

DOCUMENTARY CREDIT INSURANCE 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. _____, 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) the General Provisions (ii) Credit Limit Application (Annexure A) (iii) Credit Approval (Annexure B) (iv) Declaration Form (Annexure C) (v) Claim Form (Annexure D), (vi) Credit Application Form for New/Additional Issuing Bank (Annexure E) (vii) Undertaking/Confirmation for Issuing Bank's Due Diligence (Annexure F) (viii) Policy Application Form (Annexure G) (ix) Notification of Probable Loss (Annexure H) 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 has entered into arrangements with another bank(s) whereby the Policyholder has agreed to confirm irrevocable letter(s) of credit issued by such bank(s) in accordance with the UCP 600 or as amended thereafter.

ARTICLE 1 INTERPRETATION & DEFINITIONS

1.1. DEFINITIONS

The following terms shall have the following meanings. Terms defined in the Credit Approval shall have the same meanings herein:

- (i) **"Annex"** or **"Annexures"** means the annexures to the Policy.
- (ii) **"Approved Amount"** means the amount specified in the Credit Approval and approved by EXIM Bank comprising both the insured and uninsured components in respect of the Letter(s) of Credit issued by an Issuing Bank and declared by the Policyholder under this Policy.
- (iii) **"Beneficiary"** means the party in whose favour the Letter of Credit covered under this Policy is issued.
- (iv) **"Claim Form"** means a claim submitted by the Policyholder under Article 19, which is substantially in the form attached herewith as Annexure D.
- (v) **"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.

- (vi) **“Credit Approval”** means an approval provided by EXIM Bank in respect of an Issuing Bank and applicable to any Letter of Credit issued by such Issuing Bank and declared by the Policyholder under this Policy, such approval to indicate the Approved Amount, the Insured Percentage, the Maximum Aggregate Liability in respect of an Issuing Bank and any other special terms and conditions applicable to the insurance being provided in respect of the Letter(s) of Credit including any special terms and conditions that supersede or amend the general terms and conditions of this Policy and includes any amendments to the Credit Approval by the mutual consent of the Parties from time to time. The Credit Approval is attached as Annexure B.
- (vii) **“Credit Limit Application”** means the application made under Article 3 for the Credit Approval and includes any amendments to the Credit Limit Application by the mutual consent of the Parties from time to time, which is substantially in the form attached herewith as Annexure A. It is clarified that the Policyholder will submit a Credit Limit Application for additional issuing bank in respect of which a Credit Limit is requested from EXIM Bank. The Form for Additional Issuing Bank is attached as Annexure E.
- (viii) **“Currency Transfer Restrictions”** means any legislative or administrative measures taken by the government in the Issuing Bank's Country which prevent or delay the transfer of payments owing or relating to the Insured Letter of Credit from the local currency into the Policy Currency provided that the Policyholder and/or the Issuing Bank have each during the applicable Waiting Period continuously applied for and failed to convert the local currency or to transfer the Policy Currency through all mechanisms permitted in accordance with the relevant laws, regulations and procedures of the Issuing Bank's Country.
- (ix) **“Customary Due Diligence”** means due diligence in accordance with the Policyholder's usual practice and procedure for transactions similar to that undertaken hereunder that are uninsured and unhedged.
- (x) **“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.
- (xi) **“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.
- (xii) **“Date of Loss”** means in the case of Insolvency of the Issuing Bank the date on which the Policyholder are reasonably expected to become aware that the first event of Insolvency has occurred and in all other cases the date immediately following the period specified in the Credit Approval as the Waiting Period in relation to the Issuing Bank Country, commencing from the Due Date of Payment.
- (xiii) **“Declaration Form”** means a form submitted by the Policyholder under Article 13, which is substantially in the form attached herewith as Annexure C.
- (xiv) **“Due Date of Payment”** means the date determined for obtaining the reimbursement from the Issuing Bank or its agent in respect of a Letter of Credit.
- (xv) **“Information”** means the information provided by the Policyholder to EXIM Bank in accordance with Article 21 and listed in the Credit Approval.
- (xvi) **“Information Holders”** means the officers and employees of the Policyholder who are directly involved with the prior or current and ongoing origination, structuring or restructuring, approval, review of and operational responsibility for the Insured Letter of Credit and in the negotiation, purchase and surveillance of this Policy.
- (xvii) **“Insolvency”** of the Issuing Bank shall occur if:
 - (a) a bankruptcy, winding up or administration order is made against the Issuing Bank; or
 - (b) in the course of execution of a judgement against the Issuing Bank 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 Issuing Bank's creditors generally; or
 - (d) an effective resolution is passed for the winding up of the Issuing Bank; or

