



本商品經本公司合格簽署人員檢視其內容業以符合保險精算原則及保險法令，惟為確保權益，基於保險業與消費者衡平對等原則，消費者仍應詳加閱讀保險單條款與相關文件，審慎選擇保險商品。本商品如有虛偽不實或違法情事，應由本公司及負責人依法負責。

保戶查詢其投保及最近一期繳費狀況專線：(02) 2577-5797

## 科法斯產物貿易信用保險(TradeLiner) 第一次部分變更

108.01.31 科保字第 1080006 號函備查

### GENERAL TERMS .....

#### Purpose of this Contract

Subject to and in accordance with the provisions of this **Contract**, We undertake to cover You for the risk of **Non-Payment** of your **Debts** arising from **Deliveries** You make during the *contract period* (risk attaching principle) and to indemnify You up to the *insured percentage* of the **Net Debt**.

#### Structure of this Contract

This **Contract** consists of the following documents:

- these General Terms .....,
- the Special Terms, including any *additional document* if any, and
- the Questionnaire submitted by You.

In case of inconsistency between the Special Terms and any other parts of this **Contract**, the Special Terms (including any *additional document* if any) shall prevail.

The terms in **bold** characters are defined in article 15 of the General Terms or in the body of the **Contract**.

The terms in *italics* are specified in the Special Terms.



All references in this **Contract** to “day(s)” refer to “calendar day(s)” unless expressly provided otherwise.



## 1 – Cover

### 1.1 Scope of cover

#### 1.1.1 Insurable Debts

Our cover shall apply to **Debts**:

- i) arising in the course of your *covered business activity*,
- ii) on a **Buyer** located in a *covered country*,
- iii) arising from **Deliveries** made during the *contract period*,
- iv) payable within the *maximum credit period* and
- v) for which the invoice is sent to the **Buyer** within the *maximum invoicing period*.

#### 1.1.2 Insurable causes of loss

Our cover shall apply to any **Non-Payment** arising directly and exclusively from:

- i) your **Buyer's Insolvency**, or
- ii) your **Buyer's Protracted Default**.

### 1.2 Exclusion of cover

#### 1.2.1 Excluded Debts

a) Our cover shall not apply to **Debts** due by a **Buyer** who is i) a **Private Individual**, ii) an **Associated Company**, iii) a **Public Buyer**, or iv) already subject to **Insolvency** on the date of **Delivery**.

b) Our cover shall not apply to **Debts**:

- i) payable before **Delivery**,
- ii) payable by irrevocable letter of credit confirmed by a bank registered in your country,
- iii) resulting from sales of goods made on approval or on consignment, or of goods in bonded warehouse or exhibited at a trade fair,
- iv) resulting from **Cash Against Documents Sales**,
- v) which are not required to be notified to Us pursuant to article 3.1.1.a) below,
- vi) which are at the date indemnification is triggered by Us in excess of the **Credit Decision**,
- vii) where You have not complied with any express condition which may be attached to the **Credit Decision**,
- viii) where a failure, by You or anyone acting on your behalf, to fulfill your obligations under the **Sales Contract** occurred, or
- ix) sustained on interest for late payment or any penalties or damages.

c) Our cover shall not apply to **Debts** arising from **Deliveries**:

- i) made after a **Refusal** or a **Cancellation**,
- ii) made to a **Buyer in Default**,
- iii) made to a **Buyer** for whom You have or should have notified Us **Adverse Information**, or
- iv) made in violation of any applicable laws or regulations.

d) Our cover shall not apply to **Debts** which are subject to a **Dispute**; in such a case, our cover shall be suspended 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.



e) Our cover shall not apply to any exchange rate losses.

### **1.2.2 Excluded causes of loss**

Our cover shall not apply to any **Non-Payment** arising directly or indirectly from any of the following events:

- i) any **Political Event**,
- ii) any **Natural Disaster**,
- iii) a nuclear explosion or contamination,
- iv) a war, whether declared or not, between two or more of the following countries : France, the People's Republic of China, the Federation of Russia, the United Kingdom, the United States of America, or
- v) for your domestic transactions: any legislative or administrative measure in your country that prevents the performance of the **Sales Contract** or the payment of the **Debt**.

### **1.3 Commencement and termination of cover**

Our cover shall start upon **Delivery**, provided that a **Positive Credit Decision** with respect to the **Buyer** is in force on the date of **Delivery**.

Our cover shall terminate immediately and automatically when cleared funds are duly credited by the **Buyer** to your account.

## **2 – Risk Management**

### **2.1 Diligence and prevention**

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

### **2.2 Management of the credit period**

The initial credit period You grant to your **Buyers** shall not exceed the *maximum credit period*.

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

You shall obtain our agreement before You extend the credit period:

- i) if the extended credit period falls outside the *maximum credit period*,
- ii) for a **Buyer in Default**, or
- iii) for a **Buyer** in respect of whom We notified a **Cancellation**.

### **2.3 Notification of Adverse Information**

You shall notify Us as soon as and in any case no later than 10 days after You become aware of any **Adverse information** concerning a **Buyer**.

### **2.4 Credit Decisions**

#### **a) Your requests for Credit Decisions**

COMPAGNIE FRANÇAISE D'ASSURANCE POUR LE COMMERCE EXTERIEUR, TAIWAN BRANCH  
A5, 6F, NO. 16, SEC. 4, NANJING E. RD., TAIPEI 10553, TAIWAN R.O.C.  
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Your request to obtain from Us a **Credit Decision** shall be made [through our *online system*] pursuant to the Special Terms.

You may at any time [through our *online system*] request a modification (such as a reduction, withdrawal, or increase) of the **Credit Decision** previously set by Us.

When applying for an initial or revised **Credit Decision**, You shall notify Us of any **Overdue Account** exceeding 60 days from the **Due Date**.

#### **b) Role of the Information Service Provider**

Upon your request for a **Credit Decision** with respect to a **Buyer**, the **Buyer's** creditworthiness shall be assessed and monitored by the *Information Service Provider*, such assessment being a piece of information on which we base our **Credit Decision**.

