



[Export Insurance Policy](#)

~~EXPORT INSURANCE POLICY~~

[Number](#)

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### Note

~~Those Export Insurance Policies which provide *supplemental* insurance cover for contracts which are to be financed with ECGD support contain certain additional wording in clauses 1 and 11, and an additional clause 12. This additional wording is shown in this specimen in *\*[starred and bracketed italics]*.~~

~~Rev 20041201~~

## PREAMBLE AND RECITAL

~~This Export Insurance Policy (THIS EXPORT INSURANCE POLICY (this "Policy"))~~ is given by the ~~SECRETARY OF STATE~~ Secretary of State acting by the ~~EXPORT CREDITS GUARANTEE DEPARTMENT~~ Export Credits Guarantee Department ("ECGD") to [ *name of Insured* ] of [ *address* ] ("the Insured").

### **Whereas**

#### **WHEREAS**

1 the Insured is about to sign or has signed the Contract (as hereinafter defined) with the Purchaser (as hereinafter defined) and has by means of the Proposal (as hereinafter defined) dated [ *date* ] requested ECGD to provide a Policy in connection with the Contract; and

2 ECGD has agreed on the basis of the Proposal and in consideration of payment by the Insured of the premium detailed in the Schedule to insure the Insured under this Policy against loss on the following terms:

**NOW THEREFORE IT IS AGREED AS FOLLOWS:-**

## **1 INTERPRETATION**

1.1 In this Policy

'Administration Records' means any records, other than those covered by legal privilege, preserved in any medium or form including records stored electronically which relate to the performance of the Contract;

'Advance Payment' means the amount so described in the Schedule;

'Associate' means any company (other than the Insured or a Controlled Company), person or other legal entity which is a party to any joint venture, consortium or other similar arrangement (1) which is, or will be, involved in the performance of all or any part of the Contract and (2) to which the Insured is also a party 'Agent' means any agent, intermediary, consultant or other person:

(a) who has been instructed by, or on behalf of, the Insured; and

(b) who has been directly or indirectly involved in the process of tendering for, or seeking the award of, the Contract or any Related Agreement;

'Amounts Owning' means all amounts relating to Insured Elements that are due and payable to the Insured by the Purchaser under the Contract and are unpaid by the Purchaser and any Surety, except interest payable in relation to an Insured Element in respect of any period after the Due Date of Payment for that Insured Element;

'Confidential Information' means (1) the Records, (2) the contents of the Records and (3) all written or oral explanations provided in respect of the Records pursuant to Clause 4.4;

'Consortium Partner' means any company (other than the Insured or a Controlled Company), person or other legal entity which is a party to any written joint venture, consortium or other similar arrangement (other than a sub-contract) to which the Insured is

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also a party and which joint venture, consortium or other arrangement has been, or will be, entered into in connection with the performance of all, or any part of, the Contract;

'Contract' means the entirety of the contract between the Insured and the Purchaser which is referred to in the Schedule;

'Contractual Amount' in respect of any currency means the amount denominated in that currency that is so described in the Schedule;

~~'control' and 'controlled' means, in relation to a company, control of that company by virtue of (1) contractual arrangements (including, without limitation, provisions in that, or any other, company's memorandum and articles of association or the equivalent documents in the case of a company incorporated in a jurisdiction other than that of England and Wales) and/or (2) ownership (whether directly or by nominees or trustees) of the majority of the voting share capital of that company;~~

~~'Controlled Company' means any company (in any jurisdiction) which is controlled by the Insured;~~

'Contract Records' means records stored electronically which relate (1) specifically to the Insured's obtaining of the Contract or the employment of, and payments to or for the benefit of, any agents or other intermediaries involved directly or indirectly at any time with the Contract and (2) only to the period up to the date of award of the Contract;

'Corrupt Activity' means any activity (including without limitation, the offering of any payment, reward or other advantage to any public official or other person) which:

~~(1) is subsequently found by a court in a competent jurisdiction (after all available rights of appeal have been exhausted) to have rendered a-the eContract illegal, void, voidable or unenforceable under its governing law;~~ or

~~(2) the Insured, or any Controlled Company or anyone (including any employee) acting (with due authority) on the Insured's, or any Controlled Company's, behalf or with the Insured's, or any Controlled Company's, subsequent acquiescence has, other than under duress, admitted engaging in;~~ or

~~(3) is subsequently found by a court in any competent jurisdiction outside the United Kingdom (after all available rights of appeal have been exhausted) to constitute an offence under any applicable law, (except by virtue of any changes to that law having retrospective effect);~~ or

~~(4) is subsequently found by a court in the United Kingdom (after all available rights of appeal have been exhausted) to constitute an offence under the Relevant Acts (except by virtue of an amendment to the Relevant Acts having retrospective effect)~~

~~and which activity, in respect of paragraphs 1, 2, and 3 above corresponds to an offence under the Relevant Acts (except by virtue of an amendment to the Relevant Acts having retrospective effect);~~ (1), (2), and (3) above corresponds to an offence under the Relevant Acts

provided that, where, for the purposes of sub-paragraph (2) above, any such activity is admitted by either (i) a person other than a national of the United Kingdom (as defined in section 109(4) of the Anti-terrorism, Crime and Security Act 2001) or (ii) a body incorporated under the laws of a country other than the United Kingdom, such activity shall not, for the purposes of this Undertaking, constitute "Corrupt Activity" if such activity was not, at the time it was engaged in, unlawful under the laws and regulations of the country in which it took place.

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**'Costs Incurred'** means all costs that are necessarily incurred by the Insured in relation to all Insured Elements and are intended to be recouped by payment under the Contract, including sums payable in respect of obligations undertaken for the purposes of the Contract, direct and indirect overheads and costs relating to plant;

**'Date of Ascertainment of Loss'** in respect of any loss relating to Insured Elements means the date so described in clause 6.3;

**'Due Date of Payment'** means a date for payment as defined in the Contract;

~~**'ECGD Finance Arrangements'** means the arrangements so described in the Schedule;~~

**'End Date'** means the date so described in the Schedule;

**'Information Legislation'** means the Freedom of Information Act 2000 and the Environmental Regulations 2004 as, in each case, amended or re-enacted from time to time and any other legislation from time to time governing the disclosure of information held by public bodies in response to requests from individuals or organisations;

**'Insolvency'** in relation to any person means any of the following:

- (a) the appointment of a trustee, administrator, administrative or other receiver, liquidator, manager or other insolvency practitioner (as the term is used in the Insolvency Act 1986) in respect of that person or in respect of (or such practitioner taking possession of) all or a substantial part of that person's assets;
- (b) that person being deemed or declared in accordance with the Insolvency Act 1986 or any other applicable legislation to be unable to pay its debts generally or making any assignment of its debts or entering into any composition or other arrangement for the benefit of its creditors; or
- (c) any event occurring in any jurisdiction that in the opinion of ECGD corresponds to (a) or (b) above;

and "Insolvent" has a corresponding meaning;

