

GENERAL TERMS

TradeLiner Contract No. XXX XXX

Contracting Parties

This **Contract** is made between:

- The insured:
XXXXX Pty Ltd
1, Nice Street, Sydney, NSW, Australia, 2000

Hereinafter "You"

- The insurer:
Compagnie Française d'Assurance pour le Commerce Extérieur A.R.B.N. 130 761 116
(INCORPORATED IN FRANCE, WITH LIMITED LIABILITY), BRANCH IN AUSTRALIA
Level 10, 68 York Street, Sydney, NSW 2000, Australia

Hereinafter "We" or "Us"

- The information services provider:
Compagnie Française d'Assurance pour le Commerce Extérieur A.R.B.N. 130 761 116
(INCORPORATED IN FRANCE, WITH LIMITED LIABILITY), BRANCH IN AUSTRALIA
Level 10, 68 York Street, Sydney, NSW 2000, Australia

Hereinafter the "Information Services Provider"

- The debt collection agency :
Coface Credit Management Australia Pty Ltd
Level 10, 68 York Street, Sydney, NSW 2000, Australia

Hereinafter the "*Debt Collection Agency*"

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Purpose of this Contract

Subject to and in accordance with the provisions of this **Contract**, We undertake to cover You for the risk of **Non-Payment** of your **Debts** arising from **Deliveries** You made during the *contract period* (risk attaching principle) and to indemnify You up to the *insured percentage* of the **Net Debt**.

Structure of this Contract

This **Contract** consists of the following documents:

- these General Terms,
- the Schedule, including any additional document if any, and
- the Questionnaire submitted by You.

In case of inconsistency between the Schedule and any other parts of this **Contract**, the Schedule (including any *additional document* if any) shall prevail.

The terms in **bold** characters are defined in article 15 of the General Terms or in the body of the **Contract**.

The terms in *italics* are specified in the Schedule.

All references in this **Contract** to “day(s)” refer to “calendar day(s)” unless expressly provided otherwise.

1 – Cover

1.1 Scope of cover

1.1.1 Insurable Debts

Our cover shall apply to **Debts**:

- i) arising in the course of your *covered business activity*,
- ii) on a **Buyer** located in a *covered country*,
- iii) arising from **Deliveries** made during the *contract period*,
- iv) payable within the *maximum credit period* and
- v) for which the invoice is sent to the **Buyer** within the *maximum invoicing period*.

1.1.2 Insurable causes of loss

Our cover shall apply to any **Non-Payment** arising directly and exclusively from:

- i) your **Buyer's Insolvency**, or
- ii) your **Buyer's Protracted Default**.

1.2 Exclusion of cover

1.2.1 Excluded Debts

a) Our cover shall not apply to **Debts** due by a **Buyer** who is i) a **Private Individual**, ii) an **Associated Company**, iii) a **Public Buyer**, or iv) already subject to **Insolvency** on the date of **Delivery**.

b) Our cover shall not apply to **Debts**:

- i) payable before **Delivery**,
- ii) payable by irrevocable letter of credit confirmed by a bank registered in your country,
- iii) resulting from sales of goods made on approval or on consignment, or of goods in bonded warehouse or exhibited at a trade fair,
- iv) resulting from **Cash Against Documents Sales**,
- v) which are not required to be notified to Us pursuant to article 3.1.1.a) below,
- vi) which are at the date indemnification is triggered by Us in excess of the **Credit Decision**,
- vii) where You have not complied with any express condition which may be attached to the **Credit Decision**,
- viii) where a failure, by You or anyone acting on your behalf, to fulfill your obligations under the **Sales Contract** occurred, or
- ix) sustained on interest for late payment or any penalties or damages.

c) Our cover shall not apply to **Debts** arising from **Deliveries**:

- i) made after a **Refusal** or a **Cancellation**,
- ii) made to a **Buyer in Default**,
- iii) made with a **Buyer** for whom You have or should have notified Us **Adverse Information**, or
- iv) made in violation of any applicable laws or regulations.

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d) Our cover shall not apply to **Debts** which are subject to a **Dispute**; in such a case, our cover shall be suspended until the **Dispute** is resolved in your favour by arbitration or by a final court decision, binding on both parties and enforceable in the **Buyer's** country.

e) Our cover shall not apply to any exchange rate losses.

1.2.2 Excluded causes of loss

Our cover shall not apply to any **Non-Payment** arising directly or indirectly from any of the following events:

- i) any currency fluctuation or devaluation,
- ii) any **Political Event**,
- iii) any **Natural Disaster**,
- iv) a nuclear explosion or contamination,
- v) a war, whether declared or not, between two or more of the following countries : France, the People's Republic of China, the Federation of Russia, the United Kingdom, the United States of America, or
- vi) for your domestic transactions: any legislative or administrative measure in your country that prevents the performance of the **Sales Contract** or the payment of the **Debt**.

1.3 Commencement and termination of cover

Our cover shall start upon **Delivery**, provided that a **Positive Credit Decision** with respect to the **Buyer** is in force on the date of **Delivery**.

Our cover shall terminate immediately and automatically when cleared funds are duly credited by the **Buyer** to your account.

2 – Risk Management

2.1 Diligence and prevention

You shall exercise due care in granting credit to your **Buyers**, with regard to both the amount and the period of credit, and shall manage all business which is covered under this **Contract** with at least the same diligence and prudence as You would reasonably be expected to exercise were You not insured. You shall also use all reasonable endeavours to preserve your rights against both your **Buyers** and any third parties.

2.2 Management of the credit period

The initial credit period You grant to your **Buyers** shall not exceed the *maximum credit period*.

You may grant one or more extension periods, provided that the total duration of the credit period does not exceed the *maximum credit period*.

You shall obtain our agreement before You extend the credit period:

- i) if the extended credit period falls outside the *maximum credit period*,
- ii) for a **Buyer in Default**, or
- iii) for a **Buyer** in respect of whom We notified a **Cancellation**.

2.3 Notification of Adverse Information

You shall notify Us as soon as and in any case no later than 10 days after You become aware of any **Adverse information** concerning a **Buyer**.

