



CREDIT INSURANCE POLICY

This Policy consists of this document, the General Provisions, the Modules listed hereafter:

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GENERAL PROVISIONS

Please note that in this contract:

- i) terms in **heavy type** are defined on pages 6 to 8,
- ii) values corresponding to the terms in *italics* are specified in the Schedule.

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1 - THE CREDIT INSURANCE COVER

1.1 Commencement of cover

Provided that the **delivery** or the **shipment** of the goods, or the performance of the services, is carried out within the insurance period and that the corresponding invoices are sent to the buyer within the *maximum invoicing period*, the credit insurance cover we provide, for all undisputed **debts** to which the contract applies, will start as follows:

1) for sales of goods

- in your country: on **delivery**,
- for export: on **shipment** of the goods,
- if the goods are on consignment, in bonded warehouse or exhibited at a trade fair: on **delivery**.

2) for services

- on performance of the services for which payment is due.

The insurance period is stipulated in The Schedule. The maximum insurance period is one year.

1.2 Exclusions

1.2.1 This contract does not cover any **sales contract** you make with a **private individual** or with an **associated company**.

1.2.2 This contract does not apply to any **sales contract** under which payment is to be received:

- i) before **delivery** in your country and before **shipment** for export sales,
- ii) by means of an irrevocable letter of credit confirmed by a bank registered in your country.

1.2.3 This contract does not cover any loss:

- i) which is in excess of the credit limit,
- ii) where you have not complied with any terms which may be attached to the credit limit,
- iii) relating to **deliveries, shipments** or performance of services made after we have refused or cancelled a credit limit,
- iv) relating to **deliveries, shipments** or performance of services made with:
 - a buyer for whom a **notification of adverse information** or **overdue account** has, or should have been given, if the **debt** remains unpaid,
 - at your knowledge, a buyer already declared **insolvent**,
- v) arising from a failure, by you or any one acting on your behalf, to fulfil your obligations under any clause or condition of the **sales contract**,
- vi) in the case of **cash against documents sales**, arising from the loss of control over the goods as a result of your failure to comply with any applicable rule or custom,
- vii) relating to **deliveries, shipments** or performance of services made without the necessary licence or, more generally, in violation of any applicable law or regulation,
- viii) arising directly or indirectly from:
 - nuclear explosion or contamination, whatever its origin,
 - a war, whether declared or not, between two or more of the following countries: France – People's Republic of China – Federation of Russia – The United Kingdom – The United States of America.
- ix) sustained on interest for late payment or any penalties or damages.

1.2.4 Moreover, concerning the **sales contract** made with buyers domiciled in your country, this contract does not cover any loss arising from:

- **sales contract** made with government departments and local authorities,

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- consequences of a decision taken by the government of your country that hinder the execution of the **sales contract** or prevent the payment of the **debt**.

2 - RISK MANAGEMENT

2.1 General Principles

You must exercise due care in granting credit to your buyers, with regard to both the amount and the period of credit, and must 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 it not insured. You must also use all reasonable endeavours to preserve your rights against both your buyers and any third parties.

You must keep for your own account any portion of the risk not covered by us, unless we agree in writing.

2.2 Credit Period

2.2.1 The initial credit period you grant your buyers must not exceed the *maximum credit period*.

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

2.2.3 You must obtain agreement from us before you extend a **due date**:

- i) if the extended **due date** falls outside the *maximum credit period*,
- ii) for a buyer on whom we have cancelled a credit limit,
- iii) for a buyer for whom a notification of **overdue account** has, or should have, been made.

2.3 Notifications of Adverse Information or Overdue Account

You must notify us in writing:

- i) as soon as you become aware of any **adverse information** concerning a buyer,
- ii) as soon as you have information indicating that a buyer has become **insolvent**,
- iii) of any **overdue account** which remains unpaid at *the time limit for notification of overdue account*. In the case of **cash against document sales**, you will send us a **notification of overdue account** within 30 days of the arrival of the documents and the goods at the place of **delivery**.
- iv) immediately of any sums you receive after you have notified us of an **overdue account**.

2.4 In case of overdue account you must take all measures as may be considered necessary, whether by you or by us, to prevent or minimise the consequences of the claim. You must pursue diligently and in good time any rights you may have over, including rights to recover goods or to protect your or our rights or to secure the payment of the **debt**.

