Credit Application Number _____, dated _____, with reference to Exporter named as _____, following is the list of buyers, in addition to the Export Contracts already undertaken (if applicable) as subject to Facility Agreement, in respect to Exporter _____ for which the Credit Approval is requested.

#	Buyer (Obligor) Name	Country	Address	Tenor (Maximum Credit Period in days)	Fiscal Code/VAT/ Registration No.	Sales Turnover for last 12 months (In policy currency)	Credit Limit Requested (USD/FCY)	Credit Limit Requested (In requested Policy currency rate on the date of application)
1								
2								
3								
4								
5								

(Please use extra sheet, if needed.)

Signed for and on behalf of: _____

[INSERT NAME OF POLICYHOLDER]

The Policyholder

Full Name:	
Position:	
Date:	
Signature:	

Full Name:	
Position:	
Date:	
Signature:	

Executed in the presence of the following witnesses:

Witness 01

Full Name:	
Address:	
Signature:	
CNIC No.:	

Witness 02

Full Name:	
Address:	
Signature:	
CNIC No.:	

ANNEXURE E – CREDIT APPLICATION FORM FOR NEW/ADDITIONAL BUYER(S)

Bank Master Policy								
I/We _____ 0 _____ (the Applicant[s]) a financial institution/bank duly incorporated and licensed to conduct banking activities under the relevant laws of Pakistan acting through Mr./Ms./Mx. _____, bearing CNIC No. _____, having registered office at _____, and a branch at _____, do hereby request EXIM Bank to issue the Applicant(s), based on the information/representations provided by the Applicant(s) in this application and in intention to insure Applicant's Facility Agreement with the Borrower as per EXIM Bank's "Bank Master Policy" (BMP) by including additional Buyers as disclosed hereunder:								
Policy Reference Number:								
Policyholder Title:								
Policy Period:				From:		To:		
Effective Date:								
Following are the details of additional buyers requested to be insured against the Policy # _____, with respect to following customers of our bank/exporters: Exporter's Name: _____ Credit Approval Reference and Date: _____ (Please use extra sheet, if needed.). (The following table must be replicated and filled separately for every Exporter)								
Details of Additional Buyers:								
(The Buyers on which you request indicative limits from EXIM Bank)								
#	Buyer (Obligor) Name	Country	Address	Tenor/ Credit Terms	Fiscal Code/VAT/ Registration No.	Sales Turnover for last 12 months (In policy currency)	Credit Limit Requested (USD)	Credit Limit Requested (In requested Policy currency rate on the date of application)
1								
2								
3								

Declaration:

- (a) We, the applicant named above, declare that we have not entered any contract of credit insurance or indemnity relating to any contract to which the BMP (if issued) will apply as regards any risk covered by the BMP.
- (b) We will not enter into any insurance contract or indemnity regarding the BMP (if issued) without your written consent.
- (c) We are not aware of any circumstances relating to any particular beneficiary of our financing operation with the above referred Exporter which might adversely affect your decision to insure. If such circumstances arise at any time, we will notify you immediately.
- (d) We certify that the statements made and the information provided by us are true and we have not misrepresented or omitted any material relevant to the BMP or to the risks to be insured under the BMP. We agree that the truth of such statements and information and due performance of each and every undertaking in this application or in the BMP will be a condition precedent to any liability on your part under the BMP. That the Applicant(s) shall not enter into any other additional CSTEP/other Trade Credit Insurance contract or indemnity without EXIM Bank's written consent. That in case of any existing arrangements the same have been duly disclosed in attachment to this application.

Applicant(s)'s Signature: _____

ANNEXURE F – DECLARATION FORM



Export Sale Disclosure from Period Start Month ABC to Month XYZ

XYZ MILLS PRIVATE LIMITED																			
Sr. #	Buyer/Obligor Name	Approved Credit Limit	Invoice Date	Invoice #	Amount	Amount in PKR*	E-Form/FI Date	FI/E-Form #	B/L #	Container #	Shipped on Board Date	Shipping Co.	Payment Terms	Maturity Date	Received Date	Received Value	Amount in PKR**	Payment Status	Remarks
1	ABC	\$ XXX,XXX	DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
2	DEF		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
3	GHI		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
4	JKL		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
5	MNO		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
6	PQR		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
7	STU		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
Subtotal:					\$											\$			
1	ABC	\$ XXX,XXX	DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
2	DEF		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
3	GHI		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
4	JKL		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Received	
5	MNO		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
6	PQR		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
7	STU		DD-MM-YYY	XXXXX	\$ XX,XXX,XX		DD-MM-YYY	XXXXX	XXXXX	XXXXX	DD-MM-YYY	XXXXX	DA XX Days	DD-MM-YYY	DD-MM-YYY	\$ XX,XXX,XX		Receivable	
Subtotal:					\$											\$			
Grand Total:					\$	-										\$			

Note:
 The declaration will be updated on monthly basis. The total exposure will also show in this sheet along with customer outstanding balance/position.
 *(as per SBP Rate of the day of shipment)
 **(as per SBP Rate of the day of realization)

Softcopy of the above format will be emailed to the Policyholder on the nominated email address(es) submitted in the Policy Application Form (Annexure H).

