

COMPREHENSIVE SHORT-TERM POLICY

Policy No. : _____

Name of Policyholder : _____

Country : _____

TABLE OF CONTENTS

Contents	Page
GENERAL PROVISIONS	3
PARTIES	3
ARTICLE 1 INTERPRETATION & DEFINITIONS	3
ARTICLE 2 RISKS COVERED	6
ARTICLE 3 EXCLUSIONS.....	7
ARTICLE 4 DISPUTES AND GUARANTEES OF PAYMENT.....	8
ARTICLE 5 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS.....	8
ARTICLE 6 INSURED CONTRACT	9
ARTICLE 7 ALLOCATION OF MONIES RECEIVED.....	9
ARTICLE 8 COMMENCEMENT OF INSURANCE COVERAGE.....	9
ARTICLE 9 WITHDRAWAL AND RESTORATION OF COVER	9
ARTICLE 10 POLICY RENEWAL	10
ARTICLE 11 AMENDMENTS TO THE POLICY.....	10
ARTICLE 12 CREDIT LIMIT	10
ARTICLE 13 EXTENSIONS OF CREDIT	10
ARTICLE 14 DECLARATIONS	10
ARTICLE 15 CONVERSION OF CURRENCIES.....	11
ARTICLE 16 INSURANCE PREMIUM	11
ARTICLE 17 NOTIFICATION OF PROBABLE LOSS.....	11
ARTICLE 18 LOSS MINIMISATION	11
ARTICLE 19 ALLOCATION OF COSTS.....	12
ARTICLE 20 RECOVERIES	12
ARTICLE 21 DUTY OF FAIR PRESENTATION AND DISCLOSURE	12
ARTICLE 22 LOSS PAYEE	13
ARTICLE 23 PROOF AND PAYMENT OF CLAIMS	13
ARTICLE 24 SUBROGATION.....	13
ARTICLE 25 OTHER INSURANCES.....	14
ARTICLE 26 SET-OFF AND WAIVER.....	14
ARTICLE 27 FRAUDULENT CLAIMS	14
ARTICLE 28 DISPUTE RESOLUTION	14
ARTICLE 29 GOVERNING LAW.....	14
ARTICLE 30 CONFIDENTIALITY.....	15
ARTICLE 31 GOOD FAITH.....	15
ARTICLE 32 AUTHORISATION	15
SIGNATURE PAGE.....	16
ANNEXURE A – POLICY APPLICATION FORM	17
ANNEXURE B – CREDIT APPROVAL.....	22
ANNEXURE C – DECLARATION FORM	25
ANNEXURE D – CLAIM FORM	26
ANNEXURE E – CREDIT APPLICATION FORM FOR NEW/ADDITIONAL BUYER(S)	29

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 M/s _____ a limited liability company/ partnership firm/ LLP/ sole proprietorship (strike-off whichever is not applicable) incorporated under laws of Pakistan, having its registered office at _____, acting through its duly authorised officer Mr./Ms. _____ having CNIC No. _____ and official designation of _____ (hereinafter referred to as “**Policyholder**” which expression shall include, as applicable, 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) the Policy Application Form (Annexure A) (iii) the Credit Approval (Annexure B) (iv) the Declaration (Annexure C) (v) Claim Form (Annexure D) (vi) Credit Application Form for New/Additional Buyer(s) (Annexure E) and any endorsement 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.

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) “**Administration Fee**” means the fee specified in the Credit Approval and charged by EXIM BANK for the administration of the Policy for a Policy Period.
- (ii) “**Annual Minimum Premium**” is defined in Article 16 (*Insurance Premium*) and specified in the Credit Approval.
- (iii) “**Annexure**” or “**Annex**” means an annexure to the Policy.
- (iv) “**Approval Effective Date**” means the date specified in a Credit Approval issued under this Policy and is the date when the relevant Credit Approval becomes effective.
- (v) “**Buyer**” means any Buyers under Insured Contracts and specified in the Credit Approval.
- (vi) “**Buyer's Country**” means the country in which the Buyer is domiciled as indicated in the Credit Approval.
- (vii) “**Claim Form**” means a claim submitted by the Policyholder under Article 23 (*Proof and Payment of Claims*), which is in the form attached herewith as Annexure D.
- (viii) “**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 or person.