**'Insured Elements'** means the elements of the Contract so described in the Schedule;

**'Insured Percentage'** means 95%;

**'Insured Risk'** means any event listed in clause 2 of this Policy;

**'Insurer's Maximum Liability'** means the amount so described in the Schedule;

**'Proposal'** means the proposal made in a form acceptable to ECGD on the date stated in the Recital together with any further information that the Insured provides before accepting the offer of this Policy;

**'Purchaser'** means the party so described in the Schedule;

**'Purchaser's Country'** means the country so described in the Schedule;

**'Records'** means the Administration Records and the Contract Records;

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'**Recoveries**' means all sums received by or on behalf of ECGD or the Insured from any other party after loss is determined under this Policy that relate to any Insured Element, such sums including but not being limited to the realisation of security, the resale of goods and assets, and interest in respect of any period after a claim payment under this Policy, but excluding interest relating to any period between the occurrence of loss and the claim payment;

"Related Agreement" means:

(1) any agreement or undertaking, other than any agreement or undertaking for the supply of goods or services to the Insured or any Consortium Partner, which relates to the Contract and to which the Insured or any Consortium Partner is a party; and/or

(2) any consent or authorisation, required by the Insured or any Consortium Partner for the obtaining or performance of the Contract and of which the Insured or any Consortium Partner is the direct recipient or beneficiary;

'**Relevant Acts**' means the Prevention of Corruption Acts 1889 to 1916 ~~(as and Part 12 of the Anti-Terrorism Crime and Security Act 2001 (as, in each case,~~ from time to time amended or re-enacted);

'**Security**' means any arrangement so described in the Schedule;

'**Surety**' means any party so described in the Schedule;

'**United Kingdom**' means the United Kingdom of Great Britain and Northern Ireland and includes the Channel Islands and the Isle of Man.

1.2 In this Policy references to clauses and the Schedule denote the clauses in and the Schedule to this Policy, and references to persons denote individuals, partnerships or bodies corporate as the context requires, and the singular includes the plural and vice versa as the context requires, and clause headings shall not affect the interpretation of the Policy.

1.3 This Policy, its Recital and Schedule and the Proposal on which it is based shall constitute the whole agreement between ECGD and the Insured.

1.4 ECGD shall not be deemed to have accepted any failure by the Insured to comply with any condition of this Policy unless it has given express written confirmation of such acceptance.

1.5 This Policy shall be construed in accordance with English law and ECGD and the Insured submit to the exclusive jurisdiction of the English courts in respect of any dispute arising in connection with this Policy.

1.6 For the avoidance of doubt ECGD and the Insured do not intend that any of the terms of this Policy should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person other than ECGD or the Insured.

1.8 Where the Insured is a partnership, references to the directors of the Insured shall be read and construed as references to the partners of that partnership.

## 2 INSURED RISKS

In consideration of payment by the Insured of the premium specified in the Schedule, ECGD agrees

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to pay to the Insured the Insured Percentage of any loss (as stipulated in this Policy) that is caused by the occurrence of any of the following Insured Risks:

### 2.1 Purchaser risks

A1 the Insolvency of the Purchaser or the Surety

A2 the failure of the Purchaser or the Surety to pay an Amount Owing to the Insured within six months of the Due Date of Payment

A3 the failure or refusal of the Purchaser to fulfil any of the terms of the Contract

### 2.2 Political risks

B1 political or economic events, or administrative measures including moratorium, arising outside the United Kingdom, that prevent or delay the conversion or transfer of payments or deposits made in respect of the Contract

(provided that where such payment or deposit has fulfilled a contractual payment obligation of the Purchaser then any loss arising from this Insured Risk shall nonetheless be deemed to consist of Amounts Owing, and ECGD's liability for such loss shall be conditional on the Insured having taken all reasonable measures to procure the conversion or transfer)

B2 any other action of the government or legislature of a foreign country that affects performance of the Contract

B3 the Purchaser or the Surety making payment in a currency other than the currency of the Contract and the Purchaser thus obtaining a valid discharge of debt in respect of an Insured Element through a law or regulation in the Purchaser's Country, the payment after conversion into the currency of the Contract producing an amount lower than the debt in the currency of the Contract, and the discharge so obtained not being a valid discharge under the proper law of the Contract

B4 the occurrence outside the United Kingdom of hostilities or civil commotion that affects performance of the Contract

B5 any administrative or legislative measure taking effect in the United Kingdom after the date of the Contract that affects performance of the Contract, including cancellation or non-renewal of a United Kingdom export licence

## 3 PERIOD AND EXTENT OF COVER

3.1 ECGD's exposure to liability for loss under this Policy

3.1.1 begins on the latest of the dates when

3.1.1.1 the Insured accepts ECGD's offer of this Policy and pays the premium due,

3.1.1.2 all licences and other authorisations that are required at the date of the Contract under any law for the performance of the Contract are obtained,

3.1.1.3 the Insured receives any Advance Payment required by the

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Contract, and

3.1.1.4 the Contract becomes effective; and

3.1.2 ends on the earliest of

3.1.2.1 for each Insured Element, the date on which the Insured is paid for it in full,

3.1.2.2 the date on which the Contract is terminated, and

3.1.2.3 the End Date;

and ECGD shall have no liability in respect of any Insured Risk occurring outside these dates, except that clause 3.1.2.1 shall not apply to any claim in respect of Insured Risk B1 where the Purchaser has fulfilled its payment obligation, and clause 3.1.2.2 shall not apply to ECGD's liability for any claim in respect of any termination or arbitration award that is or becomes due and payable by the Purchaser, and for the sole purpose of clause 3.1.2.3 Insured Risk A2 shall be deemed to have occurred on the relevant Due Date of Payment.

3.2 ECGD's liability for loss in respect of the Insured Elements shall relate only to Amounts Owed and Costs Incurred.

**3.3** ~~3.3~~—Unless otherwise agreed in writing, ECGD's liability for loss in respect of the Insured Elements shall not exceed the Insurer's Maximum Liability.

## 4 OBLIGATIONS OF THE INSURED

### Disclosure of facts

4.1 The Insured shall

4.1.1 at all times promptly disclose to ECGD all facts affecting the Insured Risks;

4.1.2 despatch written notice to ECGD of

4.1.2.1 any event likely to cause a loss, and

4.1.2.2 any call on a bond by the Purchaser, other than a call resulting only in an extension to the validity of that bond

within thirty days of becoming aware of such event;

4.1.3 provide ECGD in writing with any information that it may request from time to time regarding the progress and conduct of the Contract; and

4.1.4 not unreasonably delay or withhold consent to disclosure by ECGD of any matters which are otherwise confidential by virtue of the provisions of the Proposal.