- (e) an administrator, receiver or manager of any of the Issuing Bank's property is appointed; or
- (f) the Policyholder show to EXIM Bank's satisfaction that the Issuing Bank'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.
- (xviii) **“Insured Percentage”** means the percentage of the Approved Amount, which is specified in the Credit Approval and covered under this Policy.
- (xix) **“Issuing Bank”** means an issuer of a documentary credit assessed and approved by EXIM Bank as good for a certain limit of exposure.
- (xx) **“Issuing Bank’s Country”** means the country specified in the Credit Approval where the Issuing Bank is incorporated and has its principal place of business.
- (xxi) **“Knowledge”** means actual knowledge of any individual within the Information Holders after Customary Due Diligence.
- (xxii) **“Loss”** means the amount, excluding any interest, which remains unpaid under a Letter of Credit following a Non-Payment.
- (xxiii) **“Letter of Credit”** means an irrevocable letter of credit entered into between the Policyholder and an Issuing Bank to which the Policy applies in accordance with Article 3 and which has obtained a Credit Approval in the form prescribed by EXIM Bank from time to time.
- (xxiv) **“Maximum Aggregate Liability”** means the amount specified in the Credit Approval, being the Insured Percentage of the Approved Amount in respect of an Issuing Bank and representing EXIM Bank’s maximum aggregate liability under the Letters of Credit issued by such Issuing Bank and declared under this Policy.
- (xxv) **“Non-Payment”** means the failure or refusal of the Issuing Bank from discharging any payment obligations owing to the Policyholder under a Letter of Credit.
- (xxvi) **“Policyholder”** means the person named in the Credit Approval as the Policyholder.
- (xxvii) **“Policy”** means the documentary credit insurance policy consisting of (i) the General Provisions (ii) the Credit Limit Application (iii) the Credit Approval (iv) the Declaration (v) Claim Form (vi) Credit Application Form for New/Additional Issuing Bank (vii) Undertaking/Confirmation for Issuing Bank’s Due Diligence (viii) Policy Application Form (ix) Notification of Probable Loss and any endorsement issued subsequently.
- (xxviii) **“Policyholder”** means the person named in the Credit Approval as the Policyholder.
- (xxix) **“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. The Policy Application is attached herewith as Annexure G.
- (xxx) **“Policy Currency”** means the currency preferred by the Policyholder in the Policy Application and specified in the Credit Approval which shall be the currency in which: (i) the Premium is payable; and (ii) Insured Percentage is payable.
- (xxxi) **“Premium”** means the premium payable by the Policyholder in accordance with Article 15 (Premium) hereunder.
- (xxxii) **“Premium Rate”** means the rate specified in the Credit Approval to calculate the Premium in accordance with Article 15 (Premium) hereunder.
- (xxxiii) **“Recoveries”** means all sums whatsoever received, recovered or realised whether by the Policyholder or the Policyholder’s authorised representatives or by EXIM Bank in relation to a contract after the Date of Loss.
- (xxxiv) **“UCP 600”** means the Uniform Customs and Practice for Documentary Credits published by the International Chamber of Commerce (2007 version).
- (xxxv) **“Uninsured Percentage”** means the percentage of the Approved Amount, which is specified in the Credit Approval and must be retained by the Policyholder for its own account in accordance with the provisions of Article 4.4.
- (xxxvi) **“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 RISKS COVERED

Subject to the Maximum Aggregate Liability and the terms of this Policy, EXIM Bank shall, in consideration of the payment of Premium, indemnify the Policyholder for the Insured Percentage of any Loss pursuant to Non-Payment, provided such Loss is caused by:

2.1. Commercial Risks:

- (a) Insolvency of the Issuing Bank; or
- (b) Failure or refusal of the Issuing Bank to provide reimbursement on the Due Date of Payment.

2.2. Non-Commercial Risks:

- (a) Currency Transfer Restrictions imposed by the government of the Issuing Bank's Country;
- (b) Expropriation, confiscation of, or intervention in the business of the Issuing Bank by a governmental authority [of the Issuing Bank's Country]; or
- (c) War or Civil Disturbance in the Issuing Bank's Country.

ARTICLE 3 IRREVOCABLE LETTERS OF CREDIT COVERED

To obtain insurance cover under this Policy, the Policyholder shall apply for the Credit Approval using the Credit Limit Application. The Credit Limit Application shall contain such particulars and be in such form as EXIM Bank may from time to time require and prescribe. The Policy shall apply to all Letters of Credit confirmed and declared by the Policyholder, which are the subject of a Credit Approval issued by EXIM Bank.