- (ix) **"Credit Approval"** means an approval issued by EXIM Bank in respect of a Buyer or Buyers substantially in the form of Annexure B to be added as part of coverage under this Policy specifying details of a Buyer, the Credit Limit, the Insured Percentage, the Uninsured Percentage, the Maximum Credit Period, the Approval Effective Date, the Waiting Period and any special terms and conditions that supersede or amend the General Provisions provided hereunder and includes any amendments to the Credit Approval by the mutual consent of the Parties from time to time.
- (x) **"Credit Limit"** means the maximum credit limit approved by EXIM Bank in respect of a Buyer or Buyers and specified in the Credit Approval.
- (xi) **"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.
- (xii) **"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.
- (xiii) **"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.
- (xiv) **"Date of Loss"** for each shipment means, in the case of Insolvency, the date on which the first event of Insolvency occurs, and, in all other cases, the date immediately following the Waiting Period, commencing from the Due Date of Payment.
- (xv) **"Declaration Form"** means a form submitted by the Policyholder under Article 14 (*Declarations*), which is substantially in the form attached herewith as Annexure C.
- (xvi) **"Dispute"** is defined in Article 28 (*Dispute Resolution*).
- (xvii) **"Due Date of Payment"** means the latest date on which payment for the Insured Shipment is due under the Insured Contract and which must not exceed the Maximum Credit Period, including any date to which the Policyholder has extended time for payment, in accordance with Article 13 (*Extension of Credit*) of the General Provision hereunder.
- (xviii) **"Goods"** means any goods and/or services supplied to a Buyer by the Policyholder under an Insured Shipment, and which are wholly or partly produced or manufactured in Pakistan.
- (xix) **"Guarantor"** means the guarantor specified in the Credit Approval.
- (xx) **"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 Shipment and in the negotiation, purchase, and surveillance of this Policy.
- (xxi) **"Insolvency"** shall occur if:
- (a) a bankruptcy, winding up or administration order is made against the Buyer; or
 - (b) in the course of execution of a judgement against a Buyer 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 Buyer's creditors generally; or
 - (d) an effective resolution is passed for the winding up of the Buyer; or
 - (e) an administrator, receiver or manager of any of the Buyer's property is appointed; or
 - (f) the Policyholder shows to EXIM Bank's satisfaction that the Buyer'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.

- (xxii) **"Insured Contract"** means an insured export contract between the Policyholder and a Buyer under which an Insured Shipment is made by the Policyholder as defined further in Article 6 (*Insured Contract*).
- (xxiii) **"Insured Percentage"** means the percentage of the Credit Limit insured under this Policy and specified in the Credit Approval.
- (xxiv) **"Insured Shipment"** means each shipment or delivery made by the Policyholder to a Buyer in connection with an Insured Contract and declared under this Policy.
- (xxv) **"Knowledge"** means actual knowledge of any individual within the Information Holders after Customary Due Diligence.
- (xxvi) **"Maximum Aggregate Liability"** means the maximum amount that EXIM Bank is liable to pay the Policyholder with respect to all Losses during the Policy Period as stated in the Credit Approval.
- (xxvii) **"Maximum Credit Period"** means the maximum credit period specified in a Credit Approval not exceeding the Due Date of Payment specified for the relevant Buyer insured under this Policy.
- (xxviii) **"Non-Payment"** means the non-payment by a Buyer of any amounts owing to the Policyholder under an Insured Shipment.
- (xxix) **"Loss"** means an amount equal to the gross invoice value of the Goods subject to Non-Payment but excluding in all cases any interest payable by the Buyer and any associated costs, including insurance, freight or related charges payable by the Policyholder on the Buyer's behalf in relation to the shipment of Goods.
- (xxx) **"Policy"** has the meaning attributed to it in the preamble.
- (xxxi) **"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 including but not limited to a Credit Limit or Credit Limits in respect of a Buyer or Buyers in accordance with Article 12 (*Credit Limit*) hereunder and includes addition of buyers requested through Credit Application Form for New/Additional Buyer(s) and other amendments to the Policy Application Form by the mutual consent of the Parties from time to time. The Policy Application Form is attached herewith as Annexure A and Credit Application Form for New/Additional Buyer(s) is attached as Annexure E.
- (xxxii) **"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.
- (xxxiii) **"Policyholder"** means the person named in the Credit Approval as the Policyholder.
- (xxxiv) **"Policy Period"** means the period specified in the Credit Approval.
- (xxxv) **"Premium"** means the Annual Minimum Premium specified in the Credit Approval and any additional premium that becomes payable by the Policyholder in accordance with Article 16 (*Insurance Premium*) hereunder.
- (xxxvi) **"Premium Rate"** means the rate specified in the Credit Approval to calculate the Premium in accordance with Article 16 (*Insurance Premium*).
- (xxxvii) **"Recoveries"** means all sums whatsoever received, recovered or realised whether by the Policyholder or by any of the Policyholder's authorised representatives or by EXIM Bank in relation to a contract after the Date of Loss.
- (xxxviii) **"Suspension Date"** is defined in Article 9 (*Withdrawal and Restoration of Cover*).
- (xxxix) **"Suspension of Cover"** is defined in Article 9 (*Withdrawal and Restoration of Cover*).
- (xl) **"Uninsured Percentage"** means the percentage of the Credit Limit specified in the Credit Approval that remains uninsured under this Policy and which must be retained by the Policyholder for its own account in accordance with Article 5.1. of the General Provisions hereunder.
- (xli) **"Waiting Period"** means the period specified in the Credit Approval commencing, notwithstanding with the Maximum Credit Period allowed under a Credit Approval, from the Due Date of Payment which period must elapse before an eligible claim becomes payable.
- (xlii) **"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

2.1. In consideration of the payment of the Premium and the Administration Fee by the Policyholder, and subject to the provisions of this Policy, EXIM Bank shall indemnify the Policyholder for the Insured Percentage of any Loss caused by the Non-Payment by the Buyer up to the Maximum Aggregate Liability specified in the Credit Approval, provided that such Loss is directly caused by any of the following risks:

(a) Commercial Risks:

- (i) Insolvency of the Buyer; and
- (ii) Failure or refusal of the Buyer to discharge any payment obligations under the Insured Shipment, provided that the Policyholder was in compliance with all terms and conditions of the Insured Contract at the Date of Loss.
- (iii) Failure or refusal of the Guarantor to fulfil any of its obligations under a guarantee of payment issued by the Guarantor in respect of the Insured Contract.