### Audits and the Provision of Information

4.2 The Insured shall ~~4.2.1~~—permit any person authorised by ECGD (and, if other than an official of ECGD ~~personnel~~, approved by the Insured, (such approval not to be unreasonably withheld or delayed by the Insured) to visit ~~any of its UK premises where~~

~~records relating to the performance of this Policy or the Contract are kept~~, during business hours, any of the Insured's premises in the United Kingdom where Records are kept for the sole purpose of inspecting, auditing and taking copies of any ~~records, other than those covered by legal privilege, preserved in any medium or form including records stored electronically which relate specifically to the performance of this Policy or the Contract (the "Administration Records");~~ 4.2.2 if ECGD confirms in writing to the Insured that it has reasonable grounds for suspecting that an employee, [partner]<sup>4</sup>, agent or intermediary of the Insured has been engaged in any Corrupt Activity (or any activity which, subject to the occurrence of the subsequent events referred to in paragraphs 1, 3, or 4 of the definition of Corrupt Activity in clause 1.1, would amount to Corrupt Activity) in connection with the Contract, permit an independent third party acceptable to the Insured and ECGD to visit any of its UK premises where records relating to the obtaining and performance of the Contract are kept during business hours for the sole purpose of inspecting and auditing any records, other than those covered by legal privilege, preserved in any medium or form including records stored electronically which relate (a) specifically to the Insured's obtaining of the Contract or the employment of, and payments to or for the benefit of, any agents or other intermediaries involved directly or indirectly at any time with the Contract and (b) only to the period up to the date of award of the Contract (the "Contract Records" and, together with the Administration Records, the "Records"), provided that ECGD may only inspect and audit Contract Records for the sole purpose of verifying statements made, and information given, to ECGD by the Insured in the Proposal; and Administration Records provided that ECGD gives to the Supplier at least five business days' notice of that visit.

4.3 The Insured shall permit any person authorised by ECGD (and, if other than an official of ECGD, approved by the Insured, such approval not to be unreasonably withheld or delayed by the Insured) to visit during business hours any of the Insured's premises in the United Kingdom where Contract Records are kept in order to inspect any Contract Records to the extent necessary to verify the accuracy of any statements made, and any information given, by the Insured in section 12 of Part B and sections 5 and 6 of Part G of the Proposal provided that ECGD gives to the Supplier at least five Business Days' notice of that visit.

~~4.2.3 in~~ 4 In relation to clauses ~~4.2.1 and 4.2.2~~, the Insurer shall furnish such oral or written explanations ~~thereof~~ within its knowledge of any Records as ECGD's authorised representative or ECGD's personnel (as the case may be) may reasonably require and permit them to take any copies of any of the ~~Administration~~ Records which they may reasonably require upon condition that ECGD will

~~4.2.3.1 give not less than five business days notice of such visits referred to in clauses 4.2.1 and 4.2.2, 4.2.3.2~~ on request, pay to the Insured the cost of supplying any copies of the ~~Administration Records;~~ Records;

4.5 Any Confidential Information will be held by ECGD in confidence on the terms set out in paragraph 7 of Part G of the Proposal or (where applicable) the terms of the security of information arrangements (as referred to in paragraph 12 of Part B of the proposal) or both.

~~4.2.3.3 hold in confidence, and not disclose to any third party without the Insured's prior written consent, the Records, the contents thereof and all written or oral explanations provided in respect thereof (the "Confidential Information"), subject to ECGD's obligations at law or under the Code of Practice on Access to Government Information (the "Code") or its obligations to Parliament as a Government Department and ECGD's right to disclose any of the Confidential Information in confidence to its~~

<sup>4</sup> ~~Include if supplier is a partnership~~

~~reinsurers or professional advisers in connection with its portfolio management activities, provided, in the case of such reinsurers or professional advisers, that ECGD shall (a) ensure that all persons to whom any of the Confidential Information is disclosed in accordance with this clause shall hold the same in confidence and ECGD shall be responsible for any breach of confidence by any reinsurer or professional adviser to whom it discloses any of the Confidential Information; and (b) to the extent permitted by law, give the Insured reasonable notice of its intention to disclose any Confidential Information under the Code and consult with the Insured in deciding whether to disclose any Confidential Information under the Code, and~~

4.6 ~~Wherever practicable, ECGD will give notice to the Insured of any application made under the Information Legislation for the disclosure of Confidential Information; and nothing in this Clause 4 shall imply that the Insured considers any Confidential Information to be disclosable under the Information Legislation.~~

~~4.2.3.47~~ To the extent permitted by its obligations at law and its responsibilities as a Government Department, ECGD will destroy ~~the~~ Confidential Information, or, if so requested, return it to the Insured, when ECGD considers that it has served the purpose for which it was obtained.

~~4.38~~ Nothing in clause 4.2, ~~shall~~4.3 or 4.1-4 obliges the Insured or ECGD to act unlawfully or in breach of any ~~regulation or~~ requirement of any regulatory or investigatory body or in breach of any duty ~~of confidentiality, or of confidence.~~

4.9 ~~The Insured will not unreasonably delay or withhold consent to disclosure by ECGD of any information which is otherwise confidential by virtue of the provisions of the Proposal.~~

~~4.3.2 be construed as consent by the Insured to ECGD to disclose any Confidential Information in accordance with the Code.~~

#### **Corrupt Activity**

4.10 ~~The Insured warrants that it:~~

4.10.1 ~~has not engaged in any Corrupt Activity in relation to the Contract or any Related Agreement;~~

4.10.2 ~~has not authorised any person to engage in any such Corrupt Activity; and~~

4.10.3 ~~has not consented to, or acquiesced in, any such Corrupt Activity on the part of any person.~~

4.11 ~~The Insured warrants and undertakes that it:~~

4.11.1 ~~will not engage in any Corrupt Activity in relation to the Contract or any Related Agreement;~~

~~will not authorise any person to engage in any such Corrupt Activity; and~~

~~4.4 Neither the Insured, nor any Controlled Company nor anyone (including any employees) acting on the Insured's, or that Controlled Company's, behalf with due authority, or with the Insured's, or that Controlled Company's prior consent or subsequent acquiescence, shall have engaged, or shall engage in any Corrupt Activity in connection with the Contract.~~

4.11.2 ~~will not consent to or acquiesce in, any such Corrupt Activity on the part of any person.~~

4.512 If the Insured becomes aware that any ~~Associate Consortium Partner~~ or anyone (including any of ~~its employees~~) ~~acting on its behalf (with due authority) or with its subsequent acquiescence has engaged in Corrupt Activity~~that Consortium Partner's employees) has engaged in any Corrupt Activity (or any activity which, subject to the occurrence of the subsequent events referred to in paragraphs (1), (3) or (4) of the definition of Corrupt Activity in clause 1.1 would amount to Corrupt Activity) in connection with the Contract or any ~~related agreement undertaking, consent, authorisation or arrangement of any kind~~Related Agreement the Insured shall promptly notify ECGD accordingly and supply ECGD with full details of the Corrupt Activity in question save where such notification would, or might reasonably be argued to, constitute the offence of "tipping off" under section 333 of the Proceeds of Crime Act 2002.