3 - CLAIM PAYMENT

3.1 Payment level

We will pay the insured percentage of the **net debt** or of the credit limit if the **net debt** exceeds the credit limit.

3.2 Conditions of payment

The claim payment can only be made if you have duly complied with all the terms of this contract and have sent us all written evidence of the **debt** and the **security** possibly obtained and, if applicable, of the **insolvency** of the buyer.

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3.3 Subrogation

We shall have full rights of subrogation to all your rights and actions in relation to the principal and the interests of the insured **debt** and to the **security** attached to it. You will give us any documents or titles we may require to exercise this subrogation effectively and will make any assignments or transfers required in our favour.

The subrogation will not relieve you of your obligation to take any such measures as may be deemed necessary to recover the **debt** and to comply with our instructions.

3.4 Disputed debts

In the event of a **dispute** arising in connection with the **debt**, cover is suspended in respect of a claim 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.

3.5 Return of payment

We may require a claim payment to be returned to us if it subsequently appears that such a claim should not have been paid under the provisions of this contract and if, in the case of **insolvency** of the buyer, the **debt** is not subsequently admitted to rank.

3.6 Maximum liability

The total amount paid in respect of the claims relating to **debts** arising from risks in a single *insurance period* will not exceed the *maximum liability*.

4 - ASSIGNMENT OF THE RIGHTS UNDER THIS CONTRACT - ASSIGNMENT OF DEBT

You may only assign your rights to payment of claims to a third party namely the Loss Payee with our prior written consent. Your obligations under this contract will remain unaffected. The loss payee will have no more rights to payment than you, and our rights under this contract shall continue to be exercisable notwithstanding the assignment.

You may assign the **debts** to the financial institution acting as the loss payee, provided that you have assigned the right to payment of claims as described above.

5 - PAYMENTS

You will pay all amounts due from you under this contract as they fall due and will not be able to offset any payment you may consider we owe you, even if we recognise that a claim is payable.

The payment of the premium will not alone give us the obligation to pay for a loss, as the loss will in any case be subject to the terms of this contract.

6 - CURRENCY

If the invoices are issued in a currency other than the currency provided for in the Schedule, the receipts will be converted into the *currency of this contract*, as follows:

◆ for calculating the net debt:

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

◆ for the amounts recovered after payment of claim:

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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.

7 - ADVISING US OF CHANGES

You must inform us within 10 days of any substantial change in the information given in the application form, particularly in the nature or the scope of your activities or in your legal status.

We reserve the right, if your company is in state of **insolvency** or in case you cease your business activity, to terminate this contract with effect from the relevant event.

8 - RIGHT OF DISCOVERY

You undertake to allow us to exercise the right of discovery, and particularly you will provide us with any documents and/or certified copies relating to your **sales contracts** and will 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.

9 - OBSERVANCE OF THE TERMS OF THIS CONTRACT

9.1 If you do not pay the premium, in whole or in part, within fifteen days of receiving a registered reminder from us, cover will be suspended for all of the **debts**. Cover will not be valid again until the full amount of the premium and the applicable interests and costs have been paid. We also reserve the right to terminate this contract.

9.2 We have the right to terminate this contract, refuse to pay any claim and require any claim payment 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 limit or when a cause of loss occurs.

9.3 Any other failure to fulfil your obligations under this contract will forfeit your right to cover for the **debts** concerned and if a claim payment has already been made for this **debt**, you undertake to reimburse us for such payment.

9.4 In the event of the cover is, due to the non-observance of the terms specified in this contract, forfeited, suspended or in case of termination of this contract, no return of premium will be made by us and all premium payable will be immediately due.

10 - DATA PROTECTION

10.1 Data (including personal data) provided by you under this contract 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 CreditAlliance partners.

10.2 Regarding personal data, data subjects will be entitled to ask us for information on their personal data, the purposes of their processing and on the recipients or categories of recipients. They will have the right to ask for the modification, erasure or blocking of data which are inaccurate or incomplete or to object to the processing on compelling legitimate grounds, by contacting our service in charge of personal data

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protection at the following email address: or on the following phone number:

10.3 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 service referred to in paragraph 2.

10.4 You undertake to provide the data subjects with the information referred to in paragraphs 1, 2 and 3 here above.

11 - DEFINITIONS

ADVERSE INFORMATION

Any event you may become aware of which has led or may lead to a deterioration of your buyer's financial situation.