#### **c) Notification and duration of our Credit Decision**

Upon your request for a **Credit Decision**, We shall notify You of either a **Positive Credit Decision** or a **Refusal**.

Our **Credit Decisions** shall take effect as follows:

- in case of a new **Positive Credit Decision** other than a **Reduction** (including the case of a **Positive Credit Decision** which increases the amount of a previous **Positive Credit Decision**), such new **Positive Credit Decision** shall take retroactive effect 60 days before its notice, provided that at the date of your request You have no **Overdue Account** exceeding 60 days from the **Due Date** or **Adverse information**. Such new **Positive Credit decision** shall replace any **Credit decision** in force during the retroactive period and may not be accumulated with any prior **Credit Decision**. In case of retroactive **Credit Decision**, You shall make sure that You include in your activity declaration **Debts** arising during the retroactive period pursuant to article 6.1 below. If the conditions for retroactivity are not met, the **Positive Credit Decision** shall take effect at the date of your request.

- in case of **Reduction**, **Refusal** or **Cancellation**, such **Credit Decision** shall take effect on the date of notice. In that case:

- **Deliveries** made to a **Buyer** after notice of **Reduction** shall only be covered to the extent that the **Outstanding** does not exceed the value of the new **Credit Decision**.
- **Deliveries** made to a **Buyer** after notice of **Refusal** or **Cancellation** shall not be covered.

We may at any time revise our **Credit Decision** in respect of a **Buyer** and notify You of a **Reduction**, a **Cancellation** or any new condition or restriction applicable to our **Credit Decision**, it being agreed that any **Debt** validly covered before such new **Credit Decision** remains covered.

#### **d) Conditions attached to our Credit Decisions**

Our **Credit Decisions** may provide that their validity is subject to specific conditions. If a **Credit Decision** is subject to your obtaining a **Security**, this **Security** must be valid and enforceable at all times.

### **2.5 Uncovered Amount**

You shall keep for your own account any portion of the **Debt** excluded from cover under article 1.2 above or for which no indemnification is due by Us pursuant to article 3.2.1 below. Such portion may only be insured or covered separately by a third party, with our prior written consent.



## 3 – Indemnification

### 3.1 Notification of Overdue Account and evidence of Debt

#### 3.1.1 Notification of Overdue Account

- a) You shall notify Us through our *online system* and within the *time limit for notification*, any **Overdue Account** which remains due at the date of your notification, if it exceeds the *notification threshold*.
- b) In case of **Overdue Account**, You shall take all measures as may be considered necessary to prevent or minimise the consequences of the claim. You shall pursue diligently and in good time any rights You may have over the **Debt**, including rights to recover goods or to protect your or our rights or to secure the payment of the **Debt**.

#### 3.1.2 Evidence of Debt

Upon our request and within the *waiting period*, You shall send Us all written evidence of the **Debt**, of any **Security** obtained and if applicable of the **Insolvency** of the **Buyer**.

### 3.2 Indemnification

Indemnity in respect of a **Buyer** can result in indemnification of a **Debt** and/or indemnification of **Collection Expenses**.

#### 3.2.1 Debt Indemnification

##### a) Indemnification level - Net Debt

Subject to a *deductible* as specified in the Special Terms, We shall pay the *insured percentage* of the **Net Debt** or of the **Positive Credit Decision** if the **Net Debt** exceeds the **Positive Credit Decision**.

The **Net Debt** shall correspond to the balance of the following loss account:

on the debit side:

- the value of the invoices, covered under this **Contract**, including, as appropriate:
  - ◆ the VAT, if this tax is covered under this **Contract** as specified in the Special Terms
  - ◆ any interest payable up to the **Due Date** (excluding interest that accrues thereafter),
  - ◆ the packing, transport and insurance costs and any taxes owed by the Buyer.

on the credit side:

- the value of any **Recoveries** received by You or by Us up to the date of calculation of the **Net Debt**.

##### b) Date of payment

Provided that You have complied with all the terms of the **Contract**, We shall indemnify You within 30 days of (i) the receipt by Us of all the documents specified in article 3.1.2 above in cases of **Insolvency** of the **Buyer** or (ii) - the expiration of the *waiting period*, in all other cases.

#### 3.2.2 Indemnification of Collection Expenses



Unless stated otherwise in the Special Terms, in addition to indemnification of the **Net Debt**, We shall also indemnify the **Collection Expenses** (VAT excluded) in accordance with the following provisions.

a) Indemnification level

Subject to a *deductible* as specified in the Special Terms, We shall pay You the covered **Collection Expenses** up to the insured percentage applicable to the concerned **Debts**.

The covered **Collection Expenses** shall correspond to the **Collection Expenses** up to the cover ratio defined below.

The cover ratio is the ratio where:

- the numerator is the lowest of the **Net Debt** or the **Credit Decision**
- the denominator is the amount of the **Debt**.

The cover ratio shall be calculated when indemnification is triggered. When the **Debt** is fully paid before indemnification, the cover ratio shall be equal to 1.

b) Date of payment

(i) **Collection Expenses** incurred before indemnification of the **Net Debt** shall be indemnified along with the indemnification of the **Net Debt**.

(ii) **Collection Expenses** incurred after indemnification of the **Net Debt** shall be indemnified within [30] days from our receipt of a copy of the relevant **Collection Expenses**' invoices.

### 3.2.3 Maximum liability

The total amount of indemnity paid by Us with respect to the **Debts** and/or the **Collection Expenses** resulting from **Deliveries** made during a single *insurance period* shall not exceed the *maximum liability*.

### 3.3 Subrogation

Upon payment of an indemnity, We shall become subrogated in all your rights and actions in relation to the principal and the interests of the covered **Debt** and to the **Security** attached to it. You shall give Us any documents or titles We may require to exercise this subrogation effectively and shall make any assignments or transfers required in our favour.

The subrogation shall not relieve You of your obligation to take such measures as may be deemed necessary to recover the **Debt** and to comply with our instructions.

### 3.4 Reimbursement of indemnity

We may require an indemnity to be returned to Us if it subsequently appears that such indemnity should not have been paid under the provisions of this **Contract** or if, in the case of **Insolvency** of the **Buyer**, the **Debt** is not admitted to rank.