(b) Non-Commercial Risks:

- (i) Currency transferability and convertibility restrictions, sanctions imposed by the government of the Buyer's Country or, where applicable, Guarantor's country.
- (ii) Any legislative action or administrative action or omission of the Buyer's Country which has the effect of depriving the Policyholder of its ownership or control of any Goods sold under an Insured Contract or of any benefit relating to such Goods.
- (iii) War or Civil Disturbance in the Buyer'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) any failure by the Policyholder to fulfil any of the terms and conditions of the Insured Contract or to comply with the provisions of any law, including any order, decree or regulation having the force of law in the Policyholder's Country, Buyer's Country and/or otherwise relating to the Insured Contract; or
 - (b) theft, physical loss of, or damage to, the Goods, including any risks covered by marine insurance; or
 - (c) delays in delivering Goods to the Buyer, unless such failure, loss, damage or delay results from war (including civil war, hostilities, rebellion and insurrection) in the Buyer's Country or any measure or decision of the government of the Buyer's Country subsequent to the date of shipment of the relevant Goods; or
 - (d) 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
 - (e) 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.
- 3.2. EXIM Bank shall not be liable for any Loss arising from the Insolvency of the Policyholder or fraud or any other dishonest acts, omissions, or default by the Policyholder, its agent(s), or any other financial institution in the Policyholder's Country.
- 3.3. Subject to the provisions of Article 13 (*Extensions of Credit*) hereunder, EXIM Bank shall not be liable for any Loss resulting from credit granted by the Policyholder beyond the Due Date of Payment (including, among others, in the case of cash against documents, documentary sight draft or documents against payment transactions).
- 3.4. 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.
- 3.5. 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**").
- 3.6. No action taken by EXIM Bank in compliance with Sanctions shall prejudice the Policyholder's rights under this Policy.
- 3.7. EXIM Bank and the Policyholder agree that they shall co-operate in good faith in the event that a 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.
- 3.8. For the avoidance of doubt, no part of Articles 3.5. to 3.7. (inclusive) gives EXIM Bank any right to rescind, terminate or cancel this Policy or any liability under it.

ARTICLE 4 DISPUTES AND GUARANTEES OF PAYMENT

- 4.1. EXIM Bank shall not be liable to pay the Policyholder:
- (a) so long as a Buyer claims for any reason that it is justified in withholding payment of an amount owing or in not performing any of its obligations under the Insured Contract, until such dispute has been resolved by mutual agreement, arbitration or legal or other means, unless EXIM Bank is satisfied that no useful purpose would be served by the institution or continuation of negotiations, arbitration or legal proceedings against the Buyer and has so stated in writing to the Policyholder;
 - (b) where EXIM Bank has made it a condition of the Credit Approval that there is a guarantee or surety, (i) the guarantor or surety has failed to pay any amount for which it is liable under such guarantee or has otherwise failed to perform its obligations under such guarantee; or (ii) in case of a dispute under the guarantee, judgement has been obtained against that guarantor or surety;
 - (c) where EXIM Bank has made it a condition of the Credit Approval that payment to be made by an irrevocable letter of credit, (i) if the Policyholder does not comply with the terms of the letter of credit or (ii) until a judgement has been obtained against the issuing bank; and
 - (d) if in the case of cash against documents, documentary sight draft or documents against payment transactions, the Policyholder or its authorised representative(s) authorises without EXIM Bank's agreement the release of the Goods or the documents against payment in a currency other than the Policy Currency.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 5.1. The Policyholder hereby makes the following representations, warranties, and undertakings:
- (a) The Policyholder shall retain for its own account without recourse to any other party (other than the Buyer) the Uninsured Percentage;
 - (b) The Policyholder shall not agree to any variation to the terms of the Insured Contract without EXIM Bank's prior written consent;
 - (c) The Policyholder shall establish and maintain a valid and enforceable right of recourse in the Buyer's Country, which shall be evidenced by a written contract, loan agreement, debt instrument or any combination thereof;
 - (d) 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 (*Representations, Warranties & Undertakings*);
 - (e) If the Policyholder breaches a term hereof, which if complied with by the Policyholder, would tend to reduce the risk of loss, then EXIM Bank may rely on such a breach by the Policyholder to exclude, limit or discharge its liability, notwithstanding that the breach of the term did not increase the risk of the loss which actually occurred in the circumstances in which it occurred;
 - (f) In addition, in so far as any term in this Article 5 (*Representations, Warranties & Undertakings*) 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 and/or discharge its liability, notwithstanding such suspension.