2.4 Credit Decisions

a) Your requests for Credit Decisions

Your request to obtain from Us a **Credit Decision** shall be made through our *online system* pursuant to the Schedule.

You may at any time through our *online system* request for a modification (such as a reduction, withdrawal, or increase) of the **Credit Decision** previously set by Us.

When applying for an initial or revised **Credit Decision**, You shall notify Us of any **Overdue Account** exceeding 60 days from the **Due Date**.

b) Role of the Information Service Provider

Upon your request for a **Credit Decision** with respect to a **Buyer**, the **Buyer's** creditworthiness shall be assessed and monitored by the *Information Service Provider*, such assessment being a piece of information on which we base our **Credit Decision**.

c) Notification and duration of our Credit Decision

Upon your request for a **Credit Decision**, We shall notify You either a **Positive Credit Decision** or a **Refusal**.

Our **Credit Decisions** shall take effect as follows:

- in case of a new **Positive Credit Decision** other than a **Reduction** (including the case of a **Positive Credit Decision** which increases the amount of a previous **Positive Credit Decision**), such new **Positive Credit Decision** shall take effect retroactively 60 days before its notice, provided that at the date of your request You have no **Overdue Account** exceeding 60 days from the **Due Date** or **Adverse information**. Such new **Positive Credit decision** shall replace any **Credit decision** in force during the retroactive period and may not be cumulated with any prior **Credit Decision**. In case of retroactive **Credit Decision**, You shall make sure that You include in your activity declaration your **Debts** arisen during the retroactive period pursuant to article 6.1 below. If the conditions for retroactivity are not met, the **Positive Credit Decision** shall take effect at the date of your request.

- in case of **Reduction, Refusal** or **Cancellation**, such **Credit Decision** shall take effect on its notice. In that case:

- **Deliveries** made to a **Buyer** after notice of **Reduction** shall only be covered to the extent that the **Outstanding** does not exceed, the value of the new **Credit Decision**.
- **Deliveries** made to a **Buyer** after notice of **Refusal** or **Cancellation** shall not be covered.

We may at any time revise our **Credit Decision** in respect of a **Buyer** and notify You a **Reduction**, a **Cancellation** or any new conditions or restrictions applicable to our **Credit Decision** being agreed that any **Debt** validly covered before such new **Credit Decision** remain covered.

d) Conditions attached to our Credit Decisions

Our **Credit Decisions** may provide that their validity is subject to specific conditions. If a **Credit Decision** is subject to your obtaining a **Security**, this **Security** shall be valid and enforceable at all times.

2.5 Uncovered Amount

You shall keep for your own account any portion of the **Debt** excluded from cover under article 1.2 above or for which no indemnification is due by Us pursuant to article 3.2.1 below. Such portion may not be insured or covered separately by any third party, except with our prior written consent.

3 – Indemnification

3.1 Notification of Overdue Account and evidence of Debt

3.1.1 Notification of Overdue Account

- a) You shall notify Us through our *online system* and within the *time limit for notification*, any **Overdue Account** remaining due at the date of your notification, if it exceeds the *notification threshold*.
- b) In case of **Overdue Account**, You shall take all measures as may be considered necessary to prevent or minimise the consequences of the claim. You shall pursue diligently and in good time any rights You may have over the **Debt**, including rights to recover goods or to protect your or our rights or to secure the payment of the **Debt**.

3.1.2 Evidence of Debt

Upon our request and within the *waiting period*, You shall send Us all written evidence of the **Debt**, of the **Security** possibly obtained and if applicable of the **Insolvency** of the **Buyer**.

3.2 Indemnification

Indemnity in respect of a **Buyer** can result in indemnification of a **Debt** and/or indemnification of **Collection Expenses**.

3.2.1 Debt Indemnification

- a) Indemnification level - Net Debt

Subject to a *deductible* as specified as the case may be in the Schedule, We shall pay the *insured percentage* of the **Net Debt** or of the **Positive Credit Decision** if the **Net Debt** exceeds the **Positive Credit Decision**.

The **Net Debt** shall correspond to the balance of the following loss account:

on the debit side:

- the amount of the invoices, covered under this **Contract**, including, as appropriate:
- the GST, if this tax is covered under this **Contract** as specified in the Schedule
- any interest payable up to the **Due Date** (excluding interests that accrue thereafter),
- the packing, transport, insurance costs and any taxes owed by the Buyer.

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on the credit side:

- the amount of any **Recoveries** received by You or by Us up to the date of calculation of the **Net Debt**.

b) Date of payment

Provided that You have complied with all the terms of the **Contract**, We shall indemnify You within 30 days from (i) the receipt by Us of all the documents specified in article 3.1.2 above in case of **Insolvency** of the **Buyer** or (ii) - the expiration of the *waiting period*, in all other cases.

3.2.2 Indemnification of Collection Expenses

Unless stated otherwise in the Schedule, in addition to indemnification of the **Net Debt**, We shall also indemnify the **Collection Expenses** (GST excluded) in accordance with the following provisions.

a) Indemnification level

Subject to a *deductible* as specified as the case may be in the Schedule, We shall pay You the covered **Collection Expenses** up to the insured percentage applicable to the concerned **Debts**.

The covered **Collection Expenses** shall correspond to the **Collection Expenses** up to the cover ratio defined below.

The cover ratio is the ratio where:

- the numerator is the lowest of the **Net Debt** or the **Credit Decision**
- the denominator is the amount of the **Debt**.

The cover ratio shall be calculated when indemnification is triggered. When the **Debt** is fully paid before indemnification, the cover ratio shall be equal to 1.

b) Date of payment

(i) **Collection Expenses** incurred before indemnification of the **Net Debt** shall be indemnified along with the indemnification of the **Net Debt**.

(ii) **Collection Expenses** incurred after indemnification of the **Net Debt** shall be indemnified within [30] days from our receipt of a copy of the relevant **Collection Expenses'** invoices.

3.2.3 Maximum liability

The total amount of indemnity paid by Us with respect to the **Debts** and/or the **Collection Expenses** resulting from **Deliveries** made during a single *insurance period* shall not exceed the *maximum liability*.