ARTICLE 4 WARRANTIES

- 4.1. Notwithstanding any other Article of the Policy, EXIM Bank shall not be liable under the Policy in respect of any amount due to the Policyholder under a Letter of Credit to which the Policy applies:
 - (a) unless, the Policyholder have paid without recourse or reservation such amount either to the Beneficiary under the Letter of Credit or to any person entitled under an assignment or other disposition of the rights of the Beneficiary to such amount; and
 - (b) unless the Policyholder have strictly complied with the provisions of UCP 600 and the terms and conditions of the Letter of Credit; and
 - (c) unless the conditions, if any, stipulated in the Credit Approval issued in respect of the Letter of Credit have been fulfilled.
- 4.2. The Policyholder shall ensure that, in respect of any Letter of Credit, the Beneficiary has complied with the provisions of UCP 600 and the terms and conditions of the Letter of Credit.
- 4.3. The Policyholder shall not without EXIM Bank's prior consent in writing (such consent not to be unreasonably withheld or delayed) assign, charge, pledge or otherwise dispose of any Letter of Credit or any right or interest thereunder.
- 4.4. The Policyholder shall retain for its own account without recourse to any other party (other than the Issuing Bank) the Uninsured Percentage.
- 4.5. For the avoidance of doubt no term of this Policy (whether express or implied) is a warranty unless it is expressly set out in this Article 4 ("**Warranty**").
- 4.6. Insofar as this Article contains any term which, if complied with by the Policyholder, would tend to reduce the risk of loss of a particular kind or at a particular location or time, and the Policyholder breaches such term EXIM Bank may rely on such a breach to exclude, limit or discharge its liability, notwithstanding that breach of the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.
- 4.7. In addition, in so far as any term in this Article would result in a suspension of the Credit Approval if breached by the Policyholder, EXIM Bank shall be entitled to rely on such breach to terminate the Policy in respect of the relevant Credit Approval and/or discharge its liability, notwithstanding such suspension.

ARTICLE 5 EXCLUSIONS

This Policy does not cover any Loss caused by or resulting from any:

- 5.1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 5.2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 5.3. weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 5.4. 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;
- 5.5. chemical, biological, bio-chemical, or electromagnetic weapon;
- 5.6. Insolvency, bankruptcy, or financial default of the Policyholder;
- 5.7. 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;

- 5.8. EXIM Bank shall not be liable for any Loss due to any fraud or any other dishonest acts, omissions or default on the part of the Policyholder under this Policy.

ARTICLE 6 DISPUTES WITH THE ISSUING BANK

- 6.1. In case the Issuing Bank claims that it is justified in withholding payment to Policyholder or is excused from performing its obligations under the Letter of Credit, by reasons of any fault or discrepancy in documentation attributable to the Policyholder or otherwise or is excused from performing its obligations under the Letter of Credit by reason of any set-off or counterclaim, EXIM Bank will continue processing Policyholder's claim submitted under Article 19 hereunder, without taking into account any such alleged fault, breach, discrepancy, set-off or counterclaim or any of the consequences thereof, provided that Policyholder will initiate legal proceedings against the Issuing Bank before a competent jurisdiction.
- 6.2. If EXIM Bank pays a claim before the final settlement of the dispute between Policyholder and the Issuing Bank, Policyholder will be obliged to reimburse EXIM Bank the full compensation amount if the dispute is settled in favour of the Issuing Bank.

ARTICLE 7 ASSIGNMENT

- 7.1. The Policyholder shall not without EXIM Bank's prior consent in writing (such consent not to be unreasonably withheld or delayed) assign, charge, pledge or otherwise dispose of any Letter of Credit or any right or interest thereunder.
- 7.2. Policyholder cannot assign or transfer this Policy or any of its rights or benefits without EXIM Bank's prior written consent (such consent not to be unreasonably withheld or delayed).

ARTICLE 8 ALLOCATION OF MONIES RECEIVED

Any payment to Policyholder by the Issuing Bank shall, unless EXIM Bank otherwise agrees in writing, be allocated to the amounts due and payable to Policyholder on the date of that payment, in the chronological order of the Due Dates of Payment of those amounts.

ARTICLE 9 POLICY DURATION

- 9.1. This Policy shall remain valid for one year as from the date of its issuance (such period being the "**Policy Period**").
- 9.2. The Policy can be terminated by the Policyholder at each Renewal Date (as defined below), by written notice at least thirty (30) days prior to the Renewal Date.
- 9.3. At the end of each Policy Period ("**Renewal Date**") the Policy will automatically renew for another twelve (12) months unless the Policyholder opts to terminate the Policy under Article 9.2 above or EXIM Bank opts not to renew the Policy by giving thirty (30) days' notice to the Policyholder.
- 9.4. In the event of non-renewal by either Party or cancellation by the Policyholder, the Policy will not apply to any Letters of Credit confirmed after the end of the Policy Period or after the date of cancellation by the Policyholder (as applicable), but will not affect the validity of any Letters of Credit confirmed before the end of the Policy Period or date of cancellation (as applicable).

