
GENERAL INSURANCE CONDITIONS **„F“**

for Insurance of a Credit for Pre-Export Financing – Insurance of Credits Granted to Export-oriented Companies to Increase International Competitiveness and Insurance of Credits to Finance Production for Export

These General Insurance Conditions are effective from 1 October 2023

Article I. – Basic Provisions

1. These General Insurance Conditions “F” (the “**Insurance Conditions**”) regulate the terms and conditions of insurance of Credit provided to an Export-oriented Company to increase international competitiveness and the terms and conditions of insurance of credit provided to an Exporter or Producer to finance production for the Export against the risk of non-payment resulting from the Exporter’s or Producer’s inability to fulfil the conditions arising from an Export Contract (the “**Insurance**”). The Insurance Conditions form a part of the Insurance Contract.
2. The Insurance is provided by Exportní garanční a pojišťovací společnost, a.s. (the Export Guarantee and Insurance Corporation) under Act No. 58/1995 Coll. (Sb.), on Insuring and Financing Export with State Support, as amended, and Act No. 89/2012 Coll., the Civil Code, as amended (the “**Civil Code**”).
3. The Insurer reserves the right to request the submission of an environmental audit report or directly the implementation of an environmental audit for projects with potential impacts on the environment. In case of a negative result of the environmental audit, the Insurer has the right not to insure the risk of the non-payment of the Credit for a given project under these Insurance Conditions.
4. The Insurance under these Insurance Conditions is arranged as insurance against loss and damage.
5. Provisions of sections 2791, 2792 and 2805 of the Civil Code will not be applied to the Insurance provided under these Insurance Conditions.

Article II. – Definition of Terms

For the purposes of these Insurance Conditions and the Insurance Contract, the following terms have the following meanings:

- a) **Insurer** means the Export Guarantee and Insurance Corporation;
- b) the **Insured** means a bank, or another entity which has concluded a Credit Contract with the Borrower; if the Export Contract envisages export financing connected with the insurance of export credit risks negotiated with the Insurer, the Insured under these Insurance Conditions may only be a bank extending simultaneously the export financing;
- c) **Policyholder** means a person who has concluded an Insurance Contract with the Insurer;
- d) **Beneficiary** means a person for whom the right for an indemnification payment has arisen as a result of an insurance loss;
- e) **Borrower** means, in the case of Credit to Increase International Competitiveness, an Export-oriented Company, and, in the case of Pre-Export Credit, an Exporter or a Producer of goods and/or services for the Export with whom the Insured has concluded a Credit Contract;
- f) **Credit Contract** is a contract concluded by and between the Insured (as a creditor) and the Borrower (as a borrower) to extend Credit to Increase International Competitiveness or Pre-Export Credit;
- g) **Credit to Increase International Competitiveness** means the financial means provided by the Insured to the Borrower under the Credit Contract to finance (or, as the case may be, to refinance or refund) the capital expenditure and/or operating expenses expended to increase international competitiveness, including, without limitation, expenses incurred to acquire new production capacity or renovation or to conduct technology innovations in the existing capacity, to increase energy self-sufficiency, to increase social and environmental sustainability, to pay for production inputs, to ensure sub-supplies, energy supplies, services, and staff costs, expenses to acquire export contracts and enter new markets, expenses to acquire and protect intellectual property and other expenses that can increase international competitiveness; the specific credit purpose will be provided in the Insurance Contract;
- h) **Pre-Export Credit** means a Pre-Export Credit for Production, a Pre-Export Credit for Investment, or a Pre-Export Credit for Commercial Utilisation of Intellectual Property;
- i) **Pre-Export Credit for Production** means financial funds provided by the Insured to the Borrower under the Credit Contract to finance the production for Export;
- j) **Pre-Export Credit for Investment** means financial funds provided by the Insured to the Borrower under the Credit Contract to finance the investment in the production for Export;
- k) **Pre-Export Credit for Commercial Utilisation of Intellectual Property** means financial funds provided by the Insured to the Borrower under the Credit Contract to finance commercial utilisation of intellectual property for Export;
- l) **Credit** means the Credit to Increase International Competitiveness or the Pre-Export Credit;