ARTICLE 6 INSURED CONTRACT

- 6.1. Subject to Article 6.2. below, this Policy applies to all contracts between the Policyholder and any Buyers, except:
- (a) any contract which involves credit terms of more than three hundred and sixty (360) days;
 - (b) any contract with any associate, subsidiary, or parent company of the Policyholder, unless specified and agreed by EXIM Bank;
 - (c) any contract under which payment is to be made from an irrevocable letter of credit confirmed by a first-class bank (to the satisfaction of EXIM Bank in its sole discretion) in the Policyholder's country or to be made in full before the Policyholder has despatched the Goods; and
 - (d) any contract in which less than fifty percent (50%) of the value of the Goods represent value derived from materials originally produced or work done in Pakistan as determined by EXIM Bank in accordance with its standard practices.
- 6.2. Contracts must be evidenced in writing and must specify the nature and quantity of the Goods to be sold, as well as the terms of payment.

ARTICLE 7 ALLOCATION OF MONIES RECEIVED

- 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. After the payment of indemnification under Article 22 (*Loss Payee*) hereunder, all amounts received from the Buyer shall be allocated in accordance with Article 20 (*Recoveries*) hereunder.

ARTICLE 8 COMMENCEMENT OF INSURANCE COVERAGE

- 8.1. Insurance coverage under the Policy begins (i) when the Goods are despatched to the Buyer, provided such Goods are despatched after the Approval Effective Date and (ii) a declaration in a Declaration Form (as described in Article 14 [*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 9 WITHDRAWAL AND RESTORATION OF COVER

- 9.1. If:
- (a) any Non-Payment remains overdue from a Buyer sixty (60) days from the Due Date of Payment; or
 - (b) any Non-Payment remains overdue in respect of any uninsured contract or uninsured shipment from a Buyer sixty (60) days from its respective due date of payment.
- (the "**Suspension Date**"),
- the Policy will not cover shipments despatched to that Buyer after the relevant Suspension Date.
- 9.2. EXIM Bank shall in its absolute discretion, at any time, by written notice to the Policyholder, suspend cover in respect of a particular Buyer or all Buyers in a particular country (the "**Suspension of Cover**").
- 9.3. Any Suspension of Cover shall not be retroactive and shall take effect on the date specified in the notice of Suspension of Cover.
- 9.4. EXIM Bank may, upon request by the Policyholder, at any time by written notice to the Policyholder restore cover in respect of a Buyer or all Buyers in a particular country. The Policy will cover shipments despatched to that Buyer or that country after the date specified in the notice of Suspension of Cover.

ARTICLE 10 POLICY RENEWAL

- 10.1. At the end of the Policy Period, the Policy may be renewed subject to due assessment by EXIM Bank. If EXIM Bank decides to renew the Policy, it will send a renewal notice to the Policyholder with the terms and conditions applicable to the renewal, and upon the Policyholders acceptance, the Policy shall stand renewed as per its terms and conditions, unless either of the following occur:
- (a) the Policyholder opts not to renew the Policy by written notice to EXIM Bank not less than thirty (30) days before the end of the Policy Period; or
 - (b) EXIM Bank opts not to renew the Policy by written notice to the Policyholder not less than thirty (30) days before the end of the Policy Period.
- 10.2. In the event of non-renewal of the Policy by either Party the Policy will not apply to any Goods despatched after the end of the Policy.

ARTICLE 11 AMENDMENTS TO THE POLICY

- 11.1. EXIM Bank may amend any of the provisions of this Policy at each renewal date or, with the Policyholder's consent, during the Policy Period.
- 11.2. EXIM Bank may at any time by written notice to the Policyholder amend any of the provisions of the Credit Approval (the "**Notice to Amend Credit Approval**"). Any such amendment will apply to Goods despatched after the date specified in the Notice to Amend Credit Approval.
- 11.3. Any amendments to this Policy or to the Credit Approval shall be documented by way of an endorsement. Any amendment in the Credit Approval shall be made by the issuance of a revised Credit Approval which shall supersede the earlier Credit Approval. If any provisions amended under this Article 11 (*Amendments to the Policy*) are unacceptable to the Policyholder, the Policyholder may opt to terminate this Policy upon seven (07) days' notice to EXIM Bank.

ARTICLE 12 CREDIT LIMIT

- 12.1. The Policyholder shall apply to EXIM Bank for a Credit Limit in the form attached as Annexure A titled Policy Application Form.
- 12.2. The amount of any Credit Limit will be determined at EXIM Bank's discretion and will be subject to any additional terms and conditions EXIM Bank in its absolute discretion deems appropriate. A Credit Limit in respect of a Buyer shall be provided by issuance of a Credit Approval.
- 12.3. EXIM Bank shall have no liability where the Policyholder sustains a Loss but has not complied with the terms and conditions of the Credit Approval and the Policy.
- 12.4. EXIM Bank shall charge the Policyholder for the issue and review of Credit Limits obtained in writing from EXIM Bank.

ARTICLE 13 EXTENSIONS OF CREDIT

- 13.1. Without having regard to the Maximum Credit Period allowed in a Credit Approval, the Policyholder shall not allow any extensions in the Due Date of Payment 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 14 DECLARATIONS

- 14.1. 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. Declarations shall be provided to EXIM Bank within fifteen (15) days from month-end, unless agreed otherwise by the Policyholder and EXIM Bank.

ARTICLE 15 CONVERSION OF CURRENCIES

- 15.1. 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 14 (*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.

