

# Buyer's Credit Insurance

## General Conditions

*This English translation of the Spanish version serves merely for information purposes. In case of discrepancy, the Spanish text shall prevail.*

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# Preliminary Article

## Definitions

### **1. INSURED**

The financial entity or entities that grant the LOAN and therefore have the interest covered by the Insurance and the rights and obligations arising from the Insurance Contract.

### **2. INSURER**

Compañía Española de Seguros de Crédito a la Exportación, S.A., Cía. de Seguros y Reaseguros, S.M.E.

### **3. AGENT BANK**

The entity that subscribes the Insurance Contract for and on behalf of the INSURED and, where appropriate, in its own name, when the LOAN has been granted by various financial entities. It may also pay out the LOAN to the VENDOR, for and on behalf of the INSURED entities, for and on account of the DEBTOR and through the PAYING BANK, if there is one.

### **4. PAYING BANK**

The financial entity domiciled in Spain appointed either by the INSURED or by the AGENT BANK - when the entity in question is non-resident - who pays out the LOAN to the VENDOR for and on behalf of whoever has appointed it.

### **5. ACCELERATION CLAUSE**

The clause contained in the LOAN AGREEMENT by virtue of which the INSURED, in the event of default on the part of the DEBTOR, may declare immediately payable the outstanding obligations, including those which have not yet lapsed, which the LOAN AGREEMENT lays down must be borne by the DEBTOR and/or the GUARANTOR.

### **6. BUYER**

The person or legal entity not resident in Spain shown as such in the EXPORT CONTRACT.

### **7. EXPORT CONTRACT**

The contract for the sale of Spanish goods or services, for the payment of which the LOAN is granted.

### **8. LOAN AGREEMENT**

The loan contract between the INSURED and the DEBTOR.

### **9. LOAN**

The LOAN denominated and financed in a CURRENCY as defined in numeral 14 of these definitions at the time that the POLICY is signed and which is insured by it.

**10. DEBTOR**

The person or legal entity named as the borrower in the LOAN AGREEMENT.

**11. GUARANTOR**

The person or legal entity who guarantees the DEBTOR'S fulfilment of all the obligations undertaken under the LOAN AGREEMENT.

**12. INTERESTS**

Interests derived from the LOAN, whose payment is an obligation of the DEBTOR and /or the GUARANTOR.

**13. DELAY INTERESTS**

Interests accrued as a result of the non-payment of the LOAN and/or the INTERESTS.

**14. CURRENCY**

The currency unit in which the amounts of the LOAN and the SUM INSURED are defined.

**15. POLICY**

This document containing the General Terms and Conditions as well as all Particular and Special Conditions and Endorsements.

**16. SUM INSURED**

This represents the maximum indemnity payable by the INSURER and is calculated by applying the insurance percentage indicated in one of the particular conditions of the POLICY to the LOAN, the INTEREST and the DEFAULT INTEREST.

**17. VENDOR**

The person or legal entity indicated as such in the EXPORT CONTRACT.

# Section I

## Object and Extent of the Insurance

### **ARTICLE 1** **OBJECT OF THE INSURANCE**

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On the basis of the statements made by the INSURED and the General and Particular Conditions of the POLICY, the INSURER undertakes to indemnify the INSURED in the CURRENCY in which the LOAN is denominated, up to the limit of the SUM INSURED and in the terms and within the deadlines indicated in articles 19 and 20 in the event of the fulfilment of the LOAN AGREEMENT being affected by the occurrence of one or some of the perils mentioned in article 2.

### **ARTICLE 2** **PERILS INSURED**

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#### 2.1. Commercial Perils:

2.1.1. The DEBTOR and, as the case may be, the GUARANTOR being declared by a court to be in a state of suspension of payments, bankruptcy or any situation of legal insolvency regulated by legislation in the country of the DEBTOR and, as the case may be, the GUARANTOR.

2.1.2. The DEBTOR and, as the case may be, the GUARANTOR coming to an agreement or compromise accepted by the INSURER with their creditors which implies the reduction of, or release from, the LOAN and/or the INTEREST.

2.1.3. The impossibility, due to the lack of assets on the part of the DEBTOR and, as the case may be, the GUARANTOR, of executing the sentence awarded in favour of the INSURED in the legal proceedings initiated to claim the LOAN and/or the INTEREST.