### 3.5 Embargoes





Our cover may not apply and we will incur no liability to pay any claim insofar that the provision of such cover and/or payment of such claim would cause us or any member of our group to be exposed to any sanction or penalty (including extra territorial sanctions) originating out of or related to United Nation's resolutions or trade or economic sanctions, laws or regulations of the European union or of any State, whether these sanctions existed at the inception of the **Contract** or were implemented during the *contract period*.

## 4 – Collection

4.1 After a **Notification of Overdue Account**, You shall place with the *Debt Collection Agency* the **Debts** covered by Us whether full or in part for amicable and, if applicable, legal collection. Unless you have our prior written consent, You shall not take over the collection of the **Debts** or instruct any debt collection provider other than the *Debt Collection Agency* to collect the **Debts**.

4.2 You shall cooperate and provide assistance as required to enable the *Debt Collection Agency* to collect the **Debts**. In particular, You shall provide upon the request of the *Debt Collection Agency* and within the prescribed time limit, all written evidence of the **Debts** and of the **Securities** if any, as well as any information, document or title required by the *Debt Collection Agency* to collect the **Debts**.

4.3 You hereby authorise Us to represent You with full powers before the *Debt Collection Agency* for the purpose of managing on your behalf the collection of the **Debts**. In particular, You hereby grant Us to this effect an irrevocable and exclusive mandate to:

- instruct the *Debt Collection Agency* to collect the **Debts** as soon as the **Notification of Overdue Account** is made;
- forward to the *Debt Collection Agency* all invoices and other documents or information relating to the **Debts**, including information concerning **Recoveries** received by You;
- receive from the *Debt Collection Agency* reporting items on the collection actions;
- receive from the *Debt Collection Agency* any **Recoveries** and allocate such **Recoveries** according to article 5.2 below;
- accept any debt settlement agreement with the **Buyer**, including but not limited to any payment plan, debt reduction or assignment of payment right to a third party;
- decide whether or not to pursue legal proceedings and instruct accordingly the *Debt Collection Agency*.

You shall not intervene or liaise directly with the *Debt Collection Agency* without our consent.

## 5 – Recoveries

### 5.1 Notification of Recoveries

After the **Notification of Overdue Account**, You shall inform Us [through our *online system*] within the *recovery notification period* of any **Recoveries** received by You.

### 5.2 Allocation of Recoveries

**Recoveries** received before indemnification is triggered by Us are for your account and shall reduce the **Debt**. Such **Recoveries** shall be allocated in chronological order of the relevant **Due Dates**, any different allocation provided by third parties will not be binding on Us.

**Recoveries** received after indemnification is triggered by Us are for our account up to the amount of the indemnity paid with respect to the **Debt**, and the balance will be for your account up to the amount of the **Debt**.





Should the total amount of **Recoveries** received before or after indemnification is triggered by Us exceed the total amount of the **Debt**, the excess shall be allocated between You and Us to set off the **Collection Expenses** incurred respectively by You and Us.

The trigger date of the indemnification shall be set forth in our statement of indemnification sent to You.

## 6 – Activity declaration, premium and fees

### **6.1 Activity declaration based on Turnover**

Your activity declaration requires You to declare to Us the **Turnover** of each *reporting period*, through our *online system* within the *declaration period*.

In case of non-renewal of this **Contract**, You remain obligated to declare Us your **Turnover** relating to the last *reporting period*.

### **6.2 Premium**

The premium shall be calculated by applying the *premium rate* to the amount of **Turnover**, subject to the *minimum premium*. You shall pay Us the premium amount as it falls due pursuant to the Special Terms.

### **6.3 Fees**

#### 6.3.1 Service Fees

You shall pay to the *Information Service Provider* and the *Debt Collection Agency* the fees due pursuant to the Special Terms.

#### 6.3.2 Management fee due to Us

You shall pay Us pursuant to the Special Terms a management fee for each **Notification of Overdue Account**.

### **6.4 Taxes and duties**

All amounts specified in this **Contract** in respect of premium and fees are exclusive of taxes and duties.

### **6.5 Set-off**

You shall not be entitled to apply any set-off against any payments You may consider We owe You, even if We recognise that We shall indemnify You with respect to a **Debt**.

## 7 – Duration

### **7.1 Duration**

This **Contract** shall be in force from the *inception date* and remain in force for the *first insurance period*. This **Contract** shall then be renewed by tacit agreement for further *insurance periods* unless either party notifies the other of his decision not to renew this **Contract** by registered letter at least 90 days prior to the end of the *insurance period*.



## **7.2 Condition Precedent**

Our obligations under this **Contract** shall be subject to the receipt by Us on the *inception date* of the *deposit* if applicable.

## **7.3 Early termination**

We reserve the right to notify you of the termination of this **Contract** at any time by registered letter if You are subject to **Insolvency** or You cease your business activity.

If We exercise our right to terminate the **Contract**, it shall terminate on the date of the relevant event and the premium shall be due on a pro-rata basis according to the effective duration of the **Contract**.

## **8 – Currency**

If invoices are issued in a currency other than the *currency of the contract*, they shall be converted into the *currency of the contract*, as follows:

**a) for calculating the Net Debt:**

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

**b) for the Recoveries received after indemnification:**

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.

**c) for the activity declaration referred to in article 6.1 above:**

at the *exchange rate* in force on the last working day of the month that the relevant invoices were issued.

## **9 – Communication**

9.1 Except where expressly provided otherwise in this **Contract**, any notice, notification and more generally any communication made under or in relation to the **Contract** shall be validly made at the addresses set out in the Special Terms (i) by facsimile, (ii) by recorded delivery post with advice of receipt, (iii) by express courier delivery service via an internationally known courier company, (iv) by electronic messaging (e-mail) or through our *online system*, (v) by sending the document via a file transfer platform; or to any other persons, addresses, fax numbers or e-mail addresses notified subsequently in accordance with this article.

You shall inform Us of any change to the addresses set out in the Special Terms.

9.2 You acknowledge that any exchanges having taken place in electronic format have the same legal value as hard copy documents.