**4.13 The Insured:**

~~4.13.1 4.6—The Insured (1) shall have required or shall~~shall, if it has not done so already, require anyone (including any of its employees) acting on its behalf with due authority and involved in obtaining or performing the Contract or any Related Agreement not to engage in any Corrupt Activity (or any activity which, subject to the occurrence of the subsequent events referred to in paragraphs ~~(1), (3) or (4)~~ of the definition of Corrupt Activity in clause 1.1 would amount to Corrupt Activity) in ~~connection with the Contract (2) will monitor compliance with that requirement and (3) will take appropriate action against anyone found to have engaged in~~Corrupt Activityrelation to the Contract or any Related Agreement;

~~4.13.2 shall monitor compliance with that requirement; and~~

~~4.13.3 shall take appropriate action against anyone found to have engaged in any Corrupt Activity.~~

**4.14 Without prejudice to clause 5, 10.2 or 11 or to any rights which ECGD may have at law to avoid this Policy, if:**

~~4.14.1 the warranty contained in clause 4.10, or any of the statements or declarations made in section 12 of Part B and sections 5 to 8 (inclusive) of Part G of the Proposal, proves to be untrue or incorrect; or~~

~~4.14.2 the Insured breaches any of the warranties and undertakings contained in, or fails to fulfil any of its obligations under, clause 4.11, 4.12 and 4.13~~

~~ECGD may, forthwith upon giving written notice to the Insured, avoid this Policy from its inception (and, in such event, the Insured shall, on demand, repay to ECGD the full amount of all such payments, if any, as ECGD may have made to the Insured pursuant to this Policy prior to the date of that notice).~~

**Minimising loss and obtaining recoveries**

4.715 The Insured shall take all reasonable care and shall promptly take all practicable measures to prevent or minimise loss, to obtain Recoveries, and to preserve all its rights to take future measures for those purposes, and if ECGD so directs for these purposes it shall promptly

4.715.1 take any practicable action that ECGD requires,

4.715.2 co-operate in negotiating or implementing any debt rescheduling agreement relating to Insured Elements, and

4.715.3 assign all its rights under the Contract, and to goods, documents and securities relating to the Contract, to ECGD.

**Contract variations**

4.816 The Insured shall not depart from the terms of the Contract, or agree to or acquiesce in any variation in them or any departure from them by the Purchaser, without ECGD's consent in writing, unless such departure or variation

4.816.1 has been agreed in writing by the Purchaser and any Surety,

4.816.2 does not cause the total amount payable by the Purchaser in any given currency in respect of the Insured Elements to exceed the Contractual Amount for that currency,

4.816.3 does not extend any period relating to the performance under the Contract of any obligation of the Insured or the Purchaser beyond the End Date, and

4.816.4 does not change the nature or origin of the goods and services to be provided.

4.917 The Insured shall notify ECGD in writing of any variation in or departure from the terms of the Contract in respect of which it requires additional insurance cover, and if ECGD agrees to give such additional cover it shall confirm its decision in writing.

**Allocation of sums received before loss is ascertained**

4.108 Where before any loss is ascertained under this Policy the Insured receives any sum from the Purchaser or the Surety in respect of any contract whether or not insured by ECGD that is allocated to any element other than to the outstanding amounts with the earliest due date of payment under all such contracts, then for the purposes of this Policy that sum shall be treated as if it had been allocated to those outstanding amounts in the chronological order of their due dates of payment, except that where ECGD accepts in writing that the allocation

4.108.1 relates to an uninsured element of any contract insured by ECGD, or to an element that would in the opinion of ECGD be uninsured if the contract to which it relates was insured by ECGD, and

4.108.2 has not been made for the purpose of worsening ECGD's recovery prospects or exposure to loss in respect of any Insured Element,

then the Insured shall be entitled for the purposes of this Policy to give effect to that allocation.

**Uninsured percentage**

4.149 The Insured shall retain the risk of the uninsured percentage of any loss relating to the Insured Elements for its own account.

**Joint and several obligations**

4.420 Where there is more than one Insured under this Policy the obligations of the Insured shall be joint and several.

**5 EXCLUSIONS OF LIABILITY**

Unless ECGD agrees otherwise in writing, it shall not be liable under this Policy for any loss

**Failure to comply with the terms of the Policy**

5.1 if the Insured fails to comply with any of the terms of the Policy or of any other agreement made between ECGD and the Insured in connection with the Contract or with any related bond;

**Conduct of the Contract**

5.2 if the Insured has failed materially to observe or fulfil any of the terms of the Contract, or to comply with any law or regulation affecting the performance of the Contract, unless that failure is the direct result of the occurrence of an Insured Risk;

5.3 if the Purchaser alleges or appears on the evidence available to ECGD to have cause to allege that it is justified in not performing any of its obligations under the Contract, unless and until the Insured has demonstrated to ECGD's satisfaction (whether in accordance with the dispute resolution provisions of the Contract or by legal proceedings in the Purchaser's Country or in such other manner as ECGD may require) that the Purchaser is not entitled to refuse to perform such obligation;

5.4 arising from any breach of contract by, or any act or omission on the part of, or any cause within the control of, any sub-contractor of the Insured;

5.5 in respect of any Cost Incurred or any Amount Owing becoming such after ECGD directs the Insured under clause 4.715 of this Policy to begin proceedings to suspend or terminate the Contract, if ECGD concludes after so directing that the Insured is contractually unable to comply with that direction;

5.6 arising after the Insured makes any payment to the Purchaser in respect of any Advance Payment received under the Contract;

**Other exclusions**

5.7 if, at the time of making a claim under this Policy, the Insured has assigned or charged its right to recover in respect of the loss, or its rights or interests under the Contract, or has entered into any other arrangement that may adversely affect its rights to obtain Recoveries in respect of the loss, unless

5.7.1 that arrangement does not contravene the terms of the Contract, and

5.7.2 the assignee, guarantor or other party to such an arrangement has given a written undertaking acceptable to ECGD that it shall not make any claim to any Recoveries in respect of the loss other than those to which it may be entitled under clause 9;

5.8 in respect of Amounts Owing unless any Security is legally enforceable on the Due Date of Payment for those Amounts Owing, provided that this exclusion shall not apply if the Security is unenforceable as the direct result of the occurrence of any of Insured Risks A1 or B1 - B5;

5.9 in respect of which the Insured is entitled to claim under any other insurance policy or indemnity, or would be so entitled but for the existence of this Policy;

5.10 if, on the date when loss is ascertained, the Insured is Insolvent and is unable to satisfy ECGD that there is adequate security to secure all payments that may become payable to ECGD by the Insured;

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5.11 if the performance of the Contract is conditional on the export of or payment for any goods, services or works not listed in the Schedule;

5.12 if the Insured does not have the right under the Contract or the law of the Contract to take legal proceedings against the Purchaser for non-payment;

5.13 ~~5.13~~ if the name of HM Government or ECGD, or the insurance provided by HM Government or ECGD, under this Policy ~~is or~~ has been used directly or indirectly in connection with the raising of funds from the capital markets.

## 6 CLAIMS

6.1 Any claim under this Policy shall be made in a form acceptable to ECGD by no later than twelve months after the End Date.

6.2 The burden of proving the occurrence of an Insured Risk and that loss has occurred and is covered under this Policy, and of disproving the applicability of any exclusion of liability on which ECGD considers that it may be entitled to rely, shall be on the Insured.