ARTICLE 16 INSURANCE PREMIUM

- 16.1. The Policyholder shall pay a non-refundable annual charge (the "**Annual Minimum Premium**") for each twelve (12) month period while the Policy is in force. The amount shall be determined by EXIM Bank and communicated to the Policyholder by written notice at the time of renewal (the "**Notice of Annual Minimum Premium**"). The Annual Minimum Premium shall be paid as specified in the Credit Approval no later than thirty (30) days after the relevant invoice date.
- 16.2. Premium is payable in relation to each Insured Shipment under an Insured Contract to which the Policy applies. This is calculated by applying the Premium Rate to the amount of each shipment declared. In case the Premium calculated by applying the Premium Rate on the amount of the Insured Percentage of the Insured Shipments exceeds the Annual Minimum Premium, the additional Premium shall become payable by the Policyholder. EXIM Bank shall send the Policyholder an invoice for the Premium and payment must be made as stated in the Credit Approval.
- 16.3. Payment of all Premium in full at the time when due to EXIM Bank shall be a condition precedent to any liability on the part of EXIM Bank. 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 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 the Premium.

ARTICLE 17 NOTIFICATION OF PROBABLE LOSS

- 17.1. If the Policyholder believes that a Buyer is in financial difficulty or if the Policyholder becomes aware of any event likely to cause a Loss, the Policyholder must immediately notify EXIM Bank.
- 17.2. The Policyholder must notify EXIM Bank immediately if payment of any amount remains overdue from a Buyer thirty (30) days after the Due Date of Payment.

ARTICLE 18 LOSS MINIMISATION

- 18.1. The Policyholder must use due care and diligence and to the extent legally permitted, take all reasonable measures to prevent and minimise Loss, and cooperate and consult with EXIM Bank in that regard. However, the Policyholder must not initiate any legal proceedings before obtaining EXIM Bank's prior written approval.
- 18.2. The Policyholder must ensure that all its rights to the Goods and all rights against Buyers and any third parties are preserved and exercised. If required and to the extent legally permitted, the Policyholder must assign and transfer to EXIM Bank those rights or any Goods, negotiable instruments, guarantees or other securities in relation to the Insured Shipments.
- 18.3. The Policyholder must take all steps that EXIM Bank may require in connection with a potential or actual Loss, including the institution of legal proceedings, the appointment of any person to collect the debt, and the enforcement of any rights against any other party. If required, the Policyholder will appoint EXIM Bank as its agent or attorney with power in its name to take any steps EXIM Bank may deem necessary to prevent or minimise Loss or to pursue Recoveries.
- 18.4. The Policyholder shall take all reasonable steps to avoid any Loss and minimise any Loss amount. Without limitation, reasonable steps shall include those same steps the Policyholder would take for a similar uninsured obligation of the Buyer towards the Policyholder after the occurrence of an event that could give rise to a Loss.

Reasonable steps may include, *inter alia*, not effecting further shipment of Goods to the Buyer, or otherwise increasing the Policyholder's exposure to the Buyer under the Insured Shipment or Insured Contract.

- 18.5. The Policyholder shall provide to EXIM Bank all information and documents that EXIM Bank may require in connection with the obligations of the Policyholder under this Article 18 (*Loss Minimisation*).

ARTICLE 19 ALLOCATION OF COSTS

- 19.1 EXIM Bank will contribute towards the costs and expenses (other than administrative and related expenses) that the Policyholder properly and reasonably incurs in fulfilling the obligations set out in Article 18 (*Loss Minimisation*). EXIM Bank's contribution will be proportionate to the Insured Percentage of the Loss.

ARTICLE 20 RECOVERIES

- 20.1. After payment of an indemnity all subsequent salvage and Recoveries made by the Policyholder and/or EXIM Bank relating to the Insured Shipment shall insure to the benefit of EXIM Bank and the Policyholder on a *pro rata* basis, based upon 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, any other associated costs and expenses including but not limited to legal expenses and collection agency fees incurred by EXIM Bank and the Policyholder to recover the Loss;
 - (b) second, be apportioned between the Policyholder and EXIM Bank in the proportion of the Insured Percentage and Uninsured Percentage; and
 - (c) third, any remaining amounts shall be payable to the Policyholder.
- 20.2. 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 Article 20.1. (*Recoveries*).
- 20.3. If the Policyholder fails to comply with the provisions of this Article 20 (*Recoveries*) after EXIM Bank has made a payment of indemnity to the Policyholder, the Policyholder will be liable to refund such payment to EXIM Bank.

ARTICLE 21 DUTY OF FAIR PRESENTATION AND DISCLOSURE

- 21.1. The Policyholder and EXIM Bank have agreed that the duties of fair presentation and disclosure owed by the Policyholder under this Policy are amended and limited by those specifically defined in this Article 21 (*Duty of Fair Presentation and Disclosure*) as follows:
- (a) At the date of this Policy, the date of Policy Application Form, request for extension of the Due Date of Payment and at the time of any endorsement hereto:
 - (i) 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
 - (ii) 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 Form.
- 21.2. EXIM Bank acknowledges and agrees:
- (a) it has received the Policy Application Form and entered into this Policy on the basis of its independent judgement regarding the creditworthiness of the Buyer 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.
- 21.3. The Parties agree that if the Policyholder fails to comply with this Article 21 (*Duty of Fair Presentation and Disclosure*), EXIM Bank shall be entitled to void the contract. Nothing in this Article 21.3. 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 22 LOSS PAYEE

- 22.1. The Policyholder shall not assign or transfer this Policy or any of its benefits without prior written agreement of EXIM Bank. EXIM Bank may agree to pay any Claims to a named loss payee notified to EXIM Bank in writing by the Policyholder without prejudice to any of the obligations of the Policyholder under the Policy.