9.3 Communications shall take effect upon receipt and shall be deemed to have been received (i) in the case of sending by facsimile, on the date shown on the transmission report, (ii) in the case of notification by recorded delivery post with advice of receipt, on the date of first presentation, (iii) in the case of delivery by express courier service, at the time of receipt, (iv) in the case of sending by electronic message or through our *online system*, at the time the message is transmitted to the intended recipient's server and thus is capable of being read by the addressee, (v) in the case of sending via a document transfer platform, as soon as You are notified by e-mail that there is a document on the platform for uploading.

## **10 – Personal Data Protection**

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All capitalized terms not otherwise defined in this Article shall have the meaning ascribed to them in the EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**").

Coface Group is committed to the protection of Personal Data as provided for in applicable laws and regulations on Personal Data, including GDPR and Taiwan Personal Data Protection Act. As part of Coface Group, We are concerned to apply the protective rules related to Personal Data for Your benefit. In view of the above, You are informed of the following protection rules regarding Personal Data You provide Us for the establishment and the management of this Contract.

10.1. Personal Data provided by You under the Contract may be used for regulatory purposes, for the management of the Contract, as well as for Coface legitimate interests. To these extents, Your Personal Data will be processed on the legal basis referred to, respectively, in Articles 6(1)(b) and 6(1)(c) of the GDPR and for the purposes of Coface Taiwan Branch's reasonable business interests within the meaning of Article 6(1)(f) of the GDPR. For the purposes set forth above and for the needs of credit assessment, credit management, credit insurance, reinsurance, information, debt collection, bonding, factoring and financing activities and businesses of Coface Taiwan Branch, as well as for the purposes of any new products developed by any Coface Taiwan Branch, Personal Data provided by You under this Contract may be processed and used by and transferred to other members of Coface Group or to Coface partners, including, where applicable, outside the European Union, as well as to Coface Group reinsurers, brokers and third party services providers providing services such as IT and infrastructure, customer service, email delivery, auditing and other services, to third party experts and advisers including legal counsels, tax advisers or auditors or to any other persons as expressly agreed with You or as required or permitted by any applicable law. To ensure an adequate level of protection for Your Personal Data if transferred to recipients located outside the EU/EEA, Coface enters into agreements with the recipients which include, when applicable, the standard contractual clauses issued by the European Commission pursuant to Article 46(2)(c) of the GDPR. A copy of such agreements can be obtained from Coface's Data Protection Officer.

Your Personal Data will be stored for as long as needed or permitted in light of the purposes for which it was collected and, in any case, for no longer than until the expiry of the statute of limitations for legal proceedings relating to the Contract, extended to the duration of any ongoing litigation proceeding, or for the length of time set forth by any legal obligation to which We are subject. The Personal Data of other persons, including Personal Data of debtors, will be processed on the legal basis referred to in Articles 6(1)(b), 6(1)(c) and 6(1)(f) of the GDPR and will be stored for the same retention periods as set forth above.

10.2. As Data Subject, You are entitled, under the conditions provided for by the GDPR and by any specific law or regulation, to request to review, correct, update, modify, suppress, restrict or delete any Personal Data previously provided, or to request to receive an electronic copy of Your Personal Data in order to transmit it to another company to the extent Your right to data portability is provided by applicable law. You can exercise all these rights by contacting Coface's Data Protection Officer, in charge of Our Personal Data protection service, at the following email address: [privacy.taiwan@coface.com](mailto:privacy.taiwan@coface.com) or at the following address:

Data Protection Office/Group Compliance Department  
1, place Costes et Bellonte - CS 20003 - 92270 BOIS-COLOMBES CEDEX.  
We will respond to Your request in accordance with the applicable law.

In the event of any irregularities, all persons whose Personal Data will be processed pursuant to this Article will have the right to file a complaint with the Supervisory Authority pursuant to Article 57(1)(f) of GDPR. The competent Supervisory Authority is:



Commission nationale de l'informatique et des libertés  
Address : 3 Place de Fontenoy - TSA 80715 - 75334 PARIS CEDEX 07  
Phone Number : +33 01 53 73 22 22

The Controller of Personal Data processed for all the above mentioned purposes is Compagnie française d'assurance pour le commerce extérieur, Taiwan Branch having its registered office at Room A5, 6F, No.16, Section 4, Nanjing East Road, Taipei 10553, Taiwan, ROC.

10.3. We may use Personal Data provided by You for promotion purposes, for example to inform You of new insurance products or products from Coface Taiwan Branch or of any change in existing products. Your Personal Data will not be sold to any third party for marketing campaigns without Your prior consent. In addition, You shall have the right to object to the use of Your Personal Data for marketing reasons at any time by contacting the service referred to in paragraph above upon which Coface Taiwan Branch will immediately cease and desist from any further use of Your Personal Data for such purpose.

You can be contacted by telephone and/or by e-mail for Coface Taiwan Branch's marketing of its products and services purposes.

Your personal data will be processed for Coface Taiwan Branch's marketing purposes based on your consent until it is revoked. Your consent is voluntary and may be revoked at any time, and You are entitled to object to the processing of Your Personal Data for these purposes, upon which Coface Taiwan Branch will immediately cease and desist from any further use of Your Personal Data for such purpose. You may exercise Your rights by sending an e-mail to: [privacy.taiwan@coface.com](mailto:privacy.taiwan@coface.com).

By authorizing to be contacted by telephone and/or by e-mail, Your Personal contact Data (i.e. name, first name, gender, postal address, e-Mail address, telephone numbers landline and mobile) will be processed for Coface Taiwan Branch's marketing purposes, which are in Coface Taiwan Branch's reasonable business interests on the basis of Article 6(1)(f) of the GDPR.

10.4. You shall provide Data subjects with the information referred to in paragraphs 1, 2 and 3 above.

## 11 – Assignment

You may not assign your rights to indemnification and/or the **Debts** to a third party without our prior written consent, such consent being materialised through the execution of an endorsement to this **Contract** to this effect.