2.1.4. The inability to obtain repayment of the LOAN when there is also no purpose in initiating legal proceedings.

2.1.5. The expiry of ninety days as from the date of notification to the INSURER of the non-payment of any instalment of the LOAN and/or of the INTEREST, or of the acceleration of the instalments if article 21 is applicable, unless any of the situations described in paragraphs 2.1.1. to 2.1.4. above have previously arisen.

#### 2.2. Political and Extraordinary Perils:

The losses or financial damages resulting from any of the following events:

One.-

a) Default on payment of the LOAN by the DEBTOR and the GUARANTOR;

b) Any omission, alteration or delay in the payment or transfer of the LOAN amount that is due and payable, including any circumstances in which any releasing effects are declared or generated with regard to the payments made by the DEBTOR or the GUARANTOR in a different currency unit than the agreed CURRENCY and which causes a loss for the INSURED upon conversion of said payments in the agreed CURRENCY at the transfer date of the funds;

Provided that said events result directly from any of the following causes:

2.2.1. Civil or international war, whether declared or not, revolution, revolt, terrorism, substantial alterations in the public order, or any similar event, provided these events have occurred abroad.

2.2.2. Any circumstances or events of a catastrophic nature, such as cyclones, floods, earthquakes, volcanic eruptions, seaquakes and similar phenomena, as well as nuclear accidents and accidents caused by chemical, biochemical or similar substances, which likewise have occurred abroad.

2.2.3. Political events or exceptionally serious economic difficulties occurred abroad, such as a balance of payment crisis or significant changes in the currency exchange rate, or the catastrophic accumulation of losses, and which create a generalised situation of insolvency.

Among the aforementioned causes is deemed to be included the moratorium on external payments in the country of the DEBTOR or, where appropriate, of the GUARANTOR, or in a third country through which payment of the LOAN must inevitably be made. A moratorium on payments means the manifest default, de facto or de jure, by a country on its international payment obligations during at least 90 days, whether it is general or it affects one or several debtor countries.

2.2.4. The Spanish authorities and those of the country of the DEBTOR and, as the case may be, that of the GUARANTOR, entering into a Bilateral Agreement to restructure their external debt, when such Agreement comes into force.

2.2.5. The expropriation, nationalisation, confiscation or seizure ordered by the foreign authorities, which falls upon the foreign DEBTOR or GUARANTOR.

2.2.6. Express or tacit measures adopted by a foreign Government.

2.2.7. Measures adopted by the Spanish Government, including the measures and decisions of the European Union or any other supranational organisation to which Spain is a party and with which Spain must comply.

Two.-

After ninety days following the notification to the INSURER of the non-payment of the LOAN instalment and/or the INTEREST, or in the event of accelerated repayment in application of Article 21 of the General Terms and Conditions, and provided the DEBTOR or the GUARANTOR are acknowledged as Public Buyer, and previously none of the causes described in the above numbers of paragraph One of this article 2.2. has occurred.

### **ARTICLE 3 SALVAGE, RECOVERY OR REIMBURSEMENT EXPENSES**

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The INSURER will bear, in the proportion established in the POLICY, the salvage, recovery or reimbursement expenses paid by the INSURED, and previously accepted by the former, in order to make good or avoid the loss caused or which could be caused by the occurrence of any of the perils described in article 2.

The reimbursement of these expenses will be made by the INSURER in the currency in which they have been paid, or in its counter value in Euros, and within the ten days following the one on which the INSURED provides documentary proof of having paid them.

Protest costs will be deemed included under this article provided that, with regard to the bills protested, one of the situations contemplated in article 2 has arisen, the Insurer has admitted the loss in question and the deadline of the payment of the corresponding indemnity has passed.

#### **ARTICLE 4 ITEMS EXCLUDED**

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The following cases are expressly excluded from the insurance provided by this Policy:

- a) Non-payment of the LOAN and/or the INTEREST by the DEBTOR and, as the case may be, by the GUARANTOR whenever it is due to non-compliance, admitted in a court sentence or in an arbitration award, of the obligations of the INSURED contemplated in the LOAN AGREEMENT.
- b) All expenses, commissions, stamp duties, damages, taxes, penalties and any other items not expressly covered by the POLICY.
- c) The cost of protesting the bills which, where applicable, instrument the payment of the LOAN and/or the INTEREST, unless provisions of the third paragraph of article 3 apply.