3.3 Subrogation

Upon payment of an indemnity, We shall become subrogated in all your rights and actions in relation to the principal and the interests of the covered **Debt** and to the **Security** attached to it. You shall give Us any documents or titles We may require to exercise this subrogation effectively and shall make any assignments or transfers required in our favour.

The subrogation shall not relieve You of your obligation to take such measures as may be deemed necessary to recover the **Debt** and to comply with our instructions.

3.4 Reimbursement of indemnity

We may require an indemnity to be returned to Us if it subsequently appears that such indemnity should not have been paid under the provisions of this **Contract** or if, in the case of **Insolvency** of the **Buyer**, the **Debt** is not admitted to rank.

3.5 Embargoes

Our cover may not apply and we will incur no liability to pay any claim insofar that the provision of such cover and/or payment of such claim would cause us or any member of our group to be exposed to any sanction or penalty (including extra territorial sanctions) originating out of or related to United Nation's resolutions or trade or economic sanctions, laws or regulations of the European union or of any State, whether these sanctions existed at the inception of the **Contract** or were implemented during the *contract period*.

4 – Collection

4.1 After a **Notification of Overdue Account**, You shall place with the *Debt Collection Agency* for amicable and if applicable legal collection the **Debts** covered by Us either in full or in part. You shall not take over the collection of the **Debts** or instruct any debt collection provider other than the *Debt Collection Agency* to collect the **Debts**, except with our prior written consent.

4.2 You shall cooperate and provide such assistance as required to enable the *Debt Collection Agency* to collect the **Debts**. In particular, You shall provide upon the request of the *Debt Collection Agency* and within the prescribed time limit, all written evidence of the **Debts** and of the **Securities** if any, as well as any information, document or title required by the *Debt Collection Agency* to collect the **Debts**.

4.3 You hereby authorize Us to represent You with full powers before the *Debt Collection Agency* for the purpose of managing on your behalf the collection of the **Debts**. In particular, You hereby grant Us to this effect an irrevocable and exclusive mandate to:

- instruct the Debt Collection Agency to collect the Debts as soon as the Notification of Overdue Account is made;
- forward to the Debt Collection Agency all invoices and other documents or information relating to the Debts, including information concerning Recoveries received by You;
- receive from the Debt Collection Agency reporting items on the collection actions;

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- receive from the Debt Collection Agency any Recoveries and allocate such Recoveries according to article 5.2 below;
- accept any debt settlement agreement with the Buyer, including but not limited to any payment plan, debt reduction or assignment of payment right to a third party;
- decide whether or not to pursue legal proceedings and instruct accordingly the Debt Collection Agency.

You shall not intervene or liaise directly with the *Debt Collection Agency* without our consent.

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5 – Recoveries

5.1 Notification of Recoveries

After the **Notification of Overdue Account**, You shall inform Us through our *online system* within the *recovery notification period* of any **Recoveries** received by You.

5.2 Allocation of Recoveries

Recoveries received before the indemnification is triggered by Us are for your account and shall reduce the **Debt**. Such **Recoveries** shall be allocated in the chronological order of the relevant **Due Dates**, any different allocation provided by third parties will not be binding to Us.

Recoveries received after the indemnification is triggered by Us are for our account up to the amount of the indemnity paid with respect to the **Debt**, and the balance will be for your account up to the amount of the **Debt**.

Should the total amount of **Recoveries** received before or after the indemnification is triggered by Us exceed the total amount of the **Debt**, the excess shall be allocated between You and Us to set off the **Collection Expenses** incurred respectively by You and Us.

The date of trigger by Us of the indemnification shall be set forth in our statement of indemnification sent to You.

6 – Activity declaration, premium and fees

6.1 Activity declaration based on Turnover

For your activity declaration, You shall declare Us the **Turnover** of each *reporting period*, through our *online system* within the *declaration period*.

In case of non-renewal of this **Contract**, You shall still have to declare Us your **Turnover** relating to the last *reporting period*.

6.2 Premium

The premium shall be calculated by applying the *premium rate* to the amount of your **Turnover**, subject to the *minimum premium*. You shall pay Us the premium amount as it falls due pursuant to the Schedule.

6.3 Fees

6.3.1 Service Fees

You shall pay to the *Information Service Provider* and the *Debt Collection Agency* the fees due pursuant to the Schedule.

6.3.2 Management fee due to Us

You shall pay Us pursuant to the Schedule a management fee for each **Notification of Overdue Account**.

6.4 Taxes and duties

All amounts specified in this **Contract** in respect of premium and fees are exclusive of taxes and duties.

6.5 Set-off

You shall not be entitled to apply any set-off against any payments You may consider We owe You, even if We recognize that We shall indemnify You with respect to a **Debt**.

7 – Duration

7.1 Duration

This Contract shall remain in force for the contract period.

7.2 Condition Precedent

Our obligations under this **Contract** shall be subject to the receipt by Us on the *inception date* of the *deposit* if applicable.

7.3 Early termination

We reserve the right to notify you the termination of this **Contract** at any moment by registered letter if You are subject to **Insolvency** or You cease your business activity.

If We exercise our right to terminate, the **Contract** shall terminate on the date of the relevant event and the premium shall be due on a pro-rata basis according to the effective duration of the **Contract**.

8 – Currency

If invoices are issued in a currency other than the *currency of the contract*, they shall be converted into the *currency of the contract*, as follows:

a) for calculating the **Net Debt**:

at the *exchange rate* in force on the last working day of the month that the relevant invoices were issued with any payments received in respect of these invoices being converted at the same rate.

b) for the **Recoveries** received after indemnification:

at the actual rate when You or We collected such amounts or failing such rate, the *exchange rate* on the value date mentioned on the bank credit note.

c) for the activity declaration referred to in article 6.1 above:

at the *exchange rate* in force on the last working day of the month that the relevant invoices were issued.

9 – Communication

9.1 Except expressly provided otherwise in this **Contract**, any notice, notification and more generally any communication made under or in relation to the **Contract** shall be validly made at the addresses set out in the Schedule (i) by facsimile, (ii) by recorded delivery post with advice of receipt, (iii) by express courier delivery service via an internationally known courier company, (iv) by electronic messaging (e-mail) or through our *online system*, (v) by sending the document via a file transfer platform; or to any other persons, addresses, fax numbers or e-mail addresses notified subsequently in accordance with this article.