ASSOCIATED COMPANY

Any company directly or indirectly controlled by you, or which controls you directly or indirectly or is controlled directly or indirectly by the same company as controls you.

CASH AGAINST DOCUMENTS SALES

Sales where the applicable terms of payment provide that you will keep title to the goods until full payment has been made to the body responsible for handing the documents of title over to the buyer.

DEBT

Amount of one or more invoices owed by the buyer under a **sales contract** and falling within the scope of this contract.

DELIVERY

The goods are considered delivered when they have been made available to the buyer or any person acting on his behalf, at the place and on the terms specified in the **sales contract**. In the case of **cash against documents sales**, delivery occurs when the goods and documents of title arrive at the place of delivery.

DISPUTE

Any disagreement regarding the amount of a **debt** or the validity of your rights or **debts**, including any disagreement about setting off sums you may owe your buyer.

DUE DATE

Date when the buyer must pay for his **debt** according to the **sales contract**.

INSOLVENCY

Insolvency shall be deemed to occur in any of the following cases:

- a) the buyer has been made by a Court of Law of his country on the ground that he is insolvent;
- b) you show to our satisfaction that the financial position of the Buyer is such that to start or continue legal proceedings will have no cost effective result;
- c) such situations or events which, in our sole opinion, in substance or effect are equivalent to the situations and events mentioned in the above cases.

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NET DEBT

Corresponds to the balance of a loss account including:

on the debit side:

- the amount of the invoices, covered under this contract, issued for the goods sold or services performed, including, as appropriate:
 - ◆ the VAT, if this tax is covered under this contract,
 - ◆ any interest payable up to the due date, but none that accrues thereafter,
 - ◆ the packing, transport, insurance costs and any taxes owed by the buyer, with the exclusion of any interests for late payment and any penalties or damages;

on the credit side:

- the amount of any **recoveries** received by you or by us up to the date of drawing up of the loss account and the total amount of the expenses that you did not have to pay as a result of the loss.

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**.

NOTICE / NOTIFICATION

Written notice received by you or us at your or our administrative address by mail, fax or by such electronic means as agreed upon by you and us in writing.

OVERDUE ACCOUNT

When a **debt** to which this contract relates has not been paid on the date, in the currency and in the place specified in the **sales contract**.

PRIVATE INDIVIDUAL

Refers to a person who buys goods or services for a purpose other than the purpose of his professional activity.

RECOVERIES

Any amounts received from the buyer or a third party, whether before or after the claim payment has been paid, including:

- ◆ any interest you or we receive on late payment,
- ◆ any **security** you or we realise,
- ◆ 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. Where goods have or could have been recovered or kept the value of the proceeds is the actual value you have obtained or 50 % of the invoice value - unless other percentage specified - where that is greater.

SALES CONTRACT

Any agreement in any form which is legally binding upon the buyer and the seller and which is for the sale of goods or services against payment of a price.

Sales made on approval are not considered as sales contracts.

SECURITY

Any mortgage, charge, pledge, lien, personal guarantee or other encumbrance securing any obligation of a buyer.

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SHIPMENT

Goods are considered shipped when they are handed over to a third party - generally a carrier - to take them to the place of delivery specified in the **sales contract**.

MINI

MODULES

CAUSE OF LOSS MODULE

NON-PAYMENT RISK (A8.01)

1 - RISK COVERED

This contract covers the risk of **non-payment** of your **debts**.

2 - CLAIM PAYMENT

If your buyer is **insolvent**, the claim is paid within 30 days of our receipt of the written evidence of the **insolvency** and all the documents establishing the **debt**.

For other reasons of **non-payment** of your debt, the claim payment is calculated at the end of a five-month period after we have received your **notification of overdue account** with request for intervention. Claim payment is made within 30 days of this period provided that you have sent us all written evidence of the **debt**.

RISK MODULE

CREDIT LIMITS (B26.04)

The credit limit is determined:

- either by you within the discretionary zone,
- or by us within the underwriting zone.

1 - DISCRETIONARY ZONE

1.1 You may set the credit limit applicable to your buyers yourself if the credit limit does not exceed the *Underwriting level* fixed in the schedule, according to the following conditions:

- your buyer must be located in a *country* listed for this facility in the Schedule. We reserve the right to modify the list of *countries* concerned during the *insurance period*,
- all **debts** under any **sales contracts** you may have had with your buyer before must have been paid for within the *maximum credit period*.
- the *specific insured percentage* applicable to this facility is set out in the Schedule.