The Insurance will not be deemed to exclude non-payment of the LOAN and/or INTEREST, insofar as concerns the disbursements made by the INSURED, in the event of the proven non-compliance of the obligations of the VENDOR as laid down in the EXPORT CONTRACT provided that the LOAN AGREEMENT expressly contemplates the unconditional nature of the payments derived from it, and its independence of the fulfilment of the contractual obligations of the VENDOR.

#### **ARTICLE 5 CONDITIONS FOR THE INSURANCE TO BE EFFECTIVE**

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For the cover to be effective, each and every one of the following conditions must have been complied with:

- a) The INSURED must prove that he has complied with the legal dispositions currently in force at the time of entering into the LOAN AGREEMENT, both in Spain and in the country of the DEBTOR and, as the case may be, that of the GUARANTOR and which determine the validity of the AGREEMENT and the enforcement of the obligations thereunder. For this purpose it will be sufficient to obtain a report prepared by a Lawyer accepted by the INSURER to the effect that such dispositions have been complied with.
- b) The INSURED must inform the INSURER that the down payment obligations contained in the EXPORT CONTRACT and the requirements imposed by the INSURER by means of Particular Conditions have been complied with.
- c) All movements concerning the insured LOAN operation must be recorded in an account that is separate from any other that the INSURED may have with the DEBTOR.



d) All the documents required by the LOAN AGREEMENT, in the terms required therein, must be held by the INSURED.

e) When so required by the INSURER, prior to the signature of the POLICY, the VENDOR, by mutual agreement with the DEBTOR, appoints a supervisory entity of reknown experience accepted by the former, to periodically inform on the correct execution of the EXPORT CONTRACT and to certify the relationship between each payment in respect of the LOAN and the investment that justifies it.

## **ARTICLE 6**

### **COMPLETION, DURATION AND EFFECTS OF THE INSURANCE**

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The Insurance Contract is completed by mere consent and comes into force the day of the coming into force of the LOAN AGREEMENT, when the conditions established at the POLICY and at the LOAN AGREEMENT are complied with, and once the corresponding premium or its first instalment, in those cases that payment by instalment has been agreed, is paid.

The POLICY will be effective on the day that the INSURED makes the first drawdown of the LOAN to the VENDOR or to his order.

The duration of the Insurance is agreed in the Particular Conditions.

## **ARTICLE 7**

### **DIFFERENCES BETWEEN THE QUOTATION AND THE POLICY**

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If the covenants of the POLICY differ from the INSURANCE Quotation made by the INSURER or from the agreed clauses, the INSURED may, within one month from the date on which the POLICY is delivered, require the Insurer to correct the existing difference. Once this period has elapsed without such requirement having been made, the provisions of the POLICY will prevail.

# Section II

## Obligations of the Insured

### **ARTICLE 8** **PAYMENT OF THE PREMIUM**

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The premium, which is unique and indivisible, is established as a fixed amount at the entry into force of the POLICY.

There may be a readjustment at the end of the drawdown period, giving rise to a refund of premium or to additional premium.

The premium amount will only be readjusted in the event of a change of the insured amount, a modification of the risk period or alteration of the conditions contained in the Insurance Policy, and in the circumstances defined in Article 9, provided these occur before the start of the repayment period of the LOAN.

By signing the POLICY, the INSURED undertakes to pay the whole of the premium provisionally established, as well as any additional premium which may be payable by him when the latter is subsequently adjusted.

The payment of all premiums must be made in the CURRENCY insured, on the dates, in the manner and at the place indicated in the Particular Conditions.

### **ARTICLE 9** **RETURN OF THE PREMIUM**

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9.1. The premium or that part of it that may have been collected, will be refunded in the following cases:

- a) If the POLICY is cancelled before it has come into effect or afterwards, in relation with the amount of the LOAN not yet disbursed and the originally estimated INTEREST thereon.
- b) If all the disbursements chargeable to the LOAN are not made, so far as concerns the amounts not paid out and the originally estimated INTEREST thereon.
- c) When the result of the recalculation of the premium mentioned in article 8 is an amount in favour of the INSURED.

9.2. There will be no refund in the event of willful misconduct or serious negligence on the part of the INSURED.

The INSURER will, in every case, retain, to cover costs, the lower amount of:

- 15% of the provisional premium corresponding to the whole of the initially established SUM INSURED.
- 100% of the premium paid so far.