ANNEXURE G – NOTIFICATION OF PROBABLE LOSS (NPL)

Bank Master Policy					
Name of Policyholder:					
Address of Insured:					
Policy No.:				Date:	
Name of Borrower:		Date of Finance Facility Approval:			
Finance Facility Amount:		Outstanding Principal Amount:			
Insurance Premium Paid:		Tenor of Finance Facility:			
Defaulting Buyer's Information					
Buyer's Name:					
Buyer's Address:					
Buyer's Country:					
Telephone No.:					
Fax No.:					
Email:					
Website:					
Goods Description:					
Cause of Probable Loss:					
Source of Information:					
Details of Amount(s) Unpaid and Subject to Probable Loss					
#	Gross Invoice Value (In currency of Invoice)	Date of Shipment	Terms of Payment	Original Due Date of Payment	Extended Due Date of Payment (If applicable)
1					
2					
3					
4					
5					
(Please use extra sheet, if needed.)					
Reason(s) for Probable Loss (Tick the appropriate box(es)):					
<input type="checkbox"/> Buyer's Insolvency		<input type="checkbox"/> Statutory Protracted Default		<input type="checkbox"/> Inconvertibility	
<input type="checkbox"/> Other Insured Risk (Please define):		<input type="checkbox"/> Buyer's Default			
Present location of goods:					
Present nature of bills of exchange or promissory notes: (If applicable)					
Have the bills or notes (if applicable) been protested for Non-Payment?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
If the Buyer is insolvent, has the debt been registered with the Liquidator?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
Name of Liquidator:					
Address of Liquidator:					
Has the Buyer made payment(s) in local currency?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, what amounts?					
Is the Buyer disputing any amount owing to you?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, give full details:					

Have you paid commission to an agent?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes, give full details (Names, amounts & reasons):			
Was any security of payment obtained?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

I/ We hereby agree, confirm and undertake that:

We shall take all reasonable measures within our power to prevent or minimise Loss, including if deemed advisable by EXIM Bank after consultation with us, all reasonable legal, administrative and judicial means which may be reasonably available for the minimisation or recovery of any Loss and the enforcement of any security or the institution of legal proceedings against the Borrower, such actions however shall not be a pre-condition to being paid indemnity under this Policy. We shall further cooperate with EXIM Bank in the investigation of any issue relating to this NPL, if so required. We shall not enter into any material agreement (except under Articles 12 and 20 of the BMP) concerning a Loss or potential Loss without the prior written consent of EXIM Bank (such consent not to be unreasonably withheld or delayed).

Authorised Signatory:	
Full Name:	
Designation:	
Date:	

ANNEXURE H – POLICY APPLICATION FORM

NAME OF APPLICANT :

TYPE OF POLICY REQUESTED : **Bank Master Policy**

I/We _____ (the “**Bank**”) hereby request the Export Import Bank of Pakistan (“**EXIM Bank**”) to issue in the Bank’s name, a Bank Master Policy (“**BMP**”) a specimen of which we have read and understood.

a. Applicant Details

Name of the Bank:			
Legal Status:			
Date of Registration/Incorporation:		Registration/Incorporation No.:	
Place of Registration/Incorporation:		N.T.N. #:	
Nature of Business:			
Geographies Involved:			
Expected Type of Counterparties:			
Purpose of Transaction:			
Type of Financial Service:			
Mode(s) of Transaction(s)/Delivery Channels:			
FATCA Status:		FATCA – G.I.I.N. Number:	
Credit Rating of the Bank: (Last Year)		C.A.R.: (%)	
Number of Employees:		Paid up Capital:	
Email:		Website:	
Contact Person:		Designation:	
Telephone #:		Date of Establishment:	
Country:		City:	
Registered Business Address:			

b. Major Stakeholders of the Bank

#	Name	C.N.I.C./Passport #	Nationality	Shareholding Percentage (%)
1				
2				
3				
4				
5				

(Please use extra sheet, if needed.)