## 12 – Information and Control

### 12.1 Advising Us of changes

This **Contract** has been made on the basis of the information submitted by You in the Questionnaire. You shall inform Us within 10 days of any substantial change in the information given in the Questionnaire, particularly in the nature or the scope of your activities or in your legal status.

### 12.2 Right of discovery

You undertake to allow Us to exercise the right of discovery, and particularly You shall provide Us with any documents and/or certified copies relating to your **Sales Contracts** and shall allow Us to make any check,

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including verifying whether You have fulfilled your obligations and made your declarations in a complete, exact and truthful manner.

## 13 - Breach of obligations

### 13.1 Lack of complete activity declaration

In case of lack of declaration, incomplete declaration or late declaration of your **Turnover**, We may forfeit cover for the **Debts** not declared in due time, but You shall still pay Us the premium on the basis of the **Turnover** taking into account the **Debts** not declared or declared late. We also reserve the right to terminate the **Contract**.

### 13.2 Non-payment of premium or fees

a) In case of non-payment of the premium, in whole or in part, within the prescribed time, cover shall be forfeited for all **Debts** resulting from **Deliveries** made during the period in relation to which the premium was not paid. We also reserve the right to deduct the amounts due from the *deposit* and/or terminate the **Contract**.

b) In case of non-payment of the fees, in whole or in part, within the prescribed time, We reserve the right to invoice You late payment interests.

### 13.3 False or incomplete statements

We have the right to terminate the **Contract**, refuse to pay any indemnification and require any indemnities 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 Decision** or when a cause of loss occurred), or
- if You do not comply with your obligations pursuant to article 12.2 above.

### 13.4 Other failures

Any other failure to fulfil your obligations under the **Contract**, including article 3.1.2 above, shall forfeit your right to cover for the **Debts** concerned and if indemnification has already been paid for this **Debt**, You shall reimburse Us for such payment.

### 13.5 Consequences of forfeiture of cover or termination of this Contract

In case of forfeiture of the cover or termination of this **Contract** for non-observance of the terms of the **Contract**, no return of premium shall be made by Us and all premium payable shall become immediately due.

## 14 - Confidentiality

You shall keep confidential and not disclose to any third party including your **Buyers** the **Credit Decisions** (including any conditions attached to them), except with our prior written consent.

## 15 – Definitions

**Adverse Information:** any event You may become aware of and which could indicate that the **Buyer** may not be able to pay the **Debt**, such as but not limited to **Insolvency** of the **Buyer** or of an **Associated Company** of the **Buyer**, cashflow difficulties or deterioration of the reputation of the **Buyer**, substantial

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change or termination of your exclusive or long-lasting business relationship with the **Buyer**, legal action against the **Buyer**.

**Associated Company:** any company which (i) is controlled directly or indirectly by You, or (ii) controls directly or indirectly You, or (iii) is controlled directly or indirectly by the same company as controls You, where "control" means significant influence by participation in the management, administration or capital.

**Buyer:** a legal entity which is legally responsible for paying a **Debt** due to You under a **Sales Contract**.

**Buyer in Default:** a **Buyer** for whom You have or should have sent Us a **Notification of Overdue Account**.

**Cancellation:** **Credit Decision** whereby We cancel a Positive **Credit Decision** previously granted in respect of a **Buyer**.

**Cash Against Documents Sales:** sales where the applicable terms of payment provide that You shall keep title to and control over the goods until full payment has been made to the third party responsible for handing the documents of title over to the **Buyer**.

**Collection Expenses:** any justified and documented expenses incurred by You in accordance with this **Contract** in order to avoid or mitigate the loss and secure the payment of the **Debts** covered by Us, including expenses related to pre-legal and legal collection of the covered **Debts** and actions related to the realisation of **Securities**. Any expenses incurred by You in connection with the settlement of any **Dispute** shall not be regarded as **Collection Expenses**.

**Contract:** the credit-insurance contract concluded between the legal entities identified herein as Contracting Parties and which includes these General Terms, the Special Terms, the Questionnaire and any *additional document* listed in the Special Terms.

**Credit Decision:** decision which is set pursuant to the Special Terms and determines the maximum covered amount of your **Outstanding** in respect of a given **Buyer**, if any.

**Credit Limit :** type of **Credit Decision** set by Us, as per article 2.1. of the Special Terms.

**Debt:** amount of one or more invoices owed by the **Buyer** under a **Sales Contract** and which falls within the scope of our cover as defined in article 1.1.1 above.

**Delivery:** occurs:

- for domestic sales of goods: when the goods are handed over or made available to the **Buyer**, or anyone acting on his behalf, at the place and pursuant to the terms specified in the **Sales Contract**. If it has been agreed between You and Your **Buyer** that the goods must be made available to the **Buyer**, the **Sales Contract** shall specify it expressly in writing.
- for export sales of goods: when the goods are handed over to a third party – generally a carrier – to take them to the place of delivery specified in the **Sales Contract** or, by absence of such a third party, when goods are handed over to the **Buyer**, or anyone acting on his behalf, at the place and pursuant to the terms specified in the **Sales Contract**.
- for performance of services: on the date of performance of the services for which payment is due pursuant to the **Sales Contract**.

**Dispute:** any disagreement regarding the amount of the **Debt** or the validity or enforceability of your rights, including any disagreement about setting off sums You may owe your **Buyer** involving setting off sums your **Buyer** claims You owe him under a **Sales Contract** or any other contractual arrangements between You and your Buyer.





**Due date:** the initial 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:

- i) Where the Buyer is unincorporated, the Buyer has been declared bankrupt,
- ii) Where the Buyer is an incorporated company:
  - (a) a resolution is passed by the Buyer company to wind it up,
  - (b) an order for the winding up of the Buyer has been made by a Court of Law on the ground that he is insolvent,
  - (c) an order for Administration of the Buyer's affairs has been made by a Court of Law for the benefit of all its creditors,
  - (d) a Receiver is appointed on behalf of debenture holders or other creditors of the Buyer.
- iii) Where the buyer is unincorporated or incorporated :
  - (a) in the course of execution of a judgement obtained against the Buyer, the levy of execution has not satisfied the debt either in full or in part,
  - (b) the Buyer has made a valid assignment, or composition or other arrangement for the benefit of all his creditors generally,
  - (c) such conditions exist as are, by any other system of law, substantially equivalent in effect to any of the foregoing conditions.