The INSURER will refund the premium in the CURRENCY in which it was paid.

### **ARTICLE 10** **NON-PAYMENT OF PREMIUM**

---

10.1. The INSURER has the right to cancel the Insurance Contract or to demand through the courts the payment of the premium, if the total provisional premium or the first instalment, in the case of payment by instalment, has not been paid by the INSURED.

10.2. In the event of non-payment of any of the subsequent instalments or of the additional premium arising from the subsequent adjustment, and once a month has elapsed from the date on which the instalment or the additional premium was payable, the cover provided by the total SUM INSURED will be reduced in the same proportion in which the premium has been paid.

10.3. The INSURER's liability for that part of the SUM INSURED which falls outside the cover in the case contemplated in the previous paragraph will be suspended. Nevertheless, the cover on that part of the SUM INSURED will once again become effective 24.00 hours after the day on which the INSURED pays the instalment or additional premium due.

If the INSURER does not claim payment within the six months following the date established for the payment of the instalment or of the additional premium, the cover provided by the SUM INSURED will be definitively reduced, as provided in paragraph 2 of this article.

10.4. The INSURER is released of all his obligations if the INSURED pays the total provisional premium or the first instalment thereof, after total or partial non-payment of the SUM INSURED has been known.

## **ARTICLE 11**

### **INFORMATION TO THE INSURER**

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The INSURED is obliged to inform the INSURER, before completing the Insurance Contract and in accordance with the questionnaire provided by the latter, of all the circumstances known to him and which might influence the proper appraisal of the risk, provided that in doing so he does not violate banking norms and practices. The INSURED may be required by the INSURER to obtain, for this purpose, the necessary authorisation of the DEBTOR, and if this is not given, he will so inform the INSURER.

## **ARTICLE 12**

### **INCREASE IN RISK AND PREVENTIVE MEASURES**

---

12.1. The INSURED must inform the INSURER, during the validity period of the Insurance Contract, of the following circumstances which increase the risk:

- a) The breach of any of the obligations of the DEBTOR and, as the case may be, the GUARANTOR, established in the LOAN AGREEMENT.
- b) Events of default which empower the INSURED to apply the ACCELERATION CLAUSE.
- c) Those listed as such in the Particular Conditions of the POLICY.

12.2. If any of the circumstances mentioned in the previous paragraph arise, the INSURED will inform the INSURER of the preventive measures which, in his opinion, should be taken.

12.3. The INSURER will indicate his acceptance or otherwise of the measures indicated, and the INSURED will be obliged to comply with whatever instructions he may receive in this respect, including the suspension of further payments of the LOAN or the cancellation of the LOAN AGREEMENT, and all payments that the INSURED may make after being so informed by the Insurer will not be covered by the INSURANCE.

### **ARTICLE 13**

#### **ALTERATIONS TO THE CONDITIONS OF THE LOAN AGREEMENT**

Without the prior written consent of the INSURER, the conditions agreed with the DEBTOR and specified in the LOAN AGREEMENT, may not be altered.

The INSURER will indicate his agreement or disagreement with the alterations proposed within 15 days of being informed of them by the INSURED.

The deadline mentioned in the previous paragraph will not be applicable in the case of alterations which substantially affect the risk and, in particular, those which are included in the Particular Conditions.

If the INSURER accepts the proposed alteration, he will record this in an endorsement containing the new conditions.

An alteration in the conditions originally agreed will only give rise to an adjustment of the premium agreed in those cases where the new terms entail an increase in the risk, with a corresponding increase in the premium, or in those cases in which the INSURER, beforehand and expressly gives his consent to the correctness and the amount of a refund.

### **ARTICLE 14**

#### **CONSEQUENCES OF NOT INFORMING THE INSURER**

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In the event of concealment or misrepresentation on the part of the INSURED concerning the information mentioned in articles 11, 12 and 13, the Insurer will be empowered to:

- 14.1. Cancel the Insurance Contract by sending a declaration to the INSURED within one month from the time that the concealment or misrepresentation is known, and the cancellation will be effective on the date of the declaration.
- 14.2. Refuse to pay the indemnity if in the concealment or misrepresentation the INSURED has been guilty of willful misconduct or gross negligence.

# Section III

## Non-payments, Losses and Recoveries

### **ARTICLE 15** **REPORTING NON-PAYMENTS**

---

The INSURED must inform the INSURER of the non-payment of any amount of the LOAN and/or of the INTEREST within the ten days following the date on which he had knowledge of such non-payment, and he must enclose the statement of his account with the DEBTOR.