ARTICLE 10 AMENDMENTS TO THE POLICY

EXIM Bank may amend any of the provisions of this Policy at each Renewal Date, and any such amendment shall be documented by way of an endorsement. If any provisions amended under this Article are unacceptable to the Policyholder, the Policyholder may opt to terminate this Policy immediately upon notice to EXIM Bank.

ARTICLE 11 COMMENCEMENT OF COVER

Cover in respect of each Letter of Credit shall begin when the Policyholder add its confirmation to the Letter of Credit. The date of confirmation must be within the Policy Period.

ARTICLE 12 AMENDMENT AND SUSPENSION OF COVER

- 12.1. A Credit Approval may be amended or suspended by giving the Policyholder written notice of such amendment or suspension at any time prior to the Policyholder confirming or being legally bound to confirm the Letter of Credit.
- 12.2. If (i) any Non-Payment remains overdue from an Issuing Bank thirty (30) days from the Due Date of Payment, or (ii) any non-payment remains overdue in respect of any uninsured letter of credit thirty (30) days from the due date of payment for such letter of credit ("**Suspension Date**"), the Policy will not cover Letters of Credit issued by the relevant Issuing Bank after the relevant Suspension Date.
- 12.3. EXIM Bank shall in its absolute discretion at any time by written notice to the Policyholder suspend cover in respect of any Letter of Credit with a particular Issuing Bank or with all Issuing Banks in a particular country ("**Suspension of Cover**"). Any Suspension of Cover shall not be retroactive and shall take effect on the date specified in the notice.
- 12.4. EXIM Bank may, upon request by the Policyholder, at any time by written notice to the Policyholder restore cover in respect of any Letter of Credit with a particular Issuing Bank or with all Issuing Banks in a particular country ("**Restoration of Cover**").

ARTICLE 13 DECLARATIONS

The Policyholder must declare to EXIM Bank, using a Declaration Form, the details of every Letter of Credit confirmed by the Policyholder to which this Policy applies in a manner prescribed by EXIM Bank. Declarations must be returned to EXIM Bank within fifteen (15) days from the month-end.

ARTICLE 14 CURRENCY CONVERSION

If the value of a Letter of Credit is expressed in a currency other than the Policy Currency, for the purposes of the Policyholder's declarations under this Policy, the Policyholder must convert the relevant amounts relating to that Letter of Credit into the Policy Currency at the Weighted Average Customer Exchange Rate (Buying) for the relevant currency which is notified or published by the Domestic Markets and Monetary Management Department of the State Bank of Pakistan on its official website at the close of business on the date of adding confirmation by the Policyholder. The Policyholder should use the same rate of exchange when declaring payments received or outstanding in respect of any Letter of Credit to which this Policy applies. EXIM Bank will use the same rate of exchange in calculating indemnity payable for a claim.

ARTICLE 15 PREMIUM

- 15.1. Premium is payable in relation to each Letter of Credit to which the Policy applies. Such Premium is calculated by applying the Premium Rate, specified in the Credit Approval, to the amount representing the Insured Percentage in respect of each Letter of Credit declared under this Policy. EXIM Bank shall send the Policyholder an invoice for the Premium and payment must be made by the Policyholder within thirty (30) days from the date of the invoice.
- 15.2. Payment of all Premiums in full at the time when due to EXIM Bank shall be a condition precedent to any liability on EXIM Bank's part. If the Policyholder violates any condition precedent EXIM Bank has the right to retain any Premium paid. For the avoidance of doubt, the risk only attaches to the Policy on payment of Premium when 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.
- 15.3. The Policyholder shall not allow any extensions of credit in favour of any Issuing Bank without EXIM Bank's prior written consent. Any permitted extensions shall be subject to payment of additional Premium by the Policyholder at a rate specified by EXIM Bank.

ARTICLE 16 LOSS MINIMISATION

- 16.1. The Policyholder must use due care and Customary Due Diligence and to the extent legally permitted, take all reasonable measures to prevent and minimise Loss, including taking steps to preserve all the Policyholder's rights against third parties, as the case may be and EXIM Bank shall not be liable for Loss if the Policyholder fail to take all such practicable measures to prevent or minimise Loss required to be taken by this Article within a

reasonable time after the Policyholder have learned of the occurrence of a cause of Loss or of any event likely to cause Loss;

- 16.2. The Policyholder must promptly notify EXIM Bank (through Annexure H) when the Policyholder become aware (i) of the occurrence of any cause of Loss, or (ii) of any event likely to cause Loss, or (iii) that the Issuing Bank is unable to pay its debts as and when they fall due or (iv) that the Issuing Bank is in financial difficulties. The Policyholder must notify EXIM Bank immediately if payment of any amount remains overdue from an Issuing Bank thirty (30) days after the Due Date of Payment whether it is in regard to an insured Letter of Credit or an uninsured letter of credit.
- 16.3. The Policyholder must use all reasonable efforts to provide EXIM Bank with all information, documents, assistance and cooperation that EXIM Bank may reasonably require.