ARTICLE 23 PROOF AND PAYMENT OF CLAIMS

- 23.1. EXIM Bank shall not (i) indemnify the Policyholder prior to the Date of Loss and (ii) pay the Policyholder in excess of the Insured Percentage. Further, the indemnity for a Loss payable by EXIM Bank shall be subject to the Maximum Aggregate Liability, provided that, the Policyholder is not in breach of any of the terms and conditions of the Policy. If the Policyholder is in breach of any of the terms and conditions of the Policy, EXIM Bank shall have the right to retain any premium paid by the Policyholder to EXIM Bank and the sole discretion to cancel the Policy if it so chooses.
- 23.2. Claims should be submitted to EXIM Bank by the Policyholder through a Claim Form, along with all required information/documents. A claim should be made by the Policyholder immediately but in any event, not later than thirty (30) days from the Date of Loss.
- 23.3. Any additional evidence that EXIM Bank may reasonably require to investigate the claim shall be requested within thirty (30) days from receipt of the Claim Form and any such additional evidence shall be provided by the Policyholder within thirty (30) days of receipt of the request.
- 23.4. EXIM Bank will calculate the Loss as being the amount remaining unpaid under an Insured Shipment 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 30 (thirty) days of receipt of the Claim Form or at the end of the Waiting Period, whichever is the latest; and
- 23.5. Subject to the Maximum Aggregate Liability, the indemnity on a claim shall be paid within thirty (30) days of the date of the claim's determination notice issued by EXIM Bank or within thirty (30) days of the Date of Loss, whichever is the latest.
- 23.6. Any Loss shall be subject to the following deductions:
- (a) any amount which at the Date of Loss, the Policyholder and/or the Buyer(s) is/are entitled to credit to the Buyer's account by way of payment, credit, set-off or counterclaim or otherwise;
 - (b) any sums which at the Date of Loss the Policyholder has received in relation to Goods including but not limited to the realisation of any security, the resale of any Goods or pursuant to any other contract between the Policyholder and the Buyer; and any amounts which the Policyholder has recovered following the occurrence of a Loss.

ARTICLE 24 SUBROGATION

- 24.1. Upon payment of 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 Insured Contract and under a guarantee if procured by the Policyholder from a Guarantor, 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 the Insured Contract and the Guarantee and any related rights at the time of such transfer) so as to receive all of the Policyholder's rights, title and interest in the Insured Contract and the Guarantee 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, the Policyholder shall disclose to EXIM Bank and EXIM Bank shall, if required by the Policyholder in order to legally disclose information to EXIM Bank, sign an appropriate non-disclosure agreement, if required by the Policyholder. The Policyholder shall assist EXIM Bank by way of providing any documents that are required by EXIM Bank, and any other support that is requested by EXIM Bank, for the purpose of enabling EXIM Bank to substantiate its rights of subrogation vis-à-vis the Buyer and a Guarantor and to collect the debt in any court or 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 25 OTHER INSURANCES

- 25.1. Subject to Article 5.1. of this Policy, if the Policyholder has any bond, indemnity or insurance which would cover a Loss in whole or in part in the absence of this Policy, then this Policy shall be null and void to the extent of the amount that could have been recovered or received under such other bond, indemnity, or insurance. However, this Policy shall cover such Loss, subject to its exclusions, conditions and other terms, only to the extent of the amount of such Loss which is in excess of the amount recoverable or received under such other bond, indemnity or insurance.

ARTICLE 26 SET-OFF AND WAIVER

- 26.1. 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.
- 26.2. If the 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.

ARTICLE 27 FRAUDULENT CLAIMS

- 27.1. With respect to fraudulent claims by the Policyholder in relation to this Policy, the Parties agree that EXIM Bank shall: (i) not have any liability to pay any compensation in respect of such fraudulent claims; and (ii) be entitled to forthwith terminate this Policy by giving written notice to the Policyholder.

ARTICLE 28 DISPUTE RESOLUTION

- 28.1. 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 or in connection with this Policy) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the Arbitration Act, 1940.
- 28.2. 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.
- 28.3. The seat of arbitration shall be Islamabad.
- 28.4. The language of arbitration shall be English.
- 28.5. Without limitation to the generality of this Article 28 (*Dispute Resolution*), the arbitration agreement set out in this Article 28 (*Dispute Resolution*) 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 29 GOVERNING LAW

- 29.1. 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 30 CONFIDENTIALITY

- 30.1. 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, and prospective lenders, and rating agencies where such third parties are bound by a duty to maintain confidentiality in respect of the confidential information referred to herein.
- 30.2. Disclosure by the Policyholder of the Policy to government regulators of the Buyer'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.
- 30.3. EXIM Bank shall take all commercially 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 Insured Contract, including name of Policyholder, the Buyer's Country, the Insured Percentage and the risks covered in Article 2 (*Risks Covered*) of this Policy for purposes of EXIM Bank's quarterly reports and other reporting obligations under applicable laws.
- 30.4. Article 30.3. 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 Insured Contract, who may require such material for the purpose of evaluating the Insured Contract.
- 30.5. In the event that EXIM Bank is requested or required under applicable laws and/or 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 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 30 (*Confidentiality*). In the event 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 31 GOOD FAITH

- 31.1. 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.