You shall inform Us of any change to the addresses set out in the Schedule.

9.2 You acknowledge that any exchanges having taken place in electronic format have the same legal value as hard copy documents.

9.3 Communications shall take effect upon receipt and shall be deemed to have been received (i) in the case of sending by facsimile, on the date shown on the transmission report, (ii) in the case of notification by recorded delivery post with advice of receipt, on the date of first presentation, (iii) in the case of delivery by express courier service, at the time of receipt, (iv) in the case of sending by electronic message or through our *online system*, at the time the message is transmitted to the intended recipient's server and thus is capable of being read by the addressee, (v) in the case of sending via a document transfer platform, as soon as You are notified by e-mail that there is a document on the platform for uploading.

10 – Coface privacy statement & authority

10.1. Acknowledgement

You acknowledge that Coface receives the information disclosed in this proposal on behalf of Coface and you authorise Coface to disclose its contents to Coface.

10.2. Our Commitment

Coface is committed to the protection of your right to privacy in accordance with the National Privacy Principles, as set out in the Privacy Act 1988 (Cth). Coface has developed and implemented this Privacy Policy to ensure that any personal information about you which Coface may collect, store and/or use from time to time is treated in accordance with the National Privacy Principals.

10.3. Collection of information

Personal information is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about you (a natural person), whereby your identity is apparent, or can reasonably be ascertained, from the information or opinion ("Personal Information").

Coface will only collect and store Personal Information about you from time to time that is necessary for it to deal and advise in respect of general insurance products and financial risk products associated with

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managing trade credit exposure. For example, the Personal Information Coface collects about you (a natural person) may include information such as your name, mailing address; email address, telephone number, place of work, financial details and insurance/claims history. Where reasonable and practical to do so, Coface will only collect Personal Information about you from you.

Coface may also use any Personal Information it collects to:

- develop and identify products and services that may interest its clients;
- conduct client satisfaction surveys; and
- establish and administer alliances and other arrangements with other organisations in relation to the promotion, administration and use of Coface products and services.

Coface will only collect personal information by lawful and fair means and in ways which are not unreasonably intrusive. If Coface chooses to collect Personal Information about you, Coface will tell you what it intends to do with that information and will take reasonable steps to make you aware of your rights under the Privacy Act 1988 (Cth). If any Personal Information Coface requests from you are not provided, Coface may not be able to provide any, or the appropriate, products or services to you.

10.4. Use and Disclosure

Coface does not use or disclose your Personal Information for any purpose that is unrelated to its products and services and that you would not reasonably expect (except with your consent) unless any such proposed uses or disclosures are permitted by the National Privacy Principles. Coface discloses Personal Information to third parties who are involved in the provision of its products and services. For example, in arranging and managing your insurance needs, Coface may provide Personal Information to its related bodies corporate, advisers (such as lawyers and accountants) and other parties involved in the claims handling process. Coface may also disclose your Personal Information to mail service providers for the mailing of statements, insurance policy documentation and/or Coface direct marketing material. Personal data may be transferred for these purposes to our Reinsurers, to Coface, its affiliates or CreditAlliance partners. We may use personal data provided by you for marketing reasons, for example to inform you about our new products or those of our affiliates and about any changes to the existing products.

Data subjects will have at any moment the right to object to the use of their personal data for marketing reasons by contacting the **Coface Privacy Officer** during normal business hours at: **GPO Box 129, Sydney NSW 2001. Tel: +61 (0)2 8235 8600, Fax: +61 (0)2 9261 8255 or Email: au_info@coface.com**

10.5. Personal Information Accuracy and Security

Coface takes reasonable steps to ensure that the Personal Information it collects from you is accurate, complete and up to date whenever Coface collects uses or discloses it. If your Personal Information is not accurate, complete or up to date, Coface may not be able to provide you with any, or the appropriate, products or services. Coface also asks that you contact it whenever your Personal Information changes or if you become aware that Coface records are incorrect. By contacting Coface, Coface can take reasonable steps to ensure that your Personal Information is correct before Coface uses or discloses it

again.

Coface has reasonable precautions in place to protect the Personal Information it holds from misuse, loss and unauthorized access, modification or disclosure.

Unfortunately, no data transmission over the Internet can be guaranteed as totally secure. Although Coface strives to protect such information, Coface cannot ensure or warrant the security of any information you transmit to it electronically or any information which Coface, with your express or implied consent, transmits to you electronically. Consequently, such transmissions are carried out at your own risk. Once Coface receives your transmission, it will take reasonable steps to preserve the security of the information in its own system.

When Coface can no longer use or disclose your Personal Information, it will take reasonable steps to permanently destroy or de-identify it unless required to do otherwise by law.

10.6. Identifiers.

Coface will not use Commonwealth Government identifiers as its own identifier for you. If Coface does collect Commonwealth Government identifiers, then it will only use them in accordance with the National Privacy Principles relating to identifiers.

10.7. Anonymity

Where it is lawful and practical, you will have the option not to identify yourself when entering into a transaction with Coface. However, if any Personal Information Coface request from you is not provided, Coface may not be able to provide any, or the appropriate, products or services to you. Coface's website may collect information from you that are not personally identifiable. This information may include details about your computer's operating system, browser, domain name and specific web pages you access on Coface site.

10.8. Transborder Data Flows

Data (including personal data) provided by you will be used for the management of your credit insurance contract and for the needs of our insurance activities and, as the case may be, our credit assessment, credit management and financing activities. They may be transferred for these purposes to our Reinsurers, to Coface, its affiliates or Coface Partners, in compliance with requirements of the National Privacy Principles.

10.9. Sensitive Information

"Sensitive Information" is information or an opinion about your health or is Personal Information about your racial or ethnic origin, political opinions, membership of political associations, religious beliefs or affiliations, philosophical beliefs, membership of a professional trade or trade association, membership of a trade union, sexual preferences or practices, or criminal record. Coface will not collect, use or disclose Sensitive Information except if required to do so by law.