1.2 Providing that you have subscribed to our on-line system, you can consult us within this zone to know the @rating we grant to your buyer. If we have not yet granted an @rating for your buyer, you can ask us for a credit limit, according to the conditions specified in article 2 below.

Then you will be covered, except if the @rating is X or if we refuse a credit limit, up to the *underwriting level*, or respectively, if it is more favourable for you:

- either up to the amount of the @rating we grant to your buyer, according to the *scale* fixed in the Schedule,
- or up to the credit limit,

and you will then benefit from the *insured percentage* provided for in the Schedule for the buyers approved by us.

2 - UNDERWRITING ZONE

Above the *Underwriting level*, or if the buyer is located in any others countries but not the ones mentioned in article 1.1, the credit limit will be set by us, as specified below:

2.1 Providing that you have subscribed to our on-line system, you have to consult us to know the @rating we grant to your buyer. Then you will be covered up to the amount of the @rating as per the *scale* and the *insured percentage* fixed in the Schedule, except if the @rating is X.

2.2 If you have not subscribed to our on-line system, or if the amount of the @rating we grant does not suit you regarding the credit limit you are expecting, or if we have not yet granted an @rating for your buyer, you have to request a credit limit. This credit limit sets the maximum amount covered and any specific conditions as may be applicable to it.

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If our credit limit is subject to your obtaining a **security**, this **security** must be valid and enforceable.

Our credit limits are confidential: you undertake not to disclose the contents of our credit limits to any third party that is not noted in this contract. For the persons who are noted in this contract, you undertake that they will keep them confidential.

- 2.3 When requesting an initial or revised @rating or credit limit, you must advise us of any **adverse information** and of any **overdue account** for which, at the date of the request, the *maximum credit period* has expired.

3 - VALIDITY AND CHANGE OF COVER

For each buyer on which we have granted either an @rating or a credit limit, we will provide a monitoring service. Unless otherwise specified on the credit limit **notice** in the case of credit limits, our decisions regarding @rating or credit limits will become effective on the date we receive your request and they are not limited in time and remain valid for the amount granted unless we give you **notice** of reduction or cancellation of cover. We have the right to refuse, reduce or cancel an @rating or a credit limit at any time and should we do so, then the refusal, reduction or cancellation will become effective for deliveries, shipments or performance of services made from the date of our **notice**.

VARIABLES ASSOCIATED TO THIS MODULE *to be included in the Schedule*
B26.04 Credit Limits

Discretionary Zone:

Fall into this zone, all outstanding balances less or equal to the *underwriting level* fixed at EUR 10,000.

- Countries: *to be included in the Schedule*.
- Specific insured percentage: *to be included in the Schedule*.

@Rating Scale:

- . @rating X : no cover
- . @rating R : EUR 10,000
- . @rating @ : EUR 20,000
- . @rating @@ : EUR 50,000
- . @rating @@@ : EUR 100,000

Insured percentage: 90% of the **net debt**

If your buyer is rated @@@@, we can cover, within the framework of a credit limit request, an outstanding balance higher than EUR 100,000.

In that case, the insured percentage is the normal insured percentage provided for in this contract for the buyers approved by us.

In case of a loss, the amount of the @rating we have granted to your buyer will be converted in the currency of the present contract at the *exchange rate* on the date you have **notified** us of an **overdue account**.

COLLECTION MODULE

FULL COLLECTION SERVICES (C1.02)

- 1 - We will provide you with collection services for the **debts** to which this contract applies.
- 2 - For the purpose of these services you will send us - within the period specified in the Schedule - a **notification of overdue account** with request for intervention and, upon our request, any written evidence of the **debt** and of the **security** you may have obtained.
- 3 - Within the framework of these services, we will have full power to exercise your rights in relation to your **debts** and especially power to compound, whether these **debts** are covered in whole or in part. You will support any decision we may make in this respect and you will give us an irrevocable mandate, and any documents or titles we may require to provide the collection services, it being understood that we will pursue cases according to our own judgement of the merit of so doing and will decide what resource to apply.
If we do not perform the collection services ourselves, you will take any such measures - in agreement with us or according to our instructions - as may be deemed necessary to protect your rights and to secure the payment of the **debt**, which may imply reselling the goods.
- 4 - We will bear the full costs of the pre-legal and legal recovery actions we take or you take - in agreement with us or according to our instructions - subject to the provisions applicable to **recoveries**. You will pay for any collection actions you undertake yourself at your own initiative.
- 5 - These services are not available for **debts** which are subject to a **dispute**.