6.3 The Date of Ascertainment of Loss in respect of any loss shall be

6.3.1 for Insured Risk A1, the date Insolvency occurs;

6.3.2 for Insured Risk A2, six months after the Due Date of Payment;

6.3.3 for all other Insured Risks,

6.3.3.1 in respect of claims for Amounts Owing, three months after the later of the Due Date of Payment and the completion or frustration of any required transfer formalities; and

6.3.3.2 in respect of claims for Costs Incurred, six months after the occurrence of the Insured Risk.

6.4 Any claim in respect of a loss sustained in Sterling shall be paid in Sterling and any other claim shall be paid in the currency in which the loss was sustained, or if that currency is not available to ECGD in Sterling using

6.4.1 the contractual exchange rate given in the Schedule, or (if there is no such rate)

6.4.2 the exchange rate at which the other currency was purchased by the Insured to close any forward exchange contract in respect of the Insured Elements, or (if there is no such contract)

6.4.3 the middle buying rate for the other currency in the London foreign exchange market at the close of business on the date on which in the opinion of ECGD the loss occurred;

subject to the limitation that where ECGD pays any claim under this Policy in any currency other than Sterling then, for the purpose of ensuring that clause 3.3 of this Policy is given effect, that amount shall notionally be exchanged into Sterling at the middle buying rate for that currency in the London foreign exchange market at the close of business on the date on which in the opinion of ECGD the loss occurred.

## Annex E ii

6.5 Where any loss has been ascertained under this Policy ECGD may also elect to pay to the Insured the Insured Percentage of the value of all the Insured Elements covered by this Policy in respect of which loss has not yet occurred, and that payment shall be a full discharge of ECGD's liability in respect of all Insured Elements.

6.6 ECGD may set off against any amount payable to the Insured under this Policy any amount owed to ECGD by the Insured under this Policy or otherwise, such set off applying first to any interest and then to principal.

## 7 LOSS

7.1 The amount of any claim payment shall be the Insured Percentage of the amount of loss in respect of Amounts Owing and/or Costs Incurred as at the Date of Ascertainment of Loss.

7.2 Where the same Date of Ascertainment of Loss applies to both Amounts Owing and Costs Incurred loss under this Policy, ECGD shall ascertain the loss in respect of Amounts Owing before the loss in respect of Costs Incurred.

### Amounts Owing

7.3 The amount of loss in respect of Amounts Owing shall be all Amounts Owing in respect of which loss has occurred, less all sums received or realisable by the Insured in respect of those Amounts Owing at the Date of Ascertainment of Loss, such sums including where applicable (but not being limited to)

7.3.1 any sum that the Insured is able and entitled to appropriate towards payment, and

7.3.2 any sum that the Purchaser is entitled to take into account by way of set-off or counterclaim, and

7.3.3 the amount of loss in respect of any other claim admitted by ECGD in respect of the Amounts Owing;

provided that where loss arises from Insured Risk B1, any sum deposited in the Purchaser's Country in respect of the loss shall not be deducted from the loss or subsequently treated as a Recovery for the purposes of clause 9 unless and until the Insured is able to make use of that sum (or of any sum realised as the result of its sale or disposal) whether in the United Kingdom or elsewhere.

### Costs Incurred

7.4 The amount of loss in respect of Costs Incurred shall be all Costs Incurred (subject at the discretion of ECGD to confirmation by an accountant or other independent authority acceptable to ECGD that such costs have been determined in a way consistent with the Insured's standard cost accounting practice and with good accounting practice generally), less

7.4.1 all sums received or realisable by the Insured in respect of the Insured Elements at the Date of Ascertainment of Loss, such sums including where applicable (but not being limited to)

7.4.1.1 all sums paid to the Insured by or on behalf of the Purchaser or the Surety,

## Annex E ii

7.4.1.2 the amount of loss in respect of any other claim paid by ECGD under this Policy,

7.4.1.3 any other sum that the Insured is able and entitled to appropriate towards payment,

7.4.1.4 any other sum received, including proceeds from the resale of goods, and

7.4.1.5 any sum that the Purchaser is entitled to take into account by way of set-off or counterclaim; and

7.4.2 any sum incurred in relation to a call on or an extension to the validity of any bond issued in connection with the Contract.

### **Other provisions**

7.5 Any deduction made from an amount of loss that is denominated in a currency other than the currency in which the loss has occurred shall be converted to that currency at the middle buying rate for that currency in the London foreign exchange market at the close of business on the day on which in the opinion of ECGD the loss occurred.

7.6 If at the Date of Ascertainment of Loss the total amount of loss under this Policy together with all other amounts received by the Insured in respect of the Insured Elements exceeds the amount that would ultimately have been payable in respect of all the Insured Elements in accordance with the Contract, the amount of loss shall be reduced by the amount of the excess.

7.7 Where after the Date of Ascertainment of Loss but before ECGD notifies the Insured that it has ascertained any loss the Insured receives any sum that would have been deductible from the amount of loss under clause 7.3 or 7.4.1 if received before the Date of Ascertainment of Loss, ECGD shall deduct the Insured Percentage of that sum from the value of any claim payment.

## **8 EXPENSES**

### **8.1 ECGD**

8.1.1 may at its discretion reimburse the Insured for any amount up to the Insured Percentage of any expenses that it incurs at any time when it is acting to minimise loss and that are not agreed in advance by ECGD,

8.1.2 shall reimburse the Insured for the Insured Percentage of all expenses that it incurs when it is acting at ECGD's direction to minimise loss or to obtain Recoveries and that are agreed in advance by ECGD, and

8.1.3 shall in addition reimburse the Insured for the Insured Percentage of all losses necessarily sustained in carrying out action directed by ECGD where the Insured can satisfy ECGD that it would have fulfilled its obligations under the Policy without sustaining those losses had ECGD not directed that action;

provided that unless ECGD agrees otherwise it shall not reimburse expenses relating to any element of the Contract that is not an Insured Element.

8.2 ECGD shall not reimburse any internal administrative expense of the Insured, or any expense incurred by the Insured for the purpose of proving a claim under this Policy

(including the expense of providing any required independent opinion on the method of calculation of costs), or for the purpose of disproving the applicability of an exclusion of liability in respect of that claim.

## 9 RECOVERIES

9.1 After ECGD has informed the Insured that it has ascertained any loss under this Policy the Insured shall promptly

9.1.1 notify ECGD upon receipt of all sums that it receives from the Purchaser or the Surety and of all sums relating to the Contract that it receives from any other party, and

9.1.2 pay to ECGD all such sums that are Recoveries and such other sums as are payable to ECGD under clause 9.2, and shall receive and from the date of receipt until payment hold the same in trust for ECGD, and

9.1.3 provide evidence satisfactory to ECGD that any sums retained by the Insured are not Recoveries, and

9.1.4 treat as a Recovery and pay to ECGD any sum in respect of which it fails to provide such evidence.