10.10. Accessing your Personal Information

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You are entitled to request access to the Personal Information Coface holds about you. To make an inquiry or lodge a change request regarding your Personal Information or this Privacy Policy, please contact **Coface Privacy Officer** during normal business hours at: **GPO Box 129, Sydney NSW 2001**. **Tel: +61 (0)2 8235 8600, Fax: +61 (0)2 9261 8255 or Email: au_info@coface.com**

You undertake to provide the data subjects with the information referred to in paragraphs above.

11 – Assignment

You may not assign to a third party your rights to indemnification and/or the **Debts** without our prior written consent, such consent being materialised through the execution of an endorsement of this **Contract** to this effect.

12 – Information and Control

12.1 Advising Us of changes

This **Contract** has been made on the basis of the information submitted by You in the Questionnaire. You shall inform Us within 10 days of any substantial change in the information given in the Questionnaire, particularly in the nature or the scope of your activities or in your legal status.

12.2 Right of discovery

You undertake to allow Us to exercise the right of discovery, and particularly You shall provide Us with any documents and/or certified copies relating to your **Sales Contracts** and shall allow Us to make any check, including verifying whether You have fulfilled your obligations and made your declarations in a complete, exact and truthful manner.

13 - Breach of obligations

13.1 Lack of complete activity declaration

In case of lack of declaration, incomplete declaration or late declaration of your **Turnover**, We may forfeit cover for the **Debts** not declared in due time, but You shall still pay Us the premium on the basis of the **Turnover** taking account the **Debts** not declared or declared with delay. We also reserve the right to terminate the **Contract**.

13.2 Non-payment of premium or fees

In case of non-payment of the premium, in whole or in part, within the prescribed time, cover shall be forfeited for all **Debts** resulting from **Deliveries** made during the period in relation to which the premium was not paid.

We shall also be entitled to invoice You late payment interest equal to the Reserve Bank of Australia Cash Rate in force on the due date.

13.3 False or incomplete statements

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We have the right to terminate the **Contract**, refuse to pay any indemnification and require any indemnities to be returned to Us:

- if any statement You made to Us was false or incomplete (especially when You applied for this **Contract**, when You made a request for a **Credit Decision** or when a cause of loss occurred), or
- if You do not comply with your obligations pursuant to article 12.2 above.

13.4 Other failures

Any other failure to fulfil your obligations under the **Contract**, including article 3.1.2 above, shall forfeit your right to cover for the **Debts** concerned and if indemnification has already been paid for this **Debt**, You shall reimburse Us for such payment.

13.5 Consequences of forfeiture of cover or termination of this Contract

In case of forfeiture of the cover or termination of this **Contract** for non-observance of the terms of the **Contract**, no return of premium shall be made by Us and all premium payable shall be immediately due.

14 - Confidentiality

You shall keep confidential and not disclose to any third party including your **Buyers** the **Credit Decisions** (including any conditions attached to them), except with our prior written consent.

15 – Definitions

Adverse Information: any event You may become aware of and which could indicate that the **Buyer** may not be able to pay the **Debt**, such as but not limited to **Insolvency** of the **Buyer** or of an **Associated Company** of the **Buyer**, cash flow difficulties or reputation deterioration of the **Buyer**, substantial change or termination of your exclusive or long-lasting business relationship with the **Buyer**, legal action against the **Buyer**.

Associated Company: any company which (i) is controlled directly or indirectly by You, or (ii) controls directly or indirectly You, or (iii) is controlled directly or indirectly by the same company as controls You, where “control” means significant influence by participation in the management, administration or capital.

Buyer: a legal entity which is legally responsible for paying a **Debt** due to You under a **Sales Contract**.

Buyer in Default: a **Buyer** for whom You have or should have sent Us a **Notification of Overdue Account**.

Cancellation: **Credit Decision** whereby We cancel a Positive **Credit Decision** previously granted in respect of a **Buyer**.

Cash Against Documents Sales: sales where the applicable terms of payment provide that You shall keep title to and control over the goods until full payment has been made to the third party responsible for handing the documents of title over to the **Buyer**.

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Collection Expenses: any justified and documented expenses incurred by You in accordance with this **Contract** in order to avoid or mitigate the loss and secure the payment of the **Debts** covered by Us, including expenses related to pre-legal and legal collection of the covered **Debts** and actions related to the realization of **Securities**. Any expenses incurred by You in connection with the settlement of any **Dispute** shall not be regarded as **Collection Expenses**.

Contract: the credit-insurance contract concluded between the legal entities identified herein as Contracting Parties and which includes these General Terms, the Schedule, the Questionnaire and as the case may be any *additional document* listed in the Schedule.

Credit Decision: decision which is set pursuant to the Schedule and determines the maximum covered amount of your **Outstanding** in respect of a given **Buyer**, if any.

Credit Limit : type of **Credit Decision** set by Us, as per article 2.1. of the Schedule.

Debt: amount of one or more invoices owed by the **Buyer** under a **Sales Contract** and which falls within the scope of our cover as defined in article 1.1.1 above.

Delivery: occurs:

- for domestic sales of goods: when the goods are handed over or made available to the **Buyer**, or anyone acting on his behalf, at the place and pursuant to the terms specified in the **Sales Contract**. If it has been agreed between You and Your **Buyer** that the goods must be made available to the **Buyer**, the **Sales Contract** shall specify it expressly in writing.
- for export sales of goods: when the goods are handed over to a third party – generally a carrier – to take them to the place of delivery specified in the **Sales Contract** or, by absence of such a third party, when goods are handed over to the **Buyer**, or anyone acting on his behalf, at the place and pursuant to the terms specified in the **Sales Contract**.
- for performance of services: on the date of performance of the services for which payment is due pursuant to the **Sales Contract**.

Dispute: any disagreement regarding the amount of the **Debt** or the validity or enforceability of your rights, including any disagreement about setting off sums You may owe your **Buyer** involving setting off sums your **Buyer** claims You owe him under a **Sales Contract** or any other contractual arrangements between You and your Buyer.

Due date: the initial date when the **Buyer** must pay for his **Debt** according to the **Sales Contract**.