ARTICLE 32 AUTHORISATION

- 32.1. 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 – POLICY APPLICATION FORM

NAME OF APPLICANT :

TYPE OF POLICY REQUESTED : **Comprehensive Short-Term Policy**
(for multiple buyers)

I/We _____ (the Applicant[s]) a Company/Partnership/LLP/Sole Proprietorship (please strike-off which is not applicable) incorporated under the laws of Pakistan having registration number _____, acting through Mr./Ms. _____, having CNIC No. _____, having registered office 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 the Applicant(s)'s credit sales by EXIM Bank, an insurance offer for EXIM Bank's Comprehensive Short-Term Policy (CSTP).

a. Applicant Details

Name:			
Date of Registration/Incorporation:		Registration/Incorporation No. (For companies):	
Place of Registration/Incorporation:		N.T.N. #:	
Nature of Business:			
Geographies Involved:			
Type of Financial Service:			
Telephone No.:		Mobile No.: (CEO/Owner/MP)	
Fax No.:		Website:	
City:		P.O. Box:	Postal Code:
Country:			
Names of Exporter's Countries: (Expected)			
Expected Type of Counterparties:			
Registered Business Address(es):			
Purpose of Transaction:			
Mode(s) of Transaction(s)/Delivery Channels:			
FATCA Status:		FATCA – G.I.I.N. Number:	

Contact Person(s)

Name:		Position:		Email:		Mobile No.:	
Name:		Position:		Email:		Mobile No.:	
Name:		Position:		Email:		Mobile No.:	

b. Detail of Ultimate Beneficial Owners (U.B.Os.)

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

(Please use extra sheet, if needed.)

c. Goods and Services		
i	Type of Business Activity Intended to be Insured:	
ii	Percentage (%) of the Local Content:	
#	Product Names	Percentage of Local Content/Value Added
1		
2		
3		
4		
5		

(Please use extra sheet, if needed.)

d. Business Turnover		
i	Exporting Experience (In years):	
ii	Average Annual Sales (Last 3 years):	Amount in USD:
As per EE statement (Last 3 years):		
Year	Export (USD/Currency of export)	Buyers Countries

Maximum Credit Period (Days): _____

e. Expected Business Turnover for the Coming 12 Months for Credit-Based Business (Intended to be covered)			
#	Country Name	Business Turnover for Coming 12 Months (In USD) (Currency Rate as per date of application)	
		Unsecured Business (Open Account based transactions)	Secured Business (L/C based transactions)
1			
2			
3			
4			
Total:			

(Please use extra sheet, if needed.)

f. The Major Buyers (The buyers on which you request indicative limits from EXIM Bank) By filling out this section, you will receive an indicative limits report on the listed buyers along with the policy offer:							
#	Buyer Name	Country	Address	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.)

g. Losses Incurred During the Last 3 Years:					
#	Buyer Name	Country	Amount of Loss (USD)	Date of Loss	Reason for Non-Payment
1					

2					
3					
4					

(Please use extra sheet, if needed.)

h. Applicant Credit Procedures

Do you have formal written International Trade Credit Procedure/Policy?	<input type="checkbox"/> Yes (Please attach copy)	<input type="checkbox"/> No	
Are you the main supply for your buyers?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
If Yes:	<input type="checkbox"/> For all buyers	<input type="checkbox"/> For most of the buyers	<input type="checkbox"/> For some of the buyer

How do you normally initiate new business?

<input type="checkbox"/> Through Agents	<input type="checkbox"/> Through Brokers	<input type="checkbox"/> Through direct sales
---	--	---

Do you obtain the following when establishing a Foreign Trade Credit account?

Credit Application Form:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Trade reference:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Financial information:				<input type="checkbox"/> Yes	<input type="checkbox"/> No
Credit Report:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, source:	Type:	

Do you apply the following measures to provide credit facility to buyers?

Years of experience:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, how many years (Minimum)? _____Years	
Credit Report:			<input type="checkbox"/> Yes	<input type="checkbox"/> No
Visitors to buyers:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, how often?	
			<input type="checkbox"/> Regularly	<input type="checkbox"/> At establishment of the credit only

Who is responsible for collection of credit sales receivables?