9.2 Where any element of the Contract is listed in the Schedule as an uninsured element and where a sum the receipt of which is notified to ECGD in accordance with clause 9.1.1 cannot clearly and to the satisfaction of ECGD be allocated either to the Insured Elements or to an uninsured element, then the Insured shall pay that sum in full to ECGD, and ECGD shall treat as a Recovery that proportion of the sum paid that equals the proportion of the value of the Contract (less any part of the Contract value that was paid to the Insured before cover began under the Policy) that consists of Insured Elements, and shall return the balance to the Insured.

9.3 ECGD shall retain the Insured Percentage of all Recoveries, and shall return the balance to the Insured, until such time as ECGD has retained amounts equivalent to

9.3.1 the value of all claims paid and of any expenses reimbursed to the Insured under the Policy,

9.3.2 the cost to ECGD of paying those claims and expenses and of taking any action to obtain Recoveries, including the cost of funds but excluding internal administrative costs, and

9.3.3 the Insured Percentage of any Recoveries that are paid specifically in respect of loss ascertained under the Policy but that relate only indirectly to the Insured Elements the subject of such loss, such amounts including but not being limited to additional payments of interest and windfall gains resulting from movements in exchange rates,

at which time ECGD shall notify the Insured in writing that ECGD shall continue to retain the Insured Percentage of any further Recoveries of the kind described in clause 9.3.3, and shall return the balance of such Recoveries and the full value of any other further Recoveries to the Insured.

9.4 Where a sum to be paid to ECGD is received by the Insured in a currency other than Sterling then unless ECGD agrees otherwise the Insured shall immediately exchange that sum into Sterling and pay the Sterling amount so obtained (net of any reasonable charges

## Annex E ii

incurred in exchanging that sum) to ECGD, which shall accept such payment as fully discharging the obligation of the Insured to pay that sum to ECGD.

9.5 Where ECGD holds or receives from any party any sum that it is due to pay to the Insured under this Policy, its obligation so to pay shall be that of a simple debtor.

9.6 ECGD may at its discretion waive any of its rights under this clause.

## 10 TERMINATION

10.1 The Insured may terminate this Policy at any time upon giving ECGD not less than 30 days' written notice.

10.2 If the Insured fails materially to comply with any of the terms of the Policy or if ECGD terminates any other agreement made between ECGD and the Insured in connection with the Contract or with any related bond then ECGD shall be entitled at its discretion to terminate this Policy with effect from the date of the failure of the Insured.

10.3 If the Policy is terminated by either party then ECGD may at its discretion recalculate the premium due for the actual liability assumed under the Policy, taking into account the administrative costs incurred by ECGD in issuing the Policy, and may make such refund of premium to the Insured as it considers appropriate.

10.4 If ECGD terminates this Policy under clause 10.2 it may at its discretion require the Insured to repay without set off or deduction any claim payment in respect of which the Insured has failed to fulfil its obligation to seek to obtain Recoveries.

## 11 AVOIDANCE

11.1 ECGD may avoid this Policy by notice in writing and retain the premium that has been paid if the Insured

11.1.1 fails to disclose any relevant fact to ECGD or makes any statement in the Proposal knowing it to be false or without regard to its truth or falsehood, or

11.1.2 knowingly makes a claim that is false in any particular, or

11.1.3 by its actions entitles ECGD to avoid any other insurance policy given by ECGD to the Insured in connection with the Contract or with any related bond. ~~\*for~~

~~11.1.4 by its actions entitles ECGD to withdraw the ECGD Finance Arrangements.]~~

11.2 Without prejudice to any other rights which ECGD may have at law, where the Policy is avoided the Insured shall promptly repay to ECGD without set off or deduction any claims paid under this Policy.

## ~~\*[12 WITHDRAWAL OF ECGD FINANCE ARRANGEMENTS~~

~~Where ECGD withdraws the ECGD Finance Arrangements for any reason other than the failure of the Insured to fulfil its obligations in respect of any agreement with ECGD, and where no Insured Risk has occurred at the date of withdrawal, then~~

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~~12.1 — if ECGD considers that there is a reasonable prospect of the Insured avoiding or minimising loss by completing the Contract or by obtaining an orderly suspension or termination of it then it shall direct the Insured to do so, or~~

~~12.2 — if ECGD considers that there is no such prospect then it shall declare in writing that any loss sustained by the Insured in respect of the Insured Elements up to 90 days (or such longer period as ECGD may at its discretion agree) after the date of the withdrawal of the ECGD Finance Arrangements shall be deemed to be an insured loss under this Policy without regard to the occurrence or otherwise of an Insured Risk, subject to the Insured demonstrating to the satisfaction of ECGD that it has promptly taken all practicable measures to minimise such loss; and if ECGD so declares~~

~~12.2.1 — the value of that insured loss shall be the amount of loss, in respect of Amounts Owning and/or Costs Incurred, as ascertained six months after the date on which ECGD notifies the bank operating the ECGD Finance Arrangements in the United Kingdom that it is to cease support for the ECGD Finance Arrangements, and~~

~~12.2.2 — such payment shall be in full and final settlement of any liability ECGD may have under this Policy.]~~

Signed ~~\_\_\_\_\_~~ **SPECIMEN** \_\_\_\_\_ on behalf of ECGD

Date ~~\_\_\_\_\_~~ **SPECIMEN** \_\_\_\_\_

E:\BD4\MASTERS\EXIP\APPLIC\SPECIMEN.DOC  
Rev-20041201

Document comparison done by DeltaView on Friday, March 10, 2006 18:25:39

Input:	
Document 1	file://G:/GCO/Business Division 4/Bribery & Corruption/EXIP Policy (2004).DOC
Document 2	file://G:/GCO/Business Division 4/Bribery & Corruption/EXIP Policy (2006) FINAL.DOC
Rendering set	ECGD

Legend:	
<u>Insertion</u>	
<del>Deletion</del>	
<i>Moved from</i>	
<i>Moved to</i>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Redline Summary:		
No.	Change	Text
1	Insertion	Export Insurance Policy
2	Deletion	EXPORT INSURANCE POLICY
3	Insertion	Number
4	Insertion	C:\Documents and...Policy (2006) FINAL.DOC
5	Insertion	2 INSURED RISKS 4
6	Change	"3 PERIOD AND" changed to "PERIOD AND"
7	Insertion	EXTENT OF COVER5
8	Change	"4 OBLIGATIONS" changed to "OBLIGATIONS"
9	Insertion	THE INSURED6
10	Change	"5 EXCLUSIONS" changed to "EXCLUSIONS"
11-12	Change	"OF LIABILITY8" changed to "OF LIABILITY9"
13-14	Change	"6 CLAIMS9" changed to "6 CLAIMS10"
15-16	Change	"7 LOSS 10" changed to "7 LOSS 11"