GST: Goods and Services Tax

Insolvency: Insolvency shall mean that any of the following steps or an equivalent step under Australian law has been taken involving the buyer:

- a) the buyer has entered into a deed of assignment or deed of arrangement under Part X of the Bankruptcy Act with its creditors;
- b) the appointment of a trustee in bankruptcy over all the assets and undertakings of the buyer;
- c) the appointment of a liquidator, or provisional liquidator, or a receiver, or receiver and manager, or an agent for a mortgagee in possession over all the assets and undertakings of the buyer;
- d) a resolution has been passed for the winding-up or liquidation of the buyer other than pursuant to a member voluntarily winding up;
- e) the buyer has entered into a binding compromise, composition, scheme of arrangement, or deed of company arrangement with its creditors; or
- f) the winding-up or liquidation of the buyer is ordered by a court

GENERAL TERMS

g) or such circumstances exist which in the opinion of Coface are equivalent to any of the above.

Natural Disaster: an environmental event such as but not limited to a volcanic eruption, earthquake, tidal wave, typhoon or flood.

Net Debt: the amount of loss calculated pursuant to article 3.2.1 above which may be indemnified according to the terms and conditions of this **Contract**.

Non-Payment: non-payment of the **Debt** by the **Buyer** on the date, in the currency and in the place specified in the **Sales Contract**.

Notification of Overdue Account: notification of the Overdue Account pursuant to article 3.1.1 above.

Outstanding: the total amount - including GST if applicable - calculated at any time, which is due or to be due by a **Buyer** to the extent that such amount falls within the scope of cover defined in article 1.1.1 above and is not excluded from cover pursuant to articles 1.2.1a),b)i),ii), iii), iv),c)i) and 3.5 above.

Overdue Account: the amount of the **Debt** remaining unpaid.

Personal Data: means data which relate to a natural person (the “**Data subject**”) who is or can be identified from the data or from a conjunction of data into our possession (e.g. name, ID card number, etc.).

Political Event: any of the following events which occurs in case of export transactions:

- a war, declared or not involving the Buyer’s country,
- a riot, civil war, rebellion, act of terrorism, revolution or any similar event in the Buyer’s country,
- any legislative or administrative measure in your country that prevents the export,
- any governmental measure preventing the import, the transfer of the funds or exempting the Buyer from the payment, or
- any currency devaluation.

Positive Credit Decision: **Credit Decision** which is not a **Refusal** or a **Cancellation** including **Credit Decision** We grant partially compared to the requested amount.

Private Individual: a person who buys goods or services for a purpose other than the purpose of his professional activity.

Protracted Default: failure of the **Buyer** to pay fully the **Debt** at the expiration of the *waiting period*, provided that such failure is not due to **Insolvency**, a **Political Event** or a **Natural Disaster**.

Public Buyer: **Buyer** which is a (i) central government authority, (ii) a regional or local authority, or (iii) a department or agency thereof.

Recoveries: any amounts received, whether before or after indemnification, from the **Buyer** or a third party in relation to the **Debts** arisen before the **Insolvency** of the **Buyer**, including:

- any interest You or We receive on late payment
- any Security You or We realize,
- GST (including credit or refund received from the fiscal authorities when the **Debt** was covered GST included)
- any credit note that You raise,
- any value arising from the exercise of any set-off,
- any proceeds of goods You have, or could have, recovered or kept.

Reduction: Credit Decision whereby We reduce the amount set in a previous **Credit decision**.

Refusal: Credit Decision whereby We refuse a cover in respect of a **Buyer**.

Sales Contract: any agreement in any form which is legally binding upon You and your **Buyer** and which is for the sale of goods or the provisions of services against payment of a price.

Security: any mortgage, charge, pledge, lien, personal guarantee or other encumbrance securing any obligation of a **Buyer**.

Turnover: the total amount - including GST if applicable - of all the **Debts** less the **Debts** excluded from cover pursuant to articles 1.2.1a),b)i),ii),iii),iv),c)i) and 3.5 above.

SAMPLE

SPECIAL TERMS

The following *additional documents* are an integral part of this **Contract**:

- ***Credit Management Binding Questionnaire***
- ***Cover Options chosen:***
- ***Risk Options chosen:***
- ***Claim Options chosen:***

SAMPLE

1 – Cover

1.1 Covered business activity: Manufacture, wholesale & retail of XXXX

1.2 Covered countries:

- Zone 1 Countries: Australia, New Zealand
- Zone 2 Countries:

1.3 Insured percentage:

- General rate: 90%

1.4 Taxes:

- Domestic sales: GST (or equivalent local tax) excluded
- Export sales: GST (or equivalent local tax) excluded

1.5 Maximum invoicing period:

- Period for General transactions: 7 days from **Delivery**

1.6 Maximum credit period:

- Period for General transactions: 90 days from invoice date

2 – Risk management

2.1 Credit Decisions

After a **Refusal** or a **Cancellation**, You shall be entitled to set again **Credit Decisions** under your discretionary zone after the expiration of a period of two years from the date of our **Refusal** or **Cancellation**, provided that the terms and conditions of this facility are complied with.

Information Report

You may set a discretionary limit on your **Buyers** up to AUD XXXX per **Buyer** at a specific insured percentage of 90% according to the following conditions:

- The Buyer is located in one of the following countries: Australia, New Zealand.
We reserve the right to modify this list of countries during the *insurance period* by way of notification. Such modification shall take effect from the date of our notification; any **Debt** validly covered before our notification will remain covered in accordance with the terms of the **Contract**.
- You shall have in your possession an information report from [name of the information source] dated less than twelve months prior to the **Delivery** and which shall not (i) include any **Adverse Information** concerning the **Buyer** or (ii) subject the credit assessment value of the **Buyer** to any conditions or reserves (such as obtaining a Security).
- The **Credit Decisions** set by You shall not exceed the favorable credit assessment value suggested by the information source identified above.

