

## B24 Extension of cover

Cover is extended to losses sustained by you in relation to transferred **debts** purchased by you from your affiliate[s] identified in the schedule (your “*affiliate*”), subject to compliance with this module.

The affiliate must have a business activity similar to the *business activity*, described in the Schedule.

As a general agreement you agree to purchase from your *affiliate*, and your *affiliate* agree to sell to you **debts** related to sales of goods, **shipment** or performance of services that fall within the scope of the *business activity* covered by the contract when the **debts** of a buyer remain unpaid after the **due date** (the “transferred **debts**”).

Provided that the transferred **debts** are duly and legally transferred to you, the transferred **debts** will be fully integrated to your contract and covered under the same conditions; accordingly, you shall comply with the terms and conditions of your contract for the transferred **debts** as you would for your own **debts**.

### 1 General provisions

The general provisions and specific conditions related to the credit insurance cover, risk management, claim payment, assignment of the rights under the contract, currency and observance of the terms of the contract are all applicable mutatis mutandis to the transferred **debts** purchased by you.

In particular, the following exclusions also apply (in addition to any exclusion specific to your contract) to the transferred **debts**:

#### 1.1 This contract does not cover any loss:

- i) where the transfer of the **debt** does not confer to you all the rights attached to the transferred **debt** and its accessories or from the **securities** attached to it and/or arising from invalidity and/or unenforceability of the transfer to you of the transferred **debts**;
- ii) where you or your *affiliate* have not complied with any terms attached to the credit limit,
- iii) relating to sales contracts made by your *affiliate* with a **private individual** or an **associated company** of your *affiliate* or with government and local authorities of your *affiliates* country;
- 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,

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- b. at your knowledge or at the knowledge of your *affiliate*, a buyer already declared **insolvent**,
  - v) arising from a failure, by you or by your *affiliate* or any one acting on your behalf or on behalf of your *affiliate*, to fulfil your/its 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 or the one of your *affiliate* to comply with any applicable rule or custom,
  - vii) arising directly or indirectly from :
    - a. a decision made by the government where you or your *affiliate* is domiciled, which hinders and/or prohibits the export of goods or the performance services and/or which prevents the payment of the **debt**;
    - b. a war, whether declared or not, between your country or your *affiliate's* country and the **buyer's** country or between two or more of the following countries : France, People's Republic of China, Federation of Russia, United Kingdom, United States of America;
    - c. the consequences of a decision taken by the government of your *affiliate's* country that hinder the execution of the **sales contract** or prevent the payment of the **debt**.
- 1.2 Any **dispute** by the buyer, whether relating to its contractual rights toward your *affiliate*, or regarding your rights in your capacity as purchaser of the transferred **debts** shall suspend payment of a claim until the **dispute** is adjudicated in your favour or in favour of your *affiliate* by arbitration or court judgement enforceable in the country of the buyer.

## 2 Schedule and modules

The conditions described in the schedule and modules of your contract, notably those related to business activity, countries covered premium rate, insured percentage, maximum liability, maximum credit period, maximum invoicing period, **notification of overdue account**, credit limit, **recoveries**, duration, jurisdiction and applicable law, are applicable mutatis mutandis to the transferred **debts** purchased by you.

In addition, the following provisions are applicable to the transferred **debts**:

### 2.1 Maximum transfer period

The transfer of the transferred **debt** shall occur before the *time limit for notification of overdue account* applicable to the said transferred **debts**.

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### 2.2 Justification documents

In case of claim related to a transferred **debt**, you may be requested to provide us with documents evidencing the valid and enforceable transfer to you of the transferred **debts**.

### 2.3 Maximum liability

The maximum liability specified in the schedule is applicable for all **debts** covered under your contract, including the transferred **debts**.

### 2.4 Turnover declaration

Premium will be calculated by applying the *premium rate* to the value of all the sales to which the contract applies, including the total value of the sales made by your *affiliate* covered by the scope of this contract (the “*affiliate turnover*”). Accordingly, you undertake to include your *affiliate* turnover into your turnover declaration.

### 2.5 Recoveries

Any amounts, received either by you or your *affiliate*, within the scope of our definition, will be considered as a **recovery**. You shall inform us immediately of any **recovery** and pay to us, as applicable, the equivalent value of the said **recovery** in the *currency of the contract* within ten days of their collection by you or your *affiliate*.

## 3 Condition of cover

As an express condition, it is agreed that:

### 3.1 Valid transfer

Cover for **debts** of your *affiliate* may only be provided through this module on condition there has been a valid and enforceable transfer of the **debts** to you; no cover will be granted for **debts** for which the transfer would not be valid or enforceable;

### 3.2 Buyer unicity

You are required to have your *affiliate* transfer to you all **debts** related to the said buyer for which you have purchased a **debt**, including any portion of the **debt** which is still not due.

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### 3.3 Currency

You undertake to purchase the **debts** in the *currency of the transferred debt*, as specified in the schedule.

## 4 Mandate to act

You guarantee that your *affiliate* will take all appropriate steps as instructed by you or us to ensure the continuing validity and payment of the transferred **debts** (notwithstanding the fact that you purchased the **debts**) and/or in relation with any recovery action we may take.

## 5 Changes in relation with your affiliate

You undertake to inform us within 5 days of any substantial change in the situation of your *affiliate*, in particular any change of *business activity* and/or change in your *affiliate* shareholding.

Full control of your *affiliate* is an express condition of this extension of cover. In instances where you lose full control of your *affiliate*, this extension of cover will automatically terminate unless expressly agreed by us in writing.

## 6 Confidentiality

This module is confidential; you undertake not to disclose its existence or its content to any third party. You also guarantee that your *affiliate* will strictly comply with this confidentiality undertaking.