- m) **Export Contract** means a contract concluded by and between the Exporter and the Importer on the Export of goods or services, or the Export of goods and services;
- n) **Export-oriented Company** means a person having a registered office in the Czech Republic, who is an entrepreneur as defined in the Civil Code, or a Foreign Company with at least a 25% share of Export in the total annual revenue from the sale of products, provision of services and the sale of goods in the most recent financial year;
- o) **Exporter** means a person realizing the export, who is either a natural person having permanent residence in the Czech Republic or a legal person having a registered office in the Czech Republic, which is an entrepreneur under the Civil Code, or a Foreign Company;
- p) **Producer** means a person producing goods or providing services designated for the subsequent export being either a natural person having permanent residence in the Czech Republic or a legal person having a registered office in the Czech Republic, which is an entrepreneur under the Civil Code, or a Foreign Company;
- q) **Importer** means a Foreign Entity importing from the Czech Republic under the Export Contract;
- r) **Export** means the delivery of goods or provision of services, or the delivery of goods and provision of services to the Importer under the Export Contract for the purpose of their use outside the Czech Republic;
- s) **Subject Matter of Intellectual Property** means output in the form of patented discoveries or inventions, utility models or industrial designs and the related know-how, which are the result of research, development or project work;
- t) **Commercial Utilisation of Intellectual Property** means development activities necessary for utilisation of intellectual property in domestic production, from which at least a 50% share of products or services of the Exporter is subsequently exported to meet the obligations arising from the Export Contract, or development activities necessary to meet the obligations arising from the Export Contract, whose subject matter is selling intellectual property or providing a licence to the Subject Matter of Intellectual Property;
- u) **Export Receivable** means a receivable arising from an Export Contract;
- v) **Foreign Entity** is a natural person not having permanent residence in the Czech Republic or a legal person not having a registered office in the Czech Republic;
- w) **Foreign Company** means a legal person having its registered office abroad, which is controlled by a legal person having its registered office in the Czech Republic and which is an entrepreneur under the Civil Code, and which participates – directly or indirectly – in the registered capital of the company by more than 50%, or which controls the majority of voting rights related to the participation in the registered capital of the company, or which can appoint a majority of members of the board of directors, supervisory board or managing board or another similar managing body of the company;
- x) **Self-Retention** means a share of the Beneficiary on the losses, which are covered by the Insurance Contract, expressed in percentage points.

Article III. – Subject Matter of Insurance

1. The subject matter of Insurance are receivables of the Insured from the Borrower arising from a Credit for the settlement of the principal, the interest rate on the Credit for each interest period, and fees arising from the Credit Contract as specified in the Insurance Contract (the “Insured Receivables”). If the Borrower is obligated, under the Credit Contract, to return the provided funds in instalments, each instalment is considered a stand-alone Insured Receivable for the purposes of Insurance.
2. If it is set out by the Insurance Contract, the Insurance additionally covers the exchange rate risk of movement of the Czech currency (Czech koruna, CZK) exchange rate against the currency in which the Credit has been extended in the case of indemnification (Article VIII.11 of the Insurance Conditions); and subject to the conditions and to the extent set out by the Insurance Contract, the insurance activity will also include the reimbursement of costs of the Insured associated with financing the Insured Receivables during the waiting period (the “**Refinancing Costs**”).
3. Unless specified otherwise in the Insurance Contract, the Insurance does not cover receivables for the settlement of the late payment interest, contractual fines, claims for damages and other receivables and claims of the Insured arising from the Credit Contract having a penalty character.

Article IV. – Insurance Promise Contract

1. In the Insurance promise contract, the Insurer undertakes to conclude an Insurance Contract upon fulfilment of the agreed terms and conditions and in the time agreed and to arrange for the reservation of the necessary insurance capacity.
2. The applicant for Insurance shall pay a fee for providing an Insurance promise, which is set out in the Insurance promise contract.
3. The Insurer is not obligated to conclude an Insurance Contract if, according to the Insurer's opinion, a substantial change has occurred in the conditions and circumstances, which have increased the insurance risk against the level the Insurer had assumed when concluding the Insurance promise contract, especially in the case of a substantial worsening of the Borrower's or applicant's financial position or if the risk classification of the country related to the execution of the Credit Contract or the Export Contract has worsened substantially.
4. During the term of the Insurance promise contract, the applicant is bound to adhere to the obligations under these Insurance Conditions in a similar way as the Insured.
5. Rights and obligations of the parties arising from the Insurance promise contract are governed by the provisions of sections 1785 through 1788 of the Civil Code, including, without limitation, the provisions relating to the agreement on a future contract.