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Satisfactory trading experience

You may set a discretionary limit on your **Buyers** up to AUD XXXX per **Buyer** at a specific insured percentage of 90% to the following conditions:

1. The **Buyer** is located in one of the following countries: Australia, New Zealand.
We reserve the right to modify this list of countries during the *insurance period* by way of notification. Such modification shall take effect from the date of our notification; any **Debt** validly covered before our notification will remain covered in accordance with the terms of the **Contract**.
2. You shall evidence that, prior to **Delivery**, You had a satisfactory trading experience with the **Buyer**, i.e.:
 - (i) You have traded with the **Buyer** for at least six months, and
 - (ii) during the last twelve months, a minimum of three **Deliveries** were paid to You within sixty days from the **Due Date**, and among these **Deliveries** at least one of them was payable after **Delivery**.
3. The **Credit Decision** set by You shall not exceed 40% of the total amount paid to You by the **Buyer** during the last twelve months in relation to the **Deliveries** made.

After a **Refusal** or a **Cancellation**, You shall be entitled to set again **Credit Decisions** under your discretionary zone after the expiration of a period of two years from the date of our **Refusal** or **Cancellation**, provided that the terms and conditions of this facility are complied with.

In addition to Article 2.1 "Credit Decisions" of the Special Terms above, We reserve the right to reduce or cancel this option during the insurance period if the total amount of **net debts** which have been notified during the same insurance period and relating to **Credit Decisions** set by you in accordance with the terms of this option, exceeds AUD XXXX

Underwriting Zone

After identifying your **Buyers** in the **Buyers'** database, You shall, through our *online system*, request Us to set **Credit Decisions** with respect to your **Buyers** which will be formalized through an @rating limit or a **Credit Limit**

@rating limit:

You shall request an @rating limit by choosing this type of **Credit Decision** through our *online system*.

Under the @rating facility, You may receive any of the following @ratings with respect to your **Buyers**:

| @rating values | Cover value |
|----------------|--------------------|
| X | no cover = Refusal |
| NR | 12,500.00 |
| R | 17,500.00 |
| @ | 35,000.00 |
| @@ | 87,500.00 |
| @@@ | 175,000.00 |

You shall then be covered up to the value associated with the @rating at the *insured percentage* stated in article 1.3 of the Special Terms.

If the amount set under the @rating limit facility is not sufficient, You may apply for a **Credit Limit**. We may at any time revise our @rating limit, including increase the @rating limit and in this event the increased @rating limit shall take effect retroactively 60 days before its notice, provided that at

SPECIAL TERMS

the date of its notice You have no **Overdue Account** exceeding 60 days from the **Due Date** or **Adverse Information**.

By derogation to article 2.4 c) of the General Terms, in the event of a **Reduction** of an @rating limit, the reduced @rating limit shall take effect 30 days after its notice.

In case of a loss, the value of the @rating limit set by Us with respect to your **Buyer** shall be converted in the *currency of the contract* at the *exchange rate* in force on the date You have notified Us of an **Overdue Account**.

Credit Limit:

You shall request a **Credit Limit** by choosing this type of **Credit Decision** through our *online system*. Your request shall state the value of cover requested.

We may then notify You:

- a **Refusal**: You shall then not be covered in respect of the **Buyer**.

or

- a **positive decision**: You shall then be covered for the value of the **Credit Limit** notified by Us at the *insured percentage* stated in article 1.3 of the Special Terms and subject to any specific conditions as may be specified in our notification of the **Credit Limit**.

2.2 Maximum amount of Credit Decisions Covered

For your convenience, you may request or retain Credit Decisions greater in value than the amount of your Outstanding or to be due by a Buyer. However, We reserve the right to block any requests for Credit Decisions if the sum of the Credit Decisions already set by Us exceeds 75% of the Turnover declared for the previous insurance period by You (in the Questionnaire for the first insurance period or under article 6.1 of this Contract subsequently).

3 – Indemnification

3.1 **Notification threshold:**

AUD 5,000.00

3.2 **Time limit for notification of Overdue Account:**

- within 120 days from the invoice date or 30 days from your knowledge of the **Insolvency** of the **Buyer**, whichever occurs earlier.

In case of extension(s) of the due date requested to Us pursuant to article 2.2 of the General Terms:

- within 30 days after the agreed extended due date.

- within 30 days after our notice of refusal of the extension of the due date.

3.3 **Waiting period:**

150 days after We received your **Notification of Overdue Account**.

3.4 **Maximum liability:**

AUD XXXX paid per *insurance period*.

3.5 **Deductible:**

Each and every loss

The value of AUD 5,000.00 shall be deducted from indemnity due with respect to a **Buyer**.

4 – Collection

Debt Collection Agency: legal entity identified as such in the list of the contracting parties on the first page of the General Terms.

You hereby appoint the *Debt Collection Agency* for the purpose of collecting on your behalf and in your name the **Debts** covered by Us either in full or in part and for which a **Notification of Overdue Account** was made. You agree to sign within the prescribed time limit any authorisation, power of attorney or other document necessary to enable the *Debt Collection Agency* to pursue collection of the **Debts**, in particular in case of **Insolvency** of the **Buyer** for the purpose of lodging the claim or in case of legal proceedings.

We shall represent You on an exclusive basis before the *Debt Collection Agency*. The *Debt Collection Agency* shall inform Us regularly of the progress of the collection actions and forward Us any **Recoveries** received. The *Debt Collection Agency* shall obtain our prior written approval before (i) accepting any debt settlement agreement with the **Buyer**, including but not limited to any payment plan, debt reduction or assignment of the payment right to a third party or (ii) pursuing legal proceedings against a **Buyer**.

We shall forward You the reports received from the *Debt Collection Agency* in order to keep You informed concerning the progress of the collection actions.

5 – Recoveries

5.1 Notification of Recoveries

Recovery notification period: 10 days from your receipt of any **Recovery**.

6 – Activity declaration, premium and fees

6.1 Turnover declaration

Reporting period: Annually

Declaration period: 30 days days after expiration of the *reporting period*

You must notify us, in the form agreed and within the first 30 days days of each reporting period, of the turnover made within the scope of this contract, during the preceding reporting period.

6.2 Premium

6.2.1 Premium rate and minimum premium

- Premium rate**: 0.1%
- Minimum premium**: AUD 10,000.00

6.2.2 Payment terms applicable to premium

Advance payment and adjustment based on Turnover

Minimum Premium payment of AUD 10,000.00 shall be made by You at inception of each insurance period.