Within time enough for the INSURER to carry out the necessary verifications, the INSURED will provide any other documentation that will justify his possible right to an indemnity. The INSURER may require to review the original documents so that they may be checked against the copies submitted.

### **ARTICLE 16** **STEPS TO BE TAKEN BY THE INSURED**

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16.1. The INSURED will take the necessary steps to avoid that his right against the DEBTOR and, as the case may be, the GUARANTOR, is impaired. If the payment of the LOAN and/or INTEREST has been instrumented by way of bills of exchange, of whatever nature, the INSURED will ensure that they are protested within the time allowed and in due procedure, when the INSURER requires that this should be done.

16.2. Once the non-payment of any instalment of the LOAN is known, the INSURED will immediately require the DEBTOR and, as the case may be, the GUARANTOR, to comply with his obligations, and he must ask the permission of the INSURER for any other activity, whether legal or otherwise, which he may consider should be taken. The INSURER himself may take these steps and give the necessary instructions to the INSURED who undertakes to comply with them as diligently as possible.

16.3. For the purpose of the previous paragraph, the INSURED undertakes to grant the necessary Powers to the INSURER or to the person or persons indicated by him and to transfer by endorsement or in a legally due procedure to be enforceable against third parties, the documents showing title of his right to the payment.

### **ARTICLE 17** **COLLECTION PROCEDURE GUIDELINES**

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17.1. If any of the events contemplated in any of the paragraphs of article 2 arise, the INSURER shall undertake the management of the collection procedures, including the percentage not insured, even for amounts ancillary to the LOAN, insured or not. The INSURED undertakes to waive any right of action he may have against the DEBTOR arising from the LOAN or collateral to the Debt, in relation with either unpaid instalments or those not yet due.

The INSURER will keep the INSURED informed of the steps taken and of the payment deadlines and interest rates he may agree with the DEBTOR or, as the case may be with the GUARANTOR or with the government of the country of the DEBTOR or the GUARANTOR, through restructuring agreements or by any other means and either on his own behalf or that of the Spanish State.

17.2. The INSURED will be reimbursed, in accordance with the provisions of article 24, the percentage and ancillary items not covered by the Insurance once the DEBTOR makes payment.

## **ARTICLE 18**

### **ACCESS OF THE INSURER TO THE INSURED'S INFORMATION**

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The INSURER will have access to all documentation and information concerning the LOAN held by the INSURED, and he will be entitled to ask for authenticated copies checked with the originals.

Documents drafted in foreign languages will be provided by the INSURED already translated into Spanish if so requested by the INSURER.

## **ARTICLE 19**

### **INDEMNITIES**

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If any of the circumstances contemplated in article 2 arise, and all the conditions contained in the Insurance Contract for the acceptance of the loss are complied with, the INSURER will pay the corresponding indemnity within the time limit indicated in article 20.

The amount of the indemnity will be the result of applying the percentage of cover to the following items:

19.1. The amount of the due and unpaid LOAN.

19.2. The amount of the due and unpaid INTEREST.

19.3. The amount of the DEFAULT INTEREST accrued, at a rate not higher than that for the INTEREST, on any due and unpaid amount, from the maturity date of the indemnity, provided that such INTEREST may be demanded from the DEBTOR and/or the GUARANTOR according to a relevant covenant in the LOAN AGREEMENT.

## **ARTICLE 20**

### **DEADLINE FOR THE PAYMENT OF THE INDEMNITY**

---

Payment of the indemnity, which will be provisional and on account of the final net loss of the INSURED as and when determined, will be made as a unique payment with regard to any of the risks covered by the POLICY, within one hundred days from the date at which the INSURED has provided proof of the loss resulting from the occurrence of said events.

## **ARTICLE 21**

### **ACCELERATION CLAUSE**

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Using his own criteria, the INSURER will decide upon the convenience to pay an indemnity for amounts of the principal sum which have not yet matured at the time that the INSURED declares applicable the ACCELERATION CLAUSE agreed in the LOAN AGREEMENT.

This indemnity will in any case be paid if that CLAUSE is applied by the INSURED at the request of the INSURER.

## **ARTICLE 22**

### **FINAL DISCHARGE**

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Upon receipt of the indemnity, the INSURED, for the amount in which he has been indemnified, will sign the final discharge of the obligations of the INSURER that the latter submits.