ARTICLE 17 ALLOCATION OF COSTS

EXIM Bank will contribute towards the costs and expenses (other than administrative and related expenses) that the Policyholder properly and reasonably incur in fulfilling the obligations set out in this Policy. EXIM Bank's contribution will be proportionate to the Insured Percentage of the Loss.

ARTICLE 18 RECOVERIES

- 18.1. After payment of indemnity amount all subsequent salvage and Recoveries made by the Policyholder and/or EXIM Bank relating to the Letter of Credit shall inure to the benefit of EXIM Bank and the Policyholder pro rata based on the Insured Percentage and the Uninsured Percentage and shall be applied as follows:
 - (a) first, be paid to EXIM Bank and the Policyholder to recover any out-of-pocket costs and expenses including legal expenses incurred by EXIM Bank to recover the Loss, provided that any legal or other expenses of the Policyholder shall be subject to a cap to be mutually agreed between the Parties prior to the same being incurred by the Policyholder; and then
 - (b) second, be apportioned between the Policyholder and EXIM Bank in the proportion of the Insured Percentage and Uninsured Percentage; and then
 - (c) third, after the entitlements of the Policyholder and EXIM Bank in (a) and (b) above are fully satisfied, to the Policyholder.
- 18.2. The Policyholder hereby acknowledges that it holds any and all such recovered sums on trust for EXIM Bank, and that it will pay any and all such sums so received to EXIM Bank forthwith upon receipt by it and/or by any person acting on its behalf in accordance with this Article.
- 18.3. If the Policyholder fails to comply with the provisions of this Article after EXIM Bank has made a payment of indemnity to the Policyholder, the Policyholder will be liable to immediately refund such payment to EXIM Bank.

ARTICLE 19 PROOF AND PAYMENT OF CLAIMS

- 19.1. EXIM Bank will not pay indemnity on any claim prior to the Date of Loss. The following timetable is to be adhered by the Policyholder and EXIM Bank in relation to claims:
 - (a) Claim using the Claim Form, including all available information, must be made not later than forty-five (45) days from the Date of Loss;
 - (b) any additional evidence that EXIM Bank may reasonably require to investigate the claim shall be requested within thirty (30) days from receipt of a Claim Form;
 - (c) any such additional evidence shall be provided by the Policyholder within thirty (30) days of receipt of the request;
 - (d) EXIM Bank will calculate the Loss as being the amount remaining unpaid under a Letter of Credit to which this Policy applies and inform the Policyholder of the outcome of claims determination by EXIM Bank within thirty (30) days of receipt of the additional evidence (if any) or, if none is required, within thirty (30) days of receipt of the Claim Form or at the end of the Waiting Period, whichever is the latest; and
 - (e) the admitted claim shall be paid within thirty (30) days of the date of the claims determination notice issued by EXIM Bank or within thirty (30) days of the Date of Loss, whichever is the latest.

- 19.2. Subject to the Maximum Aggregate Liability, EXIM Bank will not pay the Policyholder more than the Insured Percentage of the amount of the Loss.
- 19.3. On payment of indemnity for a claim, EXIM Bank shall be subrogated to all the Policyholder's rights of recovery in respect of and to the extent of that payment and, on the written request of EXIM Bank to the Policyholder, EXIM Bank (to the extent 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 such interest in the relevant Letter of Credit at the time of such transfer) so as to receive all of the Policyholder's rights, title and interest in the relevant Letter of Credit in respect of and to the extent of payment made by EXIM Bank. In the conduct of any recovery, including litigation, EXIM Bank undertakes to keep the Policyholder informed of the progress thereof, and the Policyholder shall accept any settlement reached by EXIM Bank in regard to the Letter of Credit. The Policyholder's proportion of Loss under the relevant Letter of Credit shall be determined by EXIM Bank in accordance with Articles 17, 18 and 19 of this Policy.

ARTICLE 20 SET-OFF

No set-off shall be permitted under this Policy, other than any amount owing from Policyholder (or its related entity) to EXIM Bank, which shall be deducted from any amount payable by EXIM Bank under this Policy or in satisfaction of other obligations under a related party insurance policy.