If one of the Owners, Board of Directors or any related party is a politically exposed person (PEP), or in relation with a PEP, please fill out the fields below. (Please attached copy of CNIC/Passport)

#	Name	Designation	Relation
1			
2			
3			
4			

(Please use extra sheet, if needed.)

List of Directors		
#	Name	CNIC/Passport #
1		
2		
3		
4		
5		
6		

(Please use extra sheet, if needed.)

Detail of Ultimate Beneficial Owners (U.B.Os.) (In case of more than 20%)				
#	Name	CNIC/Passport #	Nationality	Shareholding Percentage (%)
1				
2				
3				
4				

(Please use extra sheet, if needed.)

c. General Business Activities of the Bank	
Annual Net Interest Income of Previous Year:	
Number of Export Transactions Facilitated:	
Volume of Mentioned Business in Last 12 Months (In USD):	
Geographical Spread of Exports Facilitated: (Enlist Countries)	

d. Trade Finance Activities of the Bank	
Customers Involved in Trade Finance (Please tick one):	
<input type="checkbox"/> 1 – 100	<input type="checkbox"/> 101 – 500
<input type="checkbox"/> 501 – 1000	<input type="checkbox"/> 1001 – 5000
<input type="checkbox"/> 5001 & above	
Corporate Customers Involved in Trade Finance (Please tick one):	
<input type="checkbox"/> 1 – 100	<input type="checkbox"/> 101 – 500
<input type="checkbox"/> 501 & above	
SME/Commercial Customers Involved in Trade Finance (Please tick one):	
<input type="checkbox"/> 1 – 100	<input type="checkbox"/> 101 – 500
<input type="checkbox"/> 501 – 1000	<input type="checkbox"/> 1001 – 5000
<input type="checkbox"/> 5001 & above	
Average Experience of the Bank with Exporters:	

e. Please attach the following documents along with the application:	
Three latest Annual Reports of the Bank (Or Audited Financial Statements) (Copies dully attested by the competent authority)	<input type="checkbox"/>
Board Resolution on Company Letterhead	<input type="checkbox"/>
Copy of Commercial Certificate (If applicable) (Dully attested by the competent authority)	<input type="checkbox"/>
Copy of Ownership & Equity Structure (Dully attested by the competent authority)	<input type="checkbox"/>
Copy of Certificate Commencement of Business issued by S.B.P. (Dully attested by the competent authority)	<input type="checkbox"/>
Copy of Memorandum and Article of Association or ACT (Dully attested by the competent authority)	<input type="checkbox"/>
Copy of latest Form A and Form 29 (Dully attested by SECP)	<input type="checkbox"/>
Copy of Certificate of Incorporation (Dully attested by SECP)	<input type="checkbox"/>
Ultimate Beneficial Ownerships Form (Copy dully attested by SECP)	<input type="checkbox"/>

NTN Certificate	<input type="checkbox"/>
Copies of CNICs of all Directors, U.B.Os. and authorised Signatories (Dully attested by the competent authority)	<input type="checkbox"/>
Senior Management Profiles	<input type="checkbox"/>
Specimen Signatures of the authorised signatories (On Policyholder's letterhead)	<input type="checkbox"/>
FATCA declaration W-8BEN-E Form	<input type="checkbox"/>
In case of extra sheets attached, please Sign and Stamp every sheet	<input type="checkbox"/>

f. List of Authorised Signatories

#	Name	Designation	CNIC #	Email
1				
2				
3				
4				
5				

(Please use extra sheet, if needed.)

Declaration

I, the undersigned, hereby certify that the provided information is true, correct and complete as per the submitted documents, and I further undertake to inform EXIM Bank in writing of any changes to such information without any responsibility on part of EXIM Bank.

Full Name	Designation	Signature

FOR EXIM BANK'S USE ONLY

Date of receipt of application:	
Policy Reference Number:	
Attached documents received:	
Extra sheets (if any) received with Signature on each sheet:	

Sign-off by Business Unit

Signature:		Signature:	
Full Name:		Full Name:	
Designation:		Designation:	
Date:		Date:	

ANNEXURE I – UNDERTAKING/CONFIRMATION FOR EXPORTER DUE DILIGENCE

With reference to the _____ (the “Applicant”) Credit Limit Application No. _____, dated _____. The Applicant hereby confirms that the Applicant has performed the following with respect to its exporter(s), as per applicable provisions of State Bank of Pakistan:

- (i) AML/CFT/KYC due diligence of exporter(s)
- (ii) Trade Base Money Laundering Screening
- (iii) Financial Due diligence of exporter(s) at the time of allocating lending limits

Signature:	
Full Name:	
Designation:	
Date:	