## **ARTICLE 23 REFUND OF INDEMNITIES**

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The INSURED undertakes to refund to the INSURER the settlements made, within the 30 days from the request to do so, if it is proved that he had no right to the indemnity.

## **ARTICLE 24 APPLICATION OF PAYMENTS**

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For the purpose of this POLICY, the amounts paid by the DEBTOR or, as the case may be, by the GUARANTOR in relation to the LOAN and/or the INTEREST, will be applied to each maturity, in accordance with the rules shown below, once they have been received either by the INSURED or by the INSURER.

24.1. Amounts received by the INSURED on the due date laid down in the LOAN AGREEMENT:

The INSURED will apply them in accordance with the provisions of the LOAN AGREEMENT.

24.2. Amounts received after the unpaid instalment and before the indemnity:

The INSURED will apply these amounts - following the chronological order of the instalment - firstly to the Default INTEREST ACCRUED; once this has been covered, to the outstanding INTEREST, then to the cancellation of the LOAN and lastly to any other amounts due.

If payment is made to the INSURER, he will credit the INSURED with the amounts received.

24.3. Amounts received after the indemnity:

The INSURED will apply them - in the same order as indicated in paragraph 24.2 above - to refund to the INSURER the indemnity received and for the insurance percentage applied to it.

If payment is made to the INSURER, he will retain the amounts to which he is entitled and refund the rest to the INSURED.

## **ARTICLE 25 EFFECTS OF THE PAYMENT OF INDEMNITIES**

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In case of an insurance claim, the INSURER, once the indemnity has been paid, shall acquire the ownership of all the rights and actions of the INSURED with regard to the LOAN indemnified, according to the provisions of article 1.4 of law 10/1970, as for the wording of Law 4/1990 of June 29th, of National General Budget. Also, regarding its management he shall acquire the condition of proxy to the INSURED regarding the portion not insured.

# Section IV

## Special Provisions

### **ARTICLE 26** **ASSIGNMENT OF THE LOAN**

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Subject to previous notification to the INSURER, the INSURED may assign to another entity all or part of the rights and obligations arising from the LOAN AGREEMENT, whereby the assignee will acquire the status of INSURED.

The assignment must be foreseen and allowed in the LOAN AGREEMENT.

### **ARTICLE 27** **LEGISLATION**

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27.1. This Insurance Contract, the General Terms and Conditions whereof are approved by Notified Ministerial Order of 12 January 2006, is governed by the provisions of its General, Particular and Special Terms and Conditions; by Law 10/1970 of 4 July, by Decree 3138/1971 of 22 December, by Royal Decree 1327/1999 of 31 July, by Ministerial Order ECO 180/2003 of 22 January and the remaining applicable regulations on Export Credit Insurance.

The Law 50/1980 of 8 October on Insurance Contracts and the Royal Regulatory Decree 6/2004, which adopts the consolidated text of the regulations for the Organisation and Supervision of Private Insurances insofar as the latter is applicable, will also be applicable, being of supplementary order.

27.2. According to the provisions contained at the articles 44 and 107 of the Law 50/1980, it is hereby stated that the present Insurance Contract belongs to the modality of Great Risks and therefore, the provisions contained at said Law 50/1980 of 8th of October of Insurance Contract, are not of mandatory application; instead, they are of supplementary order whenever not opposing what has been expressly agreed upon herein.

27.3. Regarding the provisions of paragraph 2 above, the parties expressly agree on the non-applicability to this POLICY of certain aspects of the Law 50/1980 of 8 October on Insurance Contracts, such as the mandatory nature of the Law, as foreseen in its article 2, the provisions on restrictive clauses contained in article 3, the exemption from the obligation of the INSURED to inform as established in article 10 and the provisions regarding default of the INSURER contained in article 20 of the aforementioned Law. Regarding the latter, the parties hereby agree to the application of the conventional default rules as contained in article 1100 and concordant articles of the Spanish Civil Code.

27.4. The Kingdom of Spain and the General Directorate of Insurance, dependant of the Ministry of Economy and Taxes, shall supervise the activities of the INSURER according to article 60.1. of Royal Regulatory Decree 6/2004 of 29 October.

### **ARTICLE 28** **JURISDICTION**

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Any dispute that may arise on the interpretation or performance of this INSURANCE Contract will be referred to the Judges and Tribunals of the Kingdom of Spain.