ARTICLE 21 DUTY OF FAIR PRESENTATION

The Policyholder and EXIM Bank have agreed that the duties of fair presentation owed by the Policyholder in respect of the subject matter insured under this Policy are amended and limited by those specifically defined in this Article as follows:

- 21.1. At the date of this Policy, the date of the Policy Application and at all times including at the time of Credit Limit Application, request for extension of the Due Date of Payment, and any endorsement hereto:
- (a) the information provided by the Policyholder to EXIM Bank is, to the best of the Policyholder's knowledge after Customary Due Diligence, true and correct in all material respects and no material information has been withheld; and
 - (b) the Policyholder has provided EXIM Bank with true and complete copies of the documents comprising the information provided by the Policyholder to EXIM Bank in the Policy Application and the Credit Limit Application.
- 21.2. EXIM Bank acknowledges and agrees:
- (a) it has received the Policy Application and entered into this Policy on the basis of its independent judgement regarding the creditworthiness of the Issuing Bank using the information provided by the Policyholder to EXIM Bank as at the date of this Policy;
 - (b) the Policyholder shall have no duty to disclose in respect of any matter or circumstance which is in the public domain; and
 - (c) for the purposes of the Policyholder's duty of fair presentation, the knowledge of the Policyholder shall be the Knowledge of the Information Holders.

ARTICLE 22 OBSERVANCE OF STIPULATIONS

- 22.1. If Policyholder fails to comply with any of the conditions of this Policy, such failure will not be deemed to have been excused or accepted by EXIM Bank unless expressly so stated in writing.
- 22.2. The Policyholder shall establish and maintain, throughout the Policy Period, a valid and enforceable indebtedness in the Issuing Bank's Country, which shall be evidenced by a valid letter of credit or such other written contracts, instrument or any combination thereof.
- 22.3. If the Policyholder does not undertake the due performance and observance of every stipulation in the Policy, EXIM Bank may rely on such non-compliance to exclude, limit or discharge EXIM Bank's liability, in accordance with the wording of this Article, even if the Policyholder's non-compliance could not have increased the risk of the Loss which actually occurred in the circumstances in which it occurred.

ARTICLE 23 ARBITRATION

- 23.1. 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 or in connection with this Policy) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the Arbitration Act, 1940.
- 23.2. 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.
- 23.3. The seat of arbitration shall be Islamabad.
- 23.4. The language of the arbitration shall be English.
- 23.5. Without limitation to the generality of Article 24, the arbitration agreement set out in this Article 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 24 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 25 COMPENSATION

If the Policyholder fails to pay or reimburse any amount to EXIM Bank when due and payable by the Policyholder under the Policy, then the Policyholder shall be liable to pay financial compensation to EXIM Bank on the said amounts.

ARTICLE 26 CONFIDENTIALITY

- 26.1. 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.
- 26.2. Disclosure by the Policyholder of the Policy to government regulators of the Issuing Bank'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.
- 26.3. 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 this Policy, including name of Policyholder, the Issuing Bank's Country, the Insured Percentage and the risks covered under this Policy for purposes of EXIM Bank's quarterly reports.
- 26.4. Article 26.3. 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 this Policy, who may require such material for the purpose of evaluating the risks covered under this Policy.
- 26.5. 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 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. 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 27 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.

ARTICLE 28 SANCTIONS

- 28.1. 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 Policy and/or the Letter of Credit ("**Sanctions**").
- 28.2. No action taken by EXIM Bank in compliance with Sanctions shall prejudice the Policyholder's rights under this Policy.
- 28.3. 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.
- 28.4. For the avoidance of doubt, no part of Articles 28.1. to 28.3. (inclusive) gives EXIM Bank any right to rescind, terminate or cancel this Policy or any liability under it.

ARTICLE 29 AUTHORISATION

- 29.1. 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.

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 LIMIT APPLICATION

APPLICATION FORM # :

NAME OF APPLICANT :

TYPE OF POLICY REQUESTED : Documentary Credit Insurance Policy

☐

a. Bank Data

We _____ (the “Bank”) hereby request the Export-Import Bank of Pakistan (“**EXIM Bank**”) to issue in the Bank’s name, the Documentary Credit Insurance Policy (“**DCIP**”).

a. Applicant Details

Name of the Bank:			
Legal Status:			
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.)

c. General Business Activities of the Bank

Number of L/Cs Confirmed:	
Volume of L/C Business in Last 12 Months (in USD):	
Geographical Spread of L/Cs 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:				

The Bank requests EXIM Bank to approve credit limits under the DCIP for the following issuing banks (“**Issuing Banks**”). Further details will be provided in the declaration form which the Bank shall provide to EXIM Bank as per the terms of the DCIP.

b. Information About Issuing Banks.