Upon receipt by Us of each activity declaration pursuant to article 6.1 of the General Terms, We shall invoice You the premium due, if any, in addition to the Minimum Premium already paid.

6.3 Fees

6.3.1 Fees due to the *Information Service Provider*

Information Service Provider: legal entity identified as such in the list of the contracting parties on the first page of the General Conditions.

You shall pay the fees to the Information Service Provider for an amount of AUD XXXX Flat fee.

6.3.2 Fees due to the *Debt collection agency*

The fees due by You to the *Debt Collection Agency* shall be calculated as a percentage of the **Debt** when passed on for recovery, with a minimum of AUD 220.00 and a maximum of AUD 7,200.00.

- Rate applicable to the **Debts** due by a **Buyer** subject to **Insolvency** at the time the **Debts** are passed on for recovery: domestic buyers – 0%, foreign buyers – 1.5%
- Rate applicable to the **Debts** due by a **Buyer** not subject to **Insolvency** at the time the **Debts** are passed on for recovery: 4.5 %

In case of legal proceedings against a **Buyer**, additional fees, the amount of which shall be agreed between You and the *Debt Collection Agency*, shall be due by You to the *Debt Collection Agency*.

All fees shall be subject to the local tax (if any) applicable in: Australia

In case of non-payment of the fees, in whole or in part, within the prescribed time, the Debt Collection Agency shall be entitled to invoice You late payment interests equal to the legal interest rate in force on the due date.

6.3.3 Management fee due to Us

The amount of the management fee is as follows:

| INSURANCE SERVICES | Online notification | Offline notification |
|--------------------|---------------------|----------------------|
| management fee | AUD 0.00 | AUD 150.00 |

6.3.4 Fees changes

The amount of the fees described in the article 6.3 of the Schedule shall be revised on April 1st of each year according to the positive increase of the index during the previous period.

The new amount shall be notified to You 30 days prior to the application of the new tariff.

6.4 Profitability adjustment

For sake of clarity, the amounts which may be paid by Us or You as applicable under this article 6.4 shall not be taken into account for the calculation of the maximum liability.

Profit sharing

1. In relation to an *insurance period*, We shall pay You a profit sharing subject to the following conditions:

- (a) the premium for the *insurance period* has been paid to Us in full.
- (b) The balance of the profitability account of the *insurance period* shall be positive.

The profitability account of the *insurance period* shall refer to the balance between:

- **on the credit side:** the premium paid for the insurance period and
- **on the debit side:** (i) the total amount of indemnity paid or to be paid with respect to Deliveries made during the insurance period less the Recoveries related to such Deliveries and received before the profit sharing is paid and (ii) 40% of the premium paid.

If there is an indemnity for **Collection Expenses** but the **Debt** has been paid in full before indemnification by Us, We shall not take into account the indemnity for **Collection Expenses** in the calculation of the profit sharing.

(c) This **Contract** shall remain in force for the following *insurance period*.

2. The amount of the profit sharing shall be equal to 10% of the balance of the profitability account, provided that the premium paid for the *insurance period* after deduction of the profit sharing exceeds the *minimum premium*.

3. The payment of the profit sharing shall occur within 120 days following the date when there is no more risk of **Non-Payment** of **Debts** relating to **Deliveries** made during the *insurance period*, or earlier at your request provided that You waive your rights to payment of any subsequent indemnities relating to the *insurance period*.

4. If the balance of the profitability account of an *insurance period* is negative, the negative balance shall be reported on the debit side of the profitability account of the following *insurance period*.

7 – Duration

-Inception date: YYYY-MM-DD

-Insurance period: from YYYY-MM-DD to YYYY-MM-DD

8 – Currency

-Currency of the contract: AUD

-Exchange rates used for this contract are provided by : Reserve Bank of Australia

9 – Communication

| | |
|--|--|
| | Contact details: |
| We Love Brokers Pty Ltd | Phone: Fax: Email: |
| Compagnie Française d'Assurance pour le Commerce Extérieur A.R.B.N. 130 761 116 (INCORPORATED IN FRANCE, WITH LIMITED LIABILITY), BRANCH IN AUSTRALIA The Insurer | Phone: Fax: Email: |
| Coface Credit Management Australia Pty Ltd The Debt Collection Agency | MR. Phone:02 8235 8600 Fax: Email:au_claim-collections@coface.com |
| Compagnie Française d'Assurance pour le Commerce Extérieur A.R.B.N. 130 761 116 (INCORPORATED IN FRANCE, WITH LIMITED LIABILITY), BRANCH IN AUSTRALIA The Information Services Provider | MR. Phone:02 8235 8600 Fax: Email:au_commercial-admin@coface.com |
| Online system | Cofanet |

10 – Personal Data

You may refuse that **Personal Data** provided by You under this **Contract** be used for marketing reasons by ticking the following box:

SPECIAL TERMS

11 – Laws and Jurisdiction

This Contract shall be governed by the laws of Australia and the parties herein shall submit to the exclusive jurisdiction of the courts of Australia who shall determine the resolution of any disputes arising out of or in connection with this Contract shall be settled by the courts of Australia.

This **Contract** shall only be valid if You send it back to Us within 30 days of the date of its issuance, as indicated below. If We do not receive it within this time period, it shall be considered null and void.

Made in Australia on YYYY-MM-DD in ____ originals

Insured *(signature)*

XXXXXX Pty Ltd

Name: _____

Title: _____

Insurer *(signature)*

Compagnie Française d'Assurance
pour le Commerce Extérieur A.R.B.N.
130 761 116 (INCORPORATED IN
FRANCE, WITH LIMITED LIABILITY),
BRANCH IN AUSTRALIA

Name: _____

Title: _____

Information Service Provider *(signature)*

Compagnie Française d'Assurance
pour le Commerce Extérieur
A.R.B.N. 130 761 116
(INCORPORATED IN FRANCE,
WITH LIMITED LIABILITY),
BRANCH IN AUSTRALIA

Name: _____

Title: _____

Debt Collection Agency *(signature)*

Coface Credit Management
Australia Pty Ltd

Name: _____

Title: _____