Notwithstanding the above, both parties hereby formally express their reciprocal and unequivocal will to accept the election or arbitration, as the procedure to solve whichever the conflict may be, by the party which may perform as plaintiff, to which effect they hereby expressly convene, in such a case, to waive the exercise of their right before the ordinary jurisdiction, and to submit to arbitration of Law of one or more arbitrators within the frame of the Spanish Court of Arbitration at Madrid, according to its Ruling and Statutes, and according to the procedure thereby established, agreeing, moreover, to commit to said Court the management of the arbitration and the designation of the arbitrator or the arbitral tribunal and undertake to fulfil both the interlocutory orders and the final award given.



In..... as of ..... of .....

THE INSURER,  
COMPAÑIA ESPAÑOLA DE SEGUROS DE  
CREDITO A LA EXPORTACION, S.A. CIA.  
DE SEGUROS Y REASEGUROS, S.M.E.

By authority,

THE INSURED,  
Signature and Seal

# Undertaking of Reimbursement

Credit Insurance Policy number

Mr. .... as Proxy of .....  
according to power of attorney ..... hereby states that:

1) ..... has undertaken with .....  
the following export transactions (hereinafter "the export transaction"): .....

2) ..... has granted a credit (hereinafter "the credit") of the buyer's credit modality  
to ..... for the financing of the payment of ..... % of the price of the  
export transaction. Said payment shall be carried out with charge to the credit by .....  
to ....., following orders of .....  
in the manner and under the conditions established at the credit agreement underwritten by .....  
and .....

3) It is acknowledged that the Compañía Española de Seguros de Crédito a la Exportación, S.A., Cía. de Seguros  
y Reaseguros, S.M.E. (hereinafter CESCE) has insured ..... by means of the Buyer's  
Credit Insurance Policy number..... against the risk of default payment of the credit by .....  
..... in the conditions established at said insurance policy that is hereby stated to know.

4) That pursuant to what has been declared here above, the obligations hereunder listed are irrevocably assumed by  
....., which expressly declares that:

FIRST. It undertakes to inform in a truthful and sufficient manner on the environmental impact of the export transaction  
and to comply fully with the obligations it is subject to in accordance with the contractual agreements relating to the  
export transaction as well as with any legal requirement in force in Spain. In particular, it undertakes to comply with  
Spanish legislation aimed at persecuting bribery of foreign public civil servants in the country of the Debtor and of the  
Buyer, as well as with any other binding rule regarding the adequate completion, validity and compliance of said export  
transaction.

SECOND. It undertakes to use the funds received with charge to the credit for the sole and only use of complying with  
the benefits he is subject to due to the contract relating the export transaction.

THIRD. It undertakes to abide by the supervision and control of the supervising or auditing entity that CESCE may name  
for the verification of the compliance with the obligations corresponding to the export transaction and the use of the  
funds received with charge to the credit.

To these effects:

It undertakes to allow free access to its domicile, facilities or work sites, making all documents and data relating to the  
export transaction and credit as well as all his company books and registers available.

FOURTH. The right inherent to CESCE to order the suspension of credit disposals both in the cases foreseen at the  
general or particular conditions stated at the Buyer's Credit Insurance Policy number .....  
as in the case that CESCE should have prima facie evidence that .....  
has substantially altered the aims for which the received funds must be destined, as established at SECOND here above,  
is acknowledged and accepted.

FIFTH. That it commits to pay CESCE the sums of the provisional or definite indemnities that it has paid to ..... in virtue of the Buyer's Credit Insurance Policy number ....., when it had incurred in breach of any of the obligations assumed at FIRST, SECOND and THIRD paragraphs of the present document.

Payment to CESCE will be made by ..... within thirty days beginning from the date at which the latter has been requested to do so, subject to no other condition than submission by CESCE of the receipts of the amounts underwritten by..... confirming receipt of the indemnity.

SIXTH. The present UNDERWRITING OF REIMBURSEMENT shall remain in force while the cover granted by CESCE to ..... according to the Buyer's Credit Insurance Policy number ..... and the possible extension and addendums that CESCE and ..... may agree upon.

In..... as of ..... of ..... of .....  
(Name, signature and seal)



[www.cesce.com](http://www.cesce.com)

Línea de Atención al Cliente  
902 11 10 10