

Binding orders

1 If we reduce or cancel a credit limit or an @rating limit for a buyer, we will maintain cover for the **deliveries, shipments** or services that you are contractually committed to make or perform within the period specified in the schedule following the date of our **notice**. This cover is subject to the following conditions:

1.1 These **deliveries, shipments** or services must correspond to:

(i) a **sales contract** entered into less than six months before the date of our **notice**,

or

(ii) a schedule of **deliveries, shipments** or services which have been agreed upon with the buyer less than six months before the date of our **notice**,

1.2 The buyer concerned cannot be subject to **insolvency**, nor have any **overdue account** beyond sixty days.

2 It is your responsibility to determine whether you are contractually committed. This means that in the event you fail to make or perform such **deliveries, shipments** or services, your buyer would be entitled to take action against you for breach of contract or seek other legal redress.

If your **sales contract** entitles you to cease **deliveries, shipments** or services in permitted circumstances and those circumstances apply, then you are not contractually committed.

In the event of a claim we will require you to provide evidence of your contractual commitment and to submit a copy of your **sales contract**, purchase orders and acknowledgment orders and any other documentation we may deem necessary.