<input type="checkbox"/> Sales Staff	<input type="checkbox"/> Finance Dept.	<input type="checkbox"/> Other(s): (Please specify)
--------------------------------------	--	--

In your business and/or interaction with your customer what is considered as reasonable delay in realisation of export proceeds/receipt of your export payments:

<input type="checkbox"/> 15 Days	<input type="checkbox"/> 30 Days	<input type="checkbox"/> 45 Days	<input type="checkbox"/> 60 Days	<input type="checkbox"/> 90 Days	<input type="checkbox"/> 120 Days	<input type="checkbox"/> 180 Days
----------------------------------	----------------------------------	----------------------------------	----------------------------------	----------------------------------	-----------------------------------	-----------------------------------

i. Applicant Experience with Credit Insurance

Are you currently insuring your credit business with any Credit Insurance provider?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is Yes, with whom?		
Have you ever used Credit Insurance services to cover your sales?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

j. Declaration of the Applicant

That the Applicant(s) will not enter into any other additional 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.

- That the Applicant(s) undertake(s) to abide by all the rules and regulations applicable in export of goods from the country of origin to the importer country.
- That the Applicant(s) is/are not aware of any circumstances relating to any particular buyer or contract, which might adversely affect EXIM Bank's decision to insure them. If such circumstances arise at any time, the Applicant(s) will notify EXIM Bank immediately.
- That the Applicant(s) understand(s) that this application will be processed by use of online means including but not limited to use of software which may store information on international cloud in encrypted form.

Applicant(s)'s Signature: _____

k. Please attach the following documents along with the application:

Three latest Annual Reports (Or Audited Financial Statements)	<input type="checkbox"/>
Board Resolution on Company Letterhead	<input type="checkbox"/>
Company Profile/Brochure on the company and its activities	<input type="checkbox"/>
Certificate of Incorporation (Copy dully attested by SECP)	<input type="checkbox"/>
Copy of Commercial Certificate (If applicable) (Dully attested by the competent authority)	<input type="checkbox"/>
NTN Certificate	<input type="checkbox"/>
Memorandum & Articles of Association (Copy dully attested by SECP)	<input type="checkbox"/>
Form A & Form 29 (Copy dully attested by SECP)	<input type="checkbox"/>
Ultimate Beneficial Ownerships Form (Copy dully attested by SECP)	<input type="checkbox"/>
Form C (In case of Partnership) (Copy dully attested by the competent authority)	<input type="checkbox"/>
Copy of Certificate Commencement of Business (If applicable) (Dully attested by the competent authority)	<input type="checkbox"/>
Partnership Deed (In case of Partnership) (Copy dully attested by the competent authority)	<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"/>
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"/>
In case of extra sheets attached, please Sign and Stamp every sheet	<input type="checkbox"/>

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 Limit Application dated _____ the EXIM Bank is pleased to issue a Credit Approval for a credit limit subject to the terms and conditions of the Comprehensive Short-Term Policy (CSTP), the summary of offer is mentioned herein below. Unless otherwise defined herein, the capitalised terms used in this context shall carry the same meaning as outlined in the Policy.

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):

List of Buyers and Approved Limits:

#	Buyer's Name	Country	Tenor (Maximum Credit Period in Days)	Premium Rate	Limit Approved (USD)
1					
2					
3					
4					
5					
6					
7					

Note:

- (a) 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 C. Declarations shall be provided to EXIM Bank within fifteen (15) days from month-end, unless agreed otherwise by the Policyholder and EXIM Bank.
- (b) 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.
- (c) 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 Bank.

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 #	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 Applicant Details section of Annexure A.

ANNEXURE D – CLAIM FORM

Comprehensive Short-Term Policy

Name of Insured:			
Address of Insured:			
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 (By Exporter to EXIM Bank):	

Details of Amount(s) Unpaid and Being Claimed

#	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					

(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"/> Other Insured Risk <small>(Please define):</small>			

Amount Claimed

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:	

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
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"/> Advices 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"/> Evidence that the Buyer will make good any shortfall caused by exchange transfer delays.	
<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"/> Evidence of claim deductions and how these were calculated.	
<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 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) It agrees that any payment by EXIM Bank is subject to the terms and conditions of the Policyholder's Policy, including the Policyholder's proposal.

The Policyholder hereby claims payment for the amount of the insured loss stated in this form. Payment should be made to:

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 BUYER(S)

Comprehensive Short-Term Policy

I/We _____ (the Applicant[s]) a company/partnership firm/LLP/Sole Proprietorship (please strike off which is not applicable) incorporated under the laws of Pakistan having registration number _____, acting through Mr./Ms. _____, bearing CNIC No. _____, having registered office 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)'s credit sales by EXIM Bank, an insurance offer for EXIM Bank's "Comprehensive Short-Term Policy" by including additional buyers as disclosed hereunder:

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

Details of Additional Buyers:

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

#	Buyer Name	Country	Address	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:

- (a) That the Applicant(s) shall not enter into any other additional CSTP/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.
- (b) That the Applicant(s) undertake(s) to abide by all the rules and regulations applicable in export of goods from the country of origin to the importer country.
- (c) That the Applicant(s) is/are not aware of any circumstances relating to any buyer or contract, which might adversely affect EXIM Bank's decision to insure them. If such circumstances arise at any time, the Applicant(s) will notify EXIM Bank immediately.
- (d) That the Applicant(s) understand(s) and agree(s) that this application will be processed by EXIM Bank through use of online means including but not limited to use of software which may store information on international cloud.

Applicant(s)'s Signature