

Credit limits with free credit limit facility

The credit limit is determined:

- either by you, under the Free Credit Limit Facility,
- or by us.

1 Free credit limit facility

You may set the credit limit applicable to your buyers yourself, subject to the following conditions:

- 1.1 The credit limit you grant to your buyer will not exceed the maximum amount specified in the Schedule.
- 1.2 The buyers concerned must be located in a country listed for this facility in the Schedule. The list of countries concerned may be modified by us during the *insurance period*.
- 1.3 All **debts** under any **sales contracts** you may have had with your buyer before must have been paid for within the *maximum credit period*.
- 1.4 There is a specific *insured percentage* for this facility which is specified in the Schedule.
- 1.5 You may still ask us for a credit limit on the buyer for an outstanding balance lower than the credit limit specified in article 1.1 above, in order to benefit from the higher *insured percentage*. However, if we refuse to agree or cancel a credit limit on a buyer, then that buyer is not covered from the date of our **notice**.

2 Credit limit provided by us

Above the maximum outstanding balance mentioned in the previous article, the credit limit will be set by us, as specified below:

- 2.1 Following your requests for initial or revised credit limits, we will agree a credit limit for each one of your buyers. This credit limit sets the maximum outstanding balance covered and any specific conditions as may be applicable to it. Our decision shall become effective on the date we receive your request, unless otherwise specified on the credit limit **notice**. We may also refuse to cover a buyer.
- 2.2 If the credit limit is subject to your obtaining a **security**, this **security** must be valid and enforceable.

Risk Module

We may reduce or cancel a credit limit at any time. In this case, the reduction or cancellation will come into force on the date of our **notice**.

- 2.4 Unless otherwise specified, our credit limit is not restricted to a limited time period and remains valid for the amount granted unless we give you **notice** of a limit reduction or cancellation.
- 2.5 When requesting an initial or revised 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.
- 2.6 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 persons noted in this contract, you undertake that they will keep the credit limits confidential.