**Natural Disaster:** an environmental event such as but not limited to a volcanic eruption, earthquake, tidal wave, typhoon or flood.

**Net Debt:** the amount of loss calculated pursuant to article 3.2.1 above which may be indemnified according to the terms and conditions of this **Contract**.

**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**.

**Notification of Overdue Account:** notification of the Overdue Account pursuant to article 3.1.1 above.

**Outstanding:** the total amount - including VAT if applicable - calculated at any time, which is due or to be due by a **Buyer** to the extent that such amount falls within the scope of cover defined in article 1.1.1 above and is not excluded from cover pursuant to articles 1.2.1 a), b) i), ii), iii), iv), c) i) and 3.5 above.

**Overdue Account:** the amount of the **Debt** remaining unpaid.

**GDPR:** means the EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

**Political Event:** any of the following events which occurs in case of export transactions:

- a war, declared or not involving the **Buyer's** country,
- a riot, civil war, rebellion, act of terrorism, revolution or any similar event in the **Buyer's** country,
- any legislative or administrative measure in your country that prevents the export,
- any governmental measure preventing the import, the transfer of the funds or exempting the **Buyer** from the payment, or
- any currency devaluation.

**Positive Credit Decision:** **Credit Decision** which is not a **Refusal** or a **Cancellation** including **Credit Decision** We grant partially compared to the requested amount.

**Private Individual:** a person who buys goods or services for a purpose other than the purpose of his professional activity.





**Protracted Default:** failure of the **Buyer** to fully pay the **Debt** at the expiration of the *waiting period*, provided that such failure is not due to **Insolvency**, a **Political Event** or a **Natural Disaster**.

**Public Buyer:** **Buyer** which is a (i) central government authority, (ii) a regional or local authority, or (iii) a department or agency thereof.

**Recoveries:** any amounts received, whether before or after indemnification, from the **Buyer** or a third party in relation to the **Debts** having arisen before the **Insolvency** of the **Buyer**, including:

- any interest You or We receive on late payment
- any Security You or We realise,
- VAT (including credit or refund received from the fiscal authorities when the **Debt** was covered VAT included)
- 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.

**Reduction:** **Credit Decision** whereby We reduce the amount set in a previous **Credit decision**.

**Refusal:** **Credit Decision** whereby We refuse cover in respect of a **Buyer**.

**Sales Contract:** any agreement in any form which is legally binding upon You and your **Buyer** and which is for the sale of goods or the provisions of services against payment of a price.

**Security:** any mortgage, charge, pledge, lien, personal guarantee or other encumbrance securing any obligation of a **Buyer**.

**Turnover:** the total amount - including VAT if applicable - of all the **Debts** less the **Debts** excluded from cover pursuant to articles 1.2.1a),b)i),ii),iii),iv),c)i) and 3.5 above.

## 16– GOVERNING LAW

This Policy is governed by, and shall be interpreted in accordance with the laws of the Republic of China.

### GENERAL CONDITIONS

#### 1- What does this Contract provide?

This credit insurance Contract provides you with:

- Cover for the losses suffered as a result of unpaid invoices; and
- Credit management services

#### 1.1 – Which operations are covered?

We cover undisputed invoices corresponding to **Sales** performed within the *contract period* and subject to the following conditions:

- ✓ **Sales** are made in the framework of your *business activity* stated in the Special Conditions;
- ✓ **Sales** are invoiced within a **maximum of 30 days** from the date of **Delivery**;
- ✓ **Sales** are payable with a maximum due date of **[90]days** from the invoice date;

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- ✓ **Sales** are made with buyers located in *Taiwan and abroad*.
- ✓ You have obtained a positive credit decision on the concerned buyer prior to the **Delivery**.

## 1.2 – Which operations are not covered?

1.2.1 We will not cover **Sales** with a buyer if:

- ✓ the buyer is already **Insolvent** at the date of **Delivery**;
- ✓ the buyer is an **Associated Company**;
- ✓ the buyer is a public authority or a government institution;
- ✓ the buyer is a **Private Person**;
- ✓ the buyer raises a **Dispute**;
- ✓ the **Sale** is illegal or non-compliant with applicable regulation.

1.2.2 We will not cover **Sales** to a buyer which are:

- ✓ payable by irrevocable letter of credit confirmed by a bank
- ✓ made after you have notified us of a non-payment of invoices
- ✓ made after you should have notified us of a **Negative Information**.

1.2.3 We will not cover losses borne on late payment interest, penalties or damages.

## 1.3 – Which causes of loss are covered?

We cover losses you bear resulting from the non-payment of your invoices when the non-payment is caused by:

- ✓ the **Insolvency** of the buyer
- ✓ the **Default** of the buyer

## 1.4 – Which causes of loss are not covered?

We will not cover losses you bear resulting from the non-payment of your invoices arising directly or indirectly from:

- ✓ a **Political risk**;
- ✓ nuclear explosion or contamination;
- ✓ a war, whether declared or not, between two or more of the following countries : France , the People's Republic of China, the Federation of Russia, the United Kingdom, the United States of America.

## 2 – How to manage your Contract?

### 2.1 – How to obtain a credit decision on your buyers?

You will be covered up to our credit decision granted to you on a buyer which is either an @rating or a credit limit, as described below.

Your Contract includes credit decisions for [50] buyers.

The credit decisions granted to you will take effect on the date when they are requested by you. By exception, credit decisions granted to you within 30 days after the signature of the Contract by us will apply retroactively as from the date of effect of the Contract.

### @ rating

To be covered on a buyer, you shall request for an @rating on your buyer, through *Cofanet*.

**We** will assess the buyer and grant you with the corresponding @rating as follows:



	@ rating X	USD 0
Positive credit decision	@ rating NR	USD 7,000
	@ rating R	USD 7,000
	@ rating @	USD 14,000
	@ rating @@	USD 28,000
	@ rating @@@	USD 70,000

The amounts above correspond to the amount of cover we agree to give you on the concerned buyer.