CLAIM PAYMENT MODULE

THRESHOLD (D1.01)

You will keep for your own account **debts** that do not exceed the *threshold*.

The **debts** that are less than the *threshold* do not need to be notified to us and we will not provide pre-legal or legal collection services for such **debts**.

RECOVERIES MODULE

RECOVERIES (E1.01)

Recoveries are subject to the following provisions:

- 1 - You must let us know immediately of any **recoveries** you receive after you have notified us of an **overdue account**.
- 2 - **Recoveries** received before payment of a claim will be applied to the balance of the outstanding account and will be applied to the earliest invoices first.
- 3 - Any **recoveries** received after the payment of a claim will be for our account within the limit of the claim paid. In the case where the total amount of **recoveries** should exceed the **debt**, the excess would be paid back to you after deduction of the recovery costs.

INVOICING MODULE

PREMIUM ON TURNOVER DECLARATION (F3.05)

The premium is calculated by applying the *premium rate* stated in the Schedule to the value of all the sales to which this contract applies, subject to the *minimum premium*.

1 - TURNOVER DECLARATION

You must **notify** us, in the agreed form and until expiry of the *declaration period*, of the turnover - including VAT if applicable - made within the *scope of this contract* during the preceding *reporting period*.

If the invoices are issued in a currency other than the currency provided for in the schedule, you will have to convert the amounts into the *currency of this contract* at the *Exchange Rate* in force the last working day of the month the invoices are drawn up.

In case of non renewal of this contract, you still have to **notify** the turnover relating to the last *reporting period*.

If you fail to send us a declaration within the allocated time and despite our written reminder or if you fail to declare the all turnover falling within the *scope of this contract*, cover will cease to apply to the **debts** not declared, but you will still have to pay us for the corresponding premium. We also reserve the rights to terminate this contract.

2 - PREMIUM

- 2.1. The *minimum premium* is payable in *instalments* or *deposits*. The first *instalment / deposit* will be made upon execution of this contract.
- 2.2. The possible balancing payment owed by you according to the contractual *minimum premium* payment already made, will be invoiced to you upon receipt of the last turnover declaration for the *insurance period* concerned.
- 2.3. All the amounts specified in this contract in respect of premium are amounts before any tax or duty is added. All amounts (including – if applicable – taxes and duties) will be paid within the period specified on the invoices.

INVOICING MODULE

ADDITIONAL COSTS (F33.01)

1 - CREDIT LIMIT AND @RATING COSTS

A fixed contribution to the costs incurred by the credit limit or @rating requests and to the monitoring of your buyers portfolio will be invoiced on a quarterly basis according to the tariff schedule in force. This invoicing includes:

- with regards to the enquiry or @rating costs, all the decisions we have taken within the quarter.
- with regards to the monitoring costs, all the credit limits or @rating in force at the end of each month.

In the event of a credit limit request following up an @rating request, the discrepancy between the enquiry and the @rating costs will be invoiced only.

The enquiry or the @rating costs are not increased if you make several enquiries concerning the same buyer, for example, to obtain an increase of the credit limit or to check if the @rating has not changed.

At any time you may withdraw a credit limit or an @rating on those of your buyers with whom you are no longer in contact ; you can thus avoid paying continued costs on the buyers in question.

If you subsequently envisage re-entering into business with these buyers, you must apply for new credit limits or new @ratings and, of course, contribute once again to enquiry or @rating costs. When you ask for a previously cancelled credit limit or an @rating level "X", either on your request or by our decision, to be reactivated, further enquiry or @rating costs are not payable if this request is made within 12 months following cancellation.

2 - CONTRIBUTION TO RECOVERY COSTS

This contribution is payable in quarterly payments as per the tariff schedule in force.

3 - DATE OF PAYMENT

The amounts owed by you (including – if applicable – taxes and duties) will be paid within the period specified on the invoices.