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

#	Issuing Bank	Address of Issuing Bank	Registration # of Issuing Bank	L/C Volume	Expected Receivables – Credit Limits
1					
2					
3					
4					
5					

(Please use extra sheet, if needed.)

NOTE: EXIM Bank may request for further information if needed.**c. Claim & Delay Payments Experience with the Issuing Bank.**

Details of any L/Cs Dishonoured in the Last Three (3) Years	

d. Necessary Criteria for Supporting Issuing Bank's L/Cs.

Declaration of the Bank

- (a) We, the Bank named above, declare that the Bank has not entered into any contract of insurance or indemnity relating to any contract to which the DCIP (if issued) will apply as regards any risk covered by the DCIP.
- (b) the Bank will not enter into any insurance contract or indemnity regarding the DCIP (if issued) without EXIM Bank's written consent.
- (c) The Bank is 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, the Bank will notify EXIM Bank immediately.
- (d) The Bank certifies that the statements made, and the information provided by the Bank are true and the Bank has not misrepresented or omitted any material relevant to the DCIP or to the risks to be insured under the DCIP. the Bank agrees that the truth of such statements and information and due performance of each and every undertaking in this application or in the DCIP will be a condition precedent to any liability on EXIM Bank's part under the DCIP.

Authorised Signatory:	
Full Name:	
Designation:	
Date:	

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"/>
Profile of Issuing Bank	<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 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 Documentary Credit Insurance Policy (DCIP), the summary of the DCIP is mentioned herein below. Unless otherwise defined herein, the capitalised terms used in this context shall carry the same meaning as outlined in the DCIP.

Credit Limit Application Reference:	
Name of the Policyholder:	
Policy Number:	
Credit Approval Reference ² :	
DCIP Reference:	
Policy Expiry Date ³ :	

Dear Policyholder,

With reference to your Credit Application indicated above, EXIM Bank hereby issues a Credit Approval for a credit limit subject to the terms and conditions of the Documentary Credit Insurance Policy referred to above and the terms and conditions set out below, if any. All capitalised terms shall have the same meaning here as in the said Documentary Credit Insurance Policy referred to above, unless defined otherwise herein.

Issuing Bank Reference:	
Issuing Bank Name and Address:	
Issuing Bank's Country:	

1. EXIM Bank may cancel or revise this Credit Approval by written notice to the Policyholder at any time, although any such cancellation or revision will not apply to confirmations already added by the Policyholder to the Letters of Credit before the date of such notice. The Policyholder is required to declare the utilisation of the Credit Approval as per the terms and conditions of the Policy.
2. This Credit Approval supersedes any approval previously issued under the below-mentioned Credit Limit Application and is valid until it is superseded, or cancelled or has expired.
3. Unless renewed, cancelled or revised, this Credit Approval expires on the expiry date shown above or on the expiry of the Policy whichever is earlier and the Policyholder has no cover for Letters of Credit confirmed after that date.

Description	Option 1		Option 2	
Approved Amount:				
Insured Percentage:	Commercial Risk	Non-Commercial Risk	Commercial Risk	Non-Commercial Risk
Uninsured Percentage:	Commercial Risk	Non-Commercial Risk	Commercial Risk	Non-Commercial Risk
Policy Currency:				
Maximum Aggregate Liability:				
Maximum Credit Period in Days:				
Waiting Period:				
Approval Effective Date:				
Approval Expiry Date:				

Premium Rate:		
Information:		
<u>Special Conditions</u> (if any):		
If no expiry date is given above and this Credit Approval remains unutilised for more than 6 months, it will be automatically cancelled with one-month prior notice to you.		

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 – 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 #	GD #	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-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
2	DEF		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
3	GHI		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
4	JKL		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
5	MNO		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Receivable	
6	PQR		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Receivable	
7	STU		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Receivable	
Subtotal:-					\$												\$			
1	ABC	\$ XXX,XXX	DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
2	DEF		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
3	GHI		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
4	JKL		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Received	
5	MNO		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Receivable	
6	PQR		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ XX,XXX.XX		Receivable	
7	STU		DD-MM-YY	XXXXX	\$ XX,XXX.XX		DD-MM-YY	XXXXX	XXXXX	XXXXX	XXXXX	DD-MM-YY	XXXXX	DA XX Days	DD-MM-YY	DD-MM-YY	\$ 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 G).