17-18	Change	"8 EXPENSES 12" changed to "8 EXPENSES 13"
19-20	Change	"9 RECOVERIES 12" changed to "9 RECOVERIES 13"
21-22	Change	"10 TERMINATION 13" changed to "10 TERMINATION 14"
23-24	Change	"*[12 WITHDRAWAL OF ECGD FINANCE ARRANGEMENTS 14]" changed to ""
25	Deletion	Note
26	Deletion	Those Export Insurance...and bracketed italics].
27	Deletion	Rev 20041201
28	Insertion	C:\Documents and...Policy (2006) FINAL.DOC
29-30	Change	"This Export Insurance Policy ("Policy") is" changed to "THIS EXPORT INSURANCE POLICY (this "Policy") is"
31-32	Change	"given by the SECRETARY OF STATE acting by the" changed to "given by the Secretary of State acting by the"
33-34	Change	"acting by the EXPORT...DEPARTMENT ("ECGD") to" changed to "acting by the Export...Department ("ECGD") to"
35	Deletion	Whereas
36	Insertion	WHEREAS
37	Insertion	'Administration Records'...of the Contract;
38-39	Change	"Advance Payment" changed to "'Advance Payment"
40-41	Change	"Advance Payment' means the amount" changed to "Advance Payment' means the amount"
42	Deletion	'Associate' means any
43-44	Moved from	company (other than the...similar arrangement (
45	Deletion	1) which is, or will be,...of the Contract and (2)
46	Moved from	to which the Insured is also a party
47	Insertion	Agent' means any agent,...or other person:
48	Insertion	(a) who has been...of, the Insured; and
49	Change	";" changed to "(b) who has been directly...any Related Agreement;"

50-51	Change	"Amounts Owing" changed to "Amounts Owing"
52-53	Change	"Amounts Owing' means all amounts" changed to "Amounts Owing' means all amounts"
54	Insertion	'Confidential...of the Records and (3)
55	Moved to	all written or oral...provided in respect
56	Insertion	of the Records pursuant to Clause 4.4;
57	Insertion	'Consortium Partner' means any
58	Moved to	company (other than the...which is a party to any
59	Insertion	written
60	Moved to	joint venture, consortium...similar arrangement (
61	Insertion	other than a sub-contract)
62	Moved to	to which the Insured is also a party
63	Insertion	and which joint venture,...part of, the Contract;
64	Deletion	'control' and...capital of that company;
65	Deletion	'Controlled Company'...by the Insured;
66	Insertion	'Contract Records' means...which relate (1
67	Moved to	) specifically to the...with the Contract and (
68	Insertion	2) only to the period up...award of the Contract;
69	Change	"1" changed to "(1"
70	Change	"1 is subsequently" changed to "1) is subsequently"
71-72	Change	"have rendered a" changed to "have rendered the"
73-74	Change	"contract" changed to "Contract"
75-76	Change	"governing law, or" changed to "governing law; or"
77	Change	"2" changed to "(2"
78	Change	"2 the Insured" changed to "2) the Insured"
79	Change	"the Insured, or any...or anyone (including" changed to "the Insured or anyone (including"
80	Change	"the Insured's, or any...behalf or with" changed to "the Insured's behalf or with"
81	Change	"the Insured's, or any...Company's, subsequent" changed to "the Insured's subsequent"
82-83	Change	"engaging in, or" changed to "engaging in; or"
84	Change	"3" changed to "(3"
85	Change	"3 is subsequently" changed to "3) is subsequently"

86-87	Change	"applicable law," changed to "applicable law (except by...any changes to that law"
88	Moved to	having retrospective effect)
89	Change	"or" changed to "; or"
90	Change	"4" changed to "(4"
91	Change	"4 is subsequently" changed to "4) is subsequently"
92	Deletion	Relevant Acts (except by...to the Relevant Acts
93	Change	"having retrospective effect)" changed to ""
94-95	Change	"paragraphs 1, 2, and 3...retrospective effect);" changed to "paragraphs (1), (2), and...under the Relevant Acts"
96	Insertion	provided that, where, for...in which it took place.
97	Deletion	*[“ECGD Finance...in the Schedule;]
98	Insertion	‘Information Legislation’...or organisations;
99	Insertion	‘Records’ means the...the Contract Records;
100	Insertion	“Related Agreement” means:
101-102	Insertion	(1) any agreement or...is a party; and/or
103-104	Insertion	(2) any consent or...or beneficiary;
105-106	Change	"1889 to 1916 (as from time to" changed to "1889 to 1916 and Part 12...each case, from time to"
107	Insertion	1.8 Where the Insured is...of that partnership.
108	Change	"Unless otherwise" changed to "3.3 Unless otherwise"
109	Insertion	Audits and the Provision of Information
110	Change	"4.2.1 permit any person" changed to "permit any person"
111	Change	"authorised by ECGD and, if other" changed to "authorised by ECGD (and, if other"
112	Change	"other than ECGD" changed to "other than an official of ECGD"
113	Change	"ECGD personnel, approved by" changed to "ECGD, approved by"
114	Change	"the Insured" changed to "the Insured,"
115	Change	"(such approval" changed to "such approval"
116-117	Change	"Insured) to visit any of...are kept during business" changed to "Insured) to visit, during business"
118	Change	"business hours for the sole" changed to "business hours, any of...are kept for the sole"
119	Deletion	copies of any records,...Records”);
120	Deletion	4.2.2 if ECGD confirms...an employee, [partner] <sup>1</sup>
121	Deletion	<sup>1</sup> Include if supplier is a partnership

122	Deletion	, agent or intermediary of the Insured has been
123	Moved from	engaged in any Corrupt...to in paragraphs
124	Deletion	1, 3, or 4
125	Moved from	of the definition of...Activity in clause 1.1
126	Deletion	,
127	Moved from	would amount to Corrupt Activity)
128	Deletion	in connection with the...which relate (a
129	Moved from	) specifically to the...with the Contract and (
130-131	Change	"b) only to the period up...in the Proposal; and" changed to "Administration Records...notice of that visit."
132	Insertion	4.3 The Insured shall...notice of that visit.
133-134	Change	"4.2.3 in relation to" changed to "4.4 In relation to"
135	Change	"clauses 4.2.1 and 4." changed to "clauses 4.2 and 4."
136-137	Change	"and 4.2.2 furnish such" changed to "and 4.3, the Insurer shall furnish such"
138	Change	"explanations thereof within its knowledge" changed to "explanations within its knowledge"
139	Change	"its knowledge as ECGD's authorised" changed to "its knowledge of any Records as ECGD's authorised"
140	Change	"any of the Administration Records" changed to "any of the Records"
141	Change	"Records they may reasonably" changed to "Records which they may reasonably"
142	Change	"4.2.3.1 give not less...clauses 4.2.1 and 4.2.2," changed to ", "
143	Change	"4.2.3.2 on request" changed to "on request"
144	Change	"on request pay to the" changed to "on request, pay to the"
145-146	Change	"copies of the Administration Records," changed to "copies of the Records;"
147	Insertion	4.5 Any Confidential...the proposal) or both.
148	Deletion	4.2.3.3 hold in...the contents thereof and
149	Moved from	all written or oral...provided in respect
150	Deletion	thereof (the...Information; and (b) to
151	Moved from	the extent permitted by
152	Deletion	law, give the Insured...under the Code, and
153	Insertion	4.6 Wherever practicable,...Information Legislation.
154-155	Change	"4.2.3.4" changed to "4.7 To"
156	Moved to	the extent permitted by
157	Change	"destroy" changed to "its obligations at law...ECGD will destroy"
158	Change	"destroy the Confidential" changed to "destroy

