



Trade and Political Risks Contract Frustration Application Form

Section A

1. Name of Applicant & Parent _____
Nationality of Applicant and Nationality of Parent _____
Address _____

2. Name of Buyer _____
Address _____

Buyer's Country _____
3. In the event that insurance is sought on a Sub Contract:
Main Contractor _____
Address _____

Nationality _____

Previous experience of working together: _____

4. Buyer's legal status (i.e private company, majority government owned or nationalised company, government ministry, official import organisation, etc.): _____

5. If buyer is majority government owned, does it carry full faith and credit of the government?

6. Describe the products and/or services which are the subject of the Contract noting any unique or unusual features: _____

7.
 - a) In the subject matter of the Contract standard or custom made?

 - b) How important is the Contract to the Buyer's country? (details by attachment if necessary). Give Reasons.

 - c) How easily could an alternative Buyer be found? _____

 - d) Would subject matter need modification if sold to another Buyer and how extensive would such modification be? _____

8. If contract is a Sales Contract:
i) Where does delivery and acceptance of the products by Buyer take place? _____

ii) Where and when does title pass to the Buyer? _____

9. Was contract open to competitive bids or was the applicant invited to tender? _____

10. Identify sales agent in Buyer's country if applicable: _____

11. a) Who is responsible for obtaining all licence(s) or consent(s) necessary for the fulfillment of the contract from:

The Buyer's country _____
The Applicant's country _____

b) Are these now in force? _____

c) If not, when expected? _____

d) For what period are licence(s) valid? From _____ To _____

e) If not for full contract period, why not? _____

12. a) Does Applicant have previous experience with:

i) this Buyer or []

ii) this Country []

b) Details of recent previous experience:

Month & Year	Buyer	Amount	Payment Record
_____	_____	_____	_____ days delay
_____	_____	_____	_____ days delay
_____	_____	_____	_____ days delay
_____	_____	_____	_____ days delay

c) Does the Applicant have other exposures with the Buyer or with other Buyers in the Host Country? If so, for what amounts? _____

d) Are there other exposures insured or otherwise secured? If so, by whom or how secured? _____

e) Does the Applicant have any overdues on any exposures in the Host Country as of the date of this Application? If so, please give details of status: _____

13. Are any further Contracts being considered with:

- i) this Buyer or []
ii) this Country? []

Details _____

14. Does the Contract or Sales Agreement contain the following clauses?

- a) Termination Clause _____
d) Arbitration Clause _____ If yes, where is it to take place and under which laws?

c) Force Majeure Clause _____

d) Conditions precedent to effectiveness of Contract: _____

What are these? _____

15. Tender/Contract Value: _____

16. Currency of Contract _____

17. Has any external financing been obtained by the Buyer in connection with this Contract?

Yes/No

If so, from whom? (e.g. World Bank, AID, ECGD, general government revenues, etc.)

18. Instrument of Payment (Letter of Credit, Preliminary Note, CAD, etc.) _____

If by C.I.L.C is it in any way qualified: _____ If so, how? _____

19. a) Were Government, Central Bank or Ministry of Finance guarantee available? Please specify:

b) Were they sought? _____

c) Were they obtained? _____

20. Terms of Payment – Complete as relevant to Sales or Service Contract:

		%
Amount	_____	_____
Payment on Signature	_____	_____
Estimated value of monthly Certificates	_____	_____
On Shipment	_____	_____
On arrival at port or site	_____	_____
On Commissioning/erection	_____	_____
On issue of Practical Completion Certificate	_____	_____
On issue of Final Acceptance Certificate	_____	_____
Other	_____	_____
Other	_____	_____
Other	_____	_____

21. Term of Policy requested: From: _____ to _____

N.B If inception date of policy is required to be later than date on which the Contract became effective, the Limit of Liability requested in Question 22 below will apply only to costs and expenses insured from policy inception, unless the policy is back-dated to the beginning of the Contract period.

22. Maximum Limit of Liability

(i) Preshipment (ii) Postshipment

Contract Repudiation (Sales Form) _____

(i) Maximum estimated Net Loss based on costs and expenses insured.

(ii) Maximum estimated Net Loss based on gross invoice value.

Section B

General

23. a) Has applicant been declined coverage on any part of this transaction by any other Insurer?

YES/NO

b) If so, by whom and state reason _____

24. Does the Applicant have any knowledge of any facts not readily available from the financial press, which might give rise to a claim under the policy? _____

It is agreed that if such knowledge or information exists, any claim arising therefrom and which has not been notified to the Company may be excluded from the proposed policy.

Copies of the following documents, where applicable are required by the underwriters prior to the issuance of any insurance or any policy becoming effective:

- a) the Contract or Sales Agreement (required even when only Wrongful Calling of Guarantee Insurance sought):
- b) the Guarantee(s) the Counter-Guarantee(s) and the Counter-Indemnity to be given to the Buyer, the Local Bank and the Bank:
- c) estimated Cashflow forecast or similar chart:
- d) copy debt instruments, e.g. Copy Letters of Credit, Promissory Notes and Bills of Exchange.
- e) most recent Annual Report of the Applicant.

Other material you may wish to provide an Applicant, Buyer or products is welcome.

Brief Information About Applicant:

Founded: _____

Capital and Reserves last 3 years: _____

Turnover last 3 years: _____

Profit/Loss last 3 years: _____

Working Capital: _____

Net Worth (Equity): _____

Number of employees: _____

Major Shareholders: _____

Auditors: _____

Have audited accounts been qualified in the last 5 years? If so, for what reason? _____

Applicants may alternatively supply their most recent audited statement.

The Applicant Agrees Not To Disclose The Existence Of Any Policy Which May Be Issued To Any Outside Party Without The Prior Consent Of The Company.

Signed: _____

Title: _____

Corporation: _____

Date: _____

Broker: _____

Address: _____

The above authorised officer of the Applicant declared that, to the best of his knowledge, the statement set forth in this Application are true and no material information has been withheld.

Signing Of This Application Does Not Bind The Above To Complete The Insurance But It Is Agreed That This Application Shall Be The Basis Of The Insurance Should A Policy Be Issued And Will Be Attached To And Form Part Of The Policy.

Please note that all indications given by underwriters are on a "Today's Rate" basis. Underwriters reserve the right to withdraw their indication or to reserve the terms at any time whatsoever. Cover can only be bound when an order to bind cover is accepted by underwriters, after submission of all required information and documentation.