### credit limit

For buyers on whom you consider the @rating is not enough, you can ask for a credit limit instead on *Cofanet*, specifying the amount of cover you need.

**We** will assess the buyer and notify you of the credit limit we grant.

The credit limit decision sets the maximum outstanding covered and any specific conditions which would need to be complied with in order to be insured.

### Monitoring of the credit decisions

**We** will continuously monitor the credit decisions.

- If you are notified by **us** that the credit decision granted on your buyer is reduced, the cover will be applied as follows:
  - **Deliveries** made to the buyer before the reduction remain covered, up to credit decision in effect before the reduction ;
  - **Deliveries** made after the reduction will only be covered to the extent that the value of outstanding invoices does not exceed the value of the new credit decision.
- If you are notified by **us** that the credit decision granted on your buyer is cancelled, your cover will be cancelled for all **Deliveries** operated after the cancellation.

### 2.2– How to file a claim in case of non-payment?

In case of non-payment of one or more invoices on a given buyer, with a total value exceeding [USD 400], you must inform us of such non-payment at the soonest of the following events: within [MCP+30 days] of the first unpaid invoice date or within **7 days** from your knowledge of the **Insolvency** of the buyer.

You shall declare the non-payment which includes the request for intervention through *Cofanet* and attach or send separately within **30 days** of your declaration, the following documents:

- a printed copy of Cofanet NOA summary with your signature and company stamp at the end of each page,
- original true copy of the unpaid bills of exchange,
- if applicable, copy of unpaid bills of exchange,
- if applicable, any correspondence you exchanged with the administrator in case of insolvency of your buyer.

Your claim will be considered complete and registered only after receipt of your declaration and the above mentioned documents.

### 2.3 – When will the indemnity be paid?

As soon as your claim is complete a waiting period of [3] months will be used to establish the **Default** of the buyer. We will indemnify you within 30 days after the end of this waiting period.

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If the buyer is **Insolvent**, we will indemnify you within 30 days after the reception of your completed claim, without application of any waiting period.

Upon payment of an indemnity, we get subrogated and become owner of all your rights and actions in relation with the invoices for which you have been indemnified

## 2.4 – How the amount of indemnity is calculated

The basis for indemnification will be the balance of the loss account calculated as follows:

- 
- **Gross loss**
    - total value of unpaid invoices issued for **Sales** covered by the Contract, including, as appropriate:
      - VAT;
      - any interest payable up to the due date (excluding interests that accrue thereafter),
      - packing, transport, and insurance costs plus any taxes owed by the buyer

- 
- **Deductibles from the gross loss**
    - any recoveries received up to the date of the drawing up of the loss account.

If the balance of the loss account exceeds the amount of the credit decision, we will cap the balance of the loss account to the amount of the credit decision;

We will then deduct from such balance, capped if applicable:

- a [10]% retention

After such deduction(s), we will pay the positive balance within the limit of the maximum liability; the maximum liability corresponds to the maximum total amount of claim payments related to unpaid invoices issued for **Deliveries** made during the *contract period* that we will pay within a single *contract period*. The maximum liability for your Contract is set at [x].

## 2.5 – What if you receive payments after you have filed a claim?

You shall notify us of any payment you receive after your claim.

After filing a claim, any amount received from the buyer or a third party is considered as a recovery:

- recoveries received before indemnification will be allocated to the unpaid invoices in chronological order;
- recoveries received after indemnification will be (i) for our account up to the amount of the indemnity paid and (ii) for your account for the remaining balance.

Should the total amount of recoveries exceed the total amount of the unpaid invoices, the exceeding balance will be for our account as a contribution to collection expenses.

## 2.6 – Who will provide and pay for the collection services?

As per your Contract, you will be provided with debt collection services for unpaid invoices covered by your Contract, in the absence of a **Dispute**.

Costs incurred for this debt collection services are included in your contract whether your invoices are partially or totally covered.

As a condition to these debt collection services, you shall provide us with full power to exercise your rights in relation to your claim.



You undertake to support any decision we may make in this respect and to provide us within **30 days** of our request with an irrevocable mandate, and any document or title we may require in this respect.

### 3 – Insurance premium and turnover declaration

#### 3.1 – Insurance premium

The *insurance premium* is calculated on the basis of your turnover declaration, according to the grid stated in the Special Conditions.

The *insurance premium* includes credit decisions for maximum of [50] buyers.

#### 3.2 – When shall you send your turnover declaration?

45 days before the end of the *contract period*, we will send you a request of turnover declaration. You shall provide us with your turnover declaration no later than **30 days** prior the end of the current *contract period*.

Your turnover declaration shall reflect the total amount of turnover as stated in your latest financial accounts and the financial accounts of the previous year.

Your latest turnover declared will determine the price for the following *contract period* if the Contract is renewed.

### 4 – When does the contract take effect and for how long?

The Contract will be in force during the *contract period* stated in the Special Conditions.

It will be renewed for further 12-month *contract periods* unless you or we give notice of termination of the Contract by registered letter, no later than **30 days** prior to the end of the current *contract period*.

By exception to the above, considering the benefit of this Contract is only accessible for entities with a turnover included between the brackets stated in the Specific Conditions, if ever the declared turnover exceeds the maximum amount of turnover of the highest bracket stated in the Specific Conditions, the Contract will automatically be terminated and we will propose an adequate offer instead

Notwithstanding the above, subject to a **30-day** notice period addressed by registered letter with acknowledgement of receipt, we have the right to terminate the Contract during the course of a *contract period*, in case of payment of a claim. In such a case, we will reimburse you the insurance premium paid on a pro-rata basis of the remaining months of the current *contract period*.

Within 30 days of the date when the contract is signed by us (during the first *contract period*), if our total credit decisions does not exceed [65]% of the value of **total outstanding amount** covered by the contract, you are entitled to terminate the Contract by registered letter with acknowledgement of receipt . In that case, the Contract will be considered as null and void and we will refund to you the insurance premium already paid.

### 5- What are your obligations to qualify for cover?

In order to be covered and indemnified under your Contract, you must comply with the following obligations.