		Confidential"
159	Change	"Information or, if so requested," changed to "Information, or, if so requested,"
160	Change	"the Insured when ECGD considers" changed to "the Insured, when ECGD considers"
161-162	Change	"4.3 Nothing in" changed to "4.8 Nothing in"
163	Change	"in clause 4.2" changed to "in clause 4.2,"
164	Deletion	shall
165	Change	"4.3." changed to "4.3 or 4."
166-167	Change	".1" changed to ".4"
168	Insertion	obliges
169	Change	"breach of any regulation or requirement" changed to "breach of any requirement"
170	Change	"investigatory body or any duty" changed to "investigatory body or in breach of any duty"
171-172	Change	"any duty of confidentiality, or" changed to "any duty of confidence."
173	Insertion	4.9 The Insured will not...of the Proposal.
174	Deletion	4.3.2 be construed as...with the Code.
175	Insertion	4.10 The Insured warrants that it:
176	Insertion	4.10.1 has not engaged...any Related Agreement;
177	Insertion	4.10.2 has not authorised...Corrupt Activity; and
178	Insertion	4.10.3 has not consented...the part of any person.
179	Insertion	4.11 The Insured warrants and undertakes that it:
180	Insertion	4.11.1 will not engage in...any Related Agreement;
181	Insertion	will not authorise any...Corrupt Activity; and
182	Deletion	4.4 Neither the Insured,...with the Contract.
183-184	Insertion	4.11.2 will not consent...the part of any person.
185-186	Change	"4.5 If the Insured" changed to "4.12 If the Insured"
187-188	Change	"aware that any Associate or anyone (including" changed to "aware that any Consortium...or anyone (including"
189-190	Change	"(including any of its...in Corrupt Activity" changed to "(including any of that...Partner's employees) has"
191	Moved to	engaged in any Corrupt...to in paragraphs
192	Insertion	(1), (3) or (4)
193-194	Change	"in connection" changed to "of the definition of...Activity) in connection"
195-196	Change	"Contract or any related...of any kind the Insured" changed to "Contract or any Related Agreement the Insured"

197-198	Insertion	4.13 The Insured:
199-200	Change	"require anyone" changed to "4.6 The Insured (1) shall...already, require anyone"
201	Change	"the Contract not to engage" changed to "the Contract or any...Agreement not to engage"
202	Change	"paragraphs 1" changed to "paragraphs (1"
203	Change	"1," changed to "1),"
204	Change	", 3" changed to ", (3"
205	Change	"3 or" changed to "3) or"
206	Change	"or 4" changed to "or (4"
207	Change	"4 of the definition" changed to "4) of the definition"
208	Deletion	Activity) in connection...the Contract (2) will
209	Moved from	monitor compliance with that requirement
210	Deletion	and (3) will
211	Moved from	take appropriate action...found to have engaged in
212-213	Change	"Corrupt Activity." changed to "relation to the Contract...any Related Agreement;"
214-215	Insertion	4.13.2 shall
216	Moved to	monitor compliance with that requirement
217	Insertion	; and
218-219	Insertion	4.13.3 shall
220	Moved to	take appropriate action...found to have engaged in
221	Insertion	any Corrupt Activity.
222-223	Insertion	4.14 Without prejudice to...avoid this Policy, if:
224-225	Insertion	4.14.1 the warranty...untrue or incorrect; or
226-227	Insertion	4.14.2 the Insured...4.11, 4.12 and 4.13
228	Insertion	ECGD may, forthwith upon...date of that notice).
229-230	Change	"4.7 The Insured" changed to "4.15 The Insured"
231-232	Change	"4.7.1 take any" changed to "4.15.1 take any"
233-234	Change	"4.7.2 co-operate" changed to "4.15.2 co-operate"
235-236	Change	"4.7.3 assign all" changed to "4.15.3 assign all"
237-238	Change	"4.8 The Insured" changed to "4.16 The Insured"
239-240	Change	"4.8.1 has been" changed to "4.16.1 has been"
241-242	Change	"4.8.2 does not" changed to "4.16.2 does not"
243-244	Change	"4.8.3 does not" changed to "4.16.3 does not"

245-246	Change	"4.8.4 does not" changed to "4.16.4 does not"
247-248	Change	"4.9 The Insured" changed to "4.17 The Insured"
249-250	Change	"4.10 Where before" changed to "4.18 Where before"
251-252	Change	"4.10.1 relates to" changed to "4.18.1 relates to"
253	Change	"4.1" changed to "4.1"
254-255	Change	"10.2 has not been" changed to "18.2 has not been"
256-257	Change	"4.11 The Insured" changed to "4.19 The Insured"
258	Change	"4.12" changed to "4.2"
259	Change	"2 Where there" changed to "20 Where there"
260-261	Change	"under clause 4.7 of this Policy" changed to "under clause 4.15 of this Policy"
262	Change	"if the name" changed to "5.13 if the name"
263	Change	"this Policy is or has been used" changed to "this Policy has been used"
264	Change	"used directly in connection" changed to "used directly or indirectly in connection"
265	Deletion	related bond. *[or
266	Deletion	11.1.4 by its actions...Finance Arrangements.]
267	Deletion	*[12 WITHDRAWAL OF ECGD FINANCE ARRANGEMENTS
268	Deletion	Where ECGD withdraws the...date of withdrawal, then
269	Deletion	12.1 if ECGD considers...the Insured to do so, or
270	Deletion	12.2 if ECGD considers... and if ECGD so declares
271	Deletion	12.2.1 the value of that...Arrangements, and
272	Deletion	12.2.2 such payment shall...have under this Policy.]
273	Change	"Signed SPECIMEN" changed to "Signed"
274-275	Change	"Date SPECIMEN" changed to "Date _____"
276	Deletion	E:\BD4\MASTERS\EXIP\APPLIC\SPECIMEN.DOC
277	Deletion	Rev 20041201

<b>Statistics:</b>	
	Count
Insertions	142
Deletions	111

Moved from	12
Moved to	12
Style change	0
Format changed	0
Total changes	277

<b>Redline options:</b>	
	Status
Redline Statistics at End of Document	ON
Include Redline Comparison Summary	ON
Show Line Numbering	OFF
Show Change Numbers in Left Margin	ON
Show Change Bars On Left	ON
Show Hidden Text	OFF
Detect List Numbering Changes	ON
Compare Headers/Footers	ON
Compare Footnotes	ON
Display DeltaView Footers	OFF
Ignore Embedded Objects/Images	OFF
Compare at Character Level	ON
Compare Numbers at Character Level	ON
Show Moved Deletions	OFF
Show Changes to Spaces	OFF
Show Paragraph Changes	OFF
Ignore Case Changes	OFF