ANNEXURE D – CLAIM FORM

Documentary Credit Insurance Policy					
Name of Policyholder:					
Address of Policyholder:					
Policy No.:				Date:	
Issuing Bank's Information					
Issuing Bank's Name:					
Issuing Bank's Address:					
Issuing Bank's Country:					
Telephone No.:					
Fax No.:					
Email:					
Website:					
Mode of Payment: Letter of Credit (DP/DA)					
Cause of Loss:					
Buyer's Information					
Buyer's Name:					
Buyer's Address:					
Telephone No.:					
Fax No.:					
Email:					
Website:					
Goods Description:					
Cause of Loss:					
Details of Amount(s) Dishonoured					
#	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 Claim (Tick the appropriate box(es)):					
<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"/> Issuing Bank's Insolvency		<input type="checkbox"/> Issuing Bank's Refusal	
<input type="checkbox"/> Other Insured Risk (Please define):					
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 (Please describe):			
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 or any accepted proforma Invoices as received from exporter			
<input type="checkbox"/> Unpaid Commercial Invoices.			
<input type="checkbox"/> Bills of lading or equivalent evidence of shipment.			
<input type="checkbox"/> Your instructions to the buyer/Issuing Bank for arrangement of payment in documentary shape or any email correspondence.			
<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.
<input type="checkbox"/> In case of protracted default, evidence of third-party collection action (if any), evidence of judgement or execution (if any).
<input type="checkbox"/> 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 us;
- (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 you under a loss payee nomination we have not assigned, charged or pledged our 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 we have 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 us 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 of Pakistan 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 of Pakistan 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 of Pakistan 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 E - CREDIT APPLICATION FORM FOR NEW/ADDITIONAL ISSUING BANK(S)

Documentary Credit Insurance Policy

We _____ (the Applicant) a Financial Institution/ Bank duly incorporated and licensed to conduct banking activities under the relevant law of _____, acting through Mr./Ms. _____, having CNIC/Identification number _____, having registered office at _____, and a branch at _____, do hereby request EXIM Bank to issue the Applicant, based on the information/representations provided by us in this application and with intention to insure the documentary credit received by us, an insurance offer for your "Documentary Credit Insurance Policy" (DCIP) for additional Issuing Bank as disclosed hereunder:

Policy Reference Number:		
Policyholder Title:		
Policy Period:	From:	To:
Effective Date:		

Following are the details of additional Issuing Bank requested to be insured against the Policy # _____
(Please use extra sheet, if needed.)

Details of Additional Issuing Bank:

(The Issuing Bank on which you request indicative limits from EXIM Bank)

Name of Issuing Bank:	
Address of Issuing Bank:	
Registration # of Issuing Bank	
Swift Code of Issuing Bank:	
L/C Volume:	
Credit Limit Requested (in USD):	
Credit Limit: (In requested Policy currency rate on the date of the application)	

Declarations:

- the Applicant named above, declare that the Applicant has not entered into any contract of insurance or indemnity relating to any contract to which the DCIP (if issued) will apply as regards any risk covered by the DCIP.
- the Applicant will not enter into any insurance contract or indemnity regarding the DCIP (if issued) without EXIM Bank's written consent.
- the Applicant is not aware of any circumstances relating to any particular beneficiary of the Applicant's financing operation with the above referred Exporter which might adversely affect EXIM Bank's decision to insure. If such circumstances arise at any time, the Applicant will notify EXIM Bank immediately.
- The Applicant certifies that the statements made and the information provided by the Applicant is true and the Applicant has not misrepresented or omitted any material relevant to the DCIP or to the risks to be insured under the DCIP. The Applicant agrees that the truth of such statements and information and due performance of each and every undertaking in this application or in the DCIP will be a condition precedent to any liability on EXIM Bank's part under the DCIP.

Applicant's Signature: _____

ANNEXURE F – UNDERTAKING/CONFIRMATION FOR ISSUING BANK’S 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 the Issuing Bank(s), as per applicable provisions of State Bank of Pakistan:

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

Signature:	
Full Name:	
Designation:	
Date:	

ANNEXURE G – POLICY APPLICATION FORM

NAME OF APPLICANT :

TYPE OF POLICY REQUESTED :

Documentary Credit Insurance Policy

☐

I/We _____ (the “**Bank**”) hereby request the Export Import Bank of Pakistan (“**EXIM Bank**”) to issue in the Bank’s name, Documentary Credit Insurance policy (“**DCIP**”) 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 H – NOTIFICATION OF PROBABLE LOSS (NPL)

Documentary Insurance Policy					
Name of Policyholder:					
Address of Insured:					
Policy No.:				Date:	
Name of Issuing Bank:				Date of L/C Issuance Date:	
L/C Amount:					
Insurance Premium Paid:				L/C Tenor:	
Defaulting Issuing Bank's Information					
Issuing Bank's Name:					
Issuing Bank's Address:					
Issuing Bank'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"/> Buyer's Default	
<input type="checkbox"/> Issuing Bank's Insolvency	<input type="checkbox"/> Issuing Bank's Refusal to pay				
<input type="checkbox"/> Other Insured Risk (Please define):					
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:	