#### 5.1 –Management of risk



You must be as diligent and prudent as you would be expected to be if you were not insured, which includes taking any necessary action to preserve your rights against both your buyers and any third parties.

In particular, in case of total or partial non-payment of your invoices, you must take any possible measure to minimize the loss. You must also inform us of any **negative information** concerning a buyer, including its **insolvency**, within the **[3] days** following your knowledge of it.

## 5.2 – The respect of legislation and honest disclosure

You or any one acting on your behalf must fulfill your obligations under your **Sales** contract and comply at any time with applicable laws. In case you sell **dual use goods**, you or any one acting on your behalf should be able to prove the obtaining of the applicable export authorization from competent authorities. You undertake that any declaration or statement addressed to us under this Contract will be true, honest and complete.

## 5.3 – Confidentiality

You agree that the terms of this Contract are confidential and as such you undertake not to disclose its content to any third party including your buyers, without our prior written consent.

## 5.4 – Compulsory timeframes

You agree that timeframes indicated in **underlined bold font** in this Contract are compulsory and you undertake to strictly comply with them.

## 5.5 – Payment of the Insurance premium

You agree and undertake to pay the insurance premium as provided in the Contract.

In case of failure to pay **[7] days** after the due date or in case of a rejected payment by your bank (if the payment is made through direct debit), we will be authorized to cancel our cover for the related period.

If our invoices remain unpaid after 15 days from the receipt of our registered reminder letter, we will be entitled to unilaterally rescind the Contract which will become null and void.

## 5.6 – Observance of these obligations

In case of failure from you to report to us the amount of your annual turnover as described above, we will be entitled to apply automatically the last turnover declared, increased by 20% for the following *contract period*. In case of a false, misleading or incomplete statement or declaration, we will have the right to terminate the contract with a [15]-day notice, or refuse to pay any indemnity and require any indemnity to be returned to us.

For any other breach of obligations you forfeit your rights of cover on the related claim and we may terminate the Contract with a 15-day notice period. If an indemnity has already been paid, you undertake to reimburse us of any payment.

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.

## 6 – Miscellaneous

### 6.1 Currency



The currency of this Contract is [US Dollar]

The exchange rate applicable is the rate reported by [Bank of Taiwan]

If the invoices are issued in a currency other than [US Dollar] the receipts will be converted into [US Dollar] as follows:

- For the calculation of loss account, we will apply the exchange rate in force on the last working day of the month of the invoice date
- For the recoveries, we will apply the exchange rate in force on the date when such amount was collected, or the exchange rate on the value date mentioned on the bank credit note

## 6.2 Data protection

Data provided by you under this contract will be used for the management of your contract and for the needs of our insurance activities. They may be transferred for these purposes to our reinsurers, to Coface affiliates or Partners.

Data subjects will be entitled, under the conditions provided for by [Republic of China] law, to access their personal data and ask for their modification, erasure or blocking by contacting us at the following address [taipei@coface.com]:

We may use personal data provided by you for marketing reasons. Data subjects have the right to object to such use for marketing reasons by contacting the service referred to above. You undertake to provide the data subjects with the above information.

## 6.3 Electronic notification :

Our credit decisions will be notified by e-mail to your e-mail address indicated in introduction of this Contract.

You acknowledge and agree that any correspondence and/or notification by electronic format addressed to the above mentioned email address will be considered as valid and having full force and effect.

You undertake to inform us of any change to any of the addresses shown in the introduction within **10 days** of the change on Cofanet.

## 6.4 Jurisdiction and applicable law:

- ✓ Any dispute arising in connection with this contract will be settled by the courts of [Republic of China]
- ✓ This contract is governed by [Republic of China] Law

## 7 – Definitions

- ✓ **Associated company:**
  - Any company that is directly or indirectly controlled by you
  - A company that directly or indirectly controls you
  - A company controlled directly or indirectly by the same company that directly or indirectly controls you
- ✓ **Insolvency: Insolvency shall be deemed to occur in any of the following cases:**
  - the buyer has been declared bankrupt;
  - a resolution is passed to wind the buyer up;
  - an order for the winding up of the buyer has been made on the ground that he is insolvent;





- an order for Administration of the buyer's affairs has been made by a court for the benefit of his creditors;
- in the course of execution of a judgment obtained against the buyer, the levy of execution has not satisfied the debt either in full or in part;
- the buyer has made a valid assignment, or composition or other arrangement for the benefit of his creditors generally;
- a Receiver is appointed on behalf of debenture holders or other creditors or the buyer;
- such conditions exist as are, by any other system of law, substantially equivalent in effect to any of the foregoing conditions.

And references to the **buyer** being **insolvent** shall be construed accordingly.

- ✓ **Default:** The failure by the buyer to pay invoices on the due date, in the currency and at the place defined in the sales contract, except when the cause of non-payment is the **bankruptcy** of the buyer
- ✓ **Deliveries:** Goods or services are considered delivered when they have been provided to the buyer, or any person acting on his behalf in accordance with the terms specified in the sales contract
- ✓ **Dispute:** Any disagreement regarding the amount owed or the validity of your rights or invoices, including any disagreement about setting off sums you may owe your buyer
- ✓ **Dual use goods:** Dual-use goods or services are items or technologies which are normally used for civilian purposes but which may have military applications. Export of dual-use goods or services are subject to specific regulations.
- ✓ **Negative information:** Any event or potential situation you become aware of leading to a worsening of your buyer's financial position.
- ✓ **Political risk:** a political risk occurs when the non-payment of the invoice(s) is a direct or indirect result of the any of following events:
  - a riot, civil war, rebellion, terrorism, revolution or any similar event,
  - any legislative measure in the country of the insured that prevents the export,
  - any governmental measure preventing the import, the transfer of the payment or exempting the buyer from the payment,
  - a currency devaluation,
  - a natural disaster, such as but not limited to, a volcanic eruption, earthquake, tidal wave, typhoon, or flood.
- ✓ **Private Person:** a private individual purchasing goods or services in a private capacity
- ✓ **Sales :** sales of goods or services rendered according to the conditions of the sales contract accepted by your buyer