Article V. – Insurance Contract

1. Besides the usual essentials, the Insurance Contract primarily defines the inception and expiration of the Insurance, the insurance premium and Self-Retention amount, and the identification of the Borrower.
2. The Policyholder shall pay the agreed insurance premium as a one-time payment in advance and within the time specified in the Insurance Contract. The premium amount will be negotiated in accordance with the scope of the insured risk and the length and amount of the extended Credit.
3. The Self-Retention amounts to at least 20% unless the Insurance Contract specifies otherwise. No other Insurance may be arranged to cover the risk resulting from the specified Self-Retention.
4. Mutual financial obligations between the Insurer and the Policyholder and/or the Insured are payable in the currency of the Insurance value specified in the Insurance Contract unless otherwise stated in the Insurance Contract. If the premium payment is agreed in another currency than the Insurance value, the exchange rate determined by the Insurance Contract will be used for the premium amount conversion; otherwise, it will be the Czech National Bank's exchange rate valid as of the date of the Insurance Contract's execution.
5. The insurance premium, the fee for providing the Insurance promise, and other financial obligations to the Insurer are to be paid based on an itemised financial statement (invoice) issued by the Insurer and within the given time limit unless otherwise specified in the Insurance Contract.

6. In case of a different provision in the Insurance Contract, the wording of the Insurance Contract will always prevail over the wording of the Insurance Conditions.
7. Acceptance of an offer of the Insurance Contract with an addendum or a deviation, although they do not substantially change the conditions of the offer, is excluded, under section 1740(3) of the Civil Code.

Article VI. – Duration of Insurance (Period of Insurance)

1. Insurance begins on the day the premium is paid unless an earlier date is specified in the Insurance Contract; however, it must not be prior to the date of concluding the Insurance Contract. The Insurance Contract may specify additional conditions precedent for the inception of Insurance.
2. Besides the cases specified in the generally binding laws and regulations, in the Insurance Contract or other provisions of the Insurance Conditions, the Insurance also expires by:
 - a) the Insurer's decision on indemnification for the last Insured Receivable;
 - b) the Credit repayment by the Borrower.
3. Insurance shall not expire on the day of refusal of the indemnification (unless otherwise stated in the Insurance Contract).

Article VII. – Insurance Loss

1. An insurance loss means a failure to pay, partially or fully, the Insured Receivable when due, not even during the waiting period (probation period), if determined.
2. An insurance loss arises after the expiration of a waiting period of three (3) months from the day when the Insured notifies the Insurer of the failure to pay the Insured Receivable under paragraph 1 by delivering a completed Insurer's form of the notification of a threat of an insurance loss. The Insurer may reduce the waiting period by a unilateral statement.

Article VIII. – Indemnification

1. The obligation of the Insurer to indemnify arises upon an occurrence of the insurance loss.
2. The Insurer will not indemnify if the amount of the unpaid Insured Receivable does not exceed CZK 200,000 unless otherwise specified in the Insurance Contract.
3. The obligation of the Insurer to indemnify will not arise in case the Insured delivers to the Insurer the notification of a threat of an insurance loss later than six (6) months after the Borrower's default to repay the Insured Receivable or a part thereof has arisen. In case the Insured had extended the due date of the Insured Receivable to the Borrower with the prior written approval of the Insurer, the newly agreed due date is considered decisive to submit the notification of a threat of an insurance loss.
4. Upon obtaining the notification of a threat of an insurance loss, the Insurer shall initiate an investigation necessary to confirm the Insured's claim and determine the extent of the Insurer's obligation to indemnify without undue delay. The Insurer completes the investigation, if possible or unless the parties agree otherwise, within one (1) month from the date the insurance loss had occurred. The Insurer will provide the investigation results in the decision on indemnification.
5. For the purposes of the investigation of the insurance loss and determination of the amount of the unpaid Insured Receivable, the Insured shall submit to the Insurer the relevant documentation, instruments and other evidence reasonably satisfactory for the Insurer which are decisive for the origination and the amount of the claim for the payment of indemnification, including, without limitation, the origination of the insurance loss and amount of the unpaid Insured Receivable. Furthermore, the Insured shall investigate the reasons for the unpaid Insured Receivable, provide the Insurer with the investigation results, and present a valid Insurance Contract with all other documents and information that the Insurer may request.
6. The Insurer reserves the right to verify the truthfulness and accuracy of the submitted documents and of all data and information provided by the Insured, which the Insurer considers significant or necessary for the purposes of the investigation.
7. To establish the amount of the unpaid Insured Receivable, the unpaid amount of the Insured Receivable as of the day of the decision on indemnification reduced by all settlements which the

Insured received for the cover of the damage from the unpaid part of the Credit before the day of the decision on indemnification is set as the basis, unless these settlements directly reduce the unpaid part of the Insured Receivable. The lost profit of the Insured is not covered.

8. The amount of the unpaid Insured Receivable under paragraph 7 of this Article is reduced by the amount of the receivables that can be mutually set off by the Borrower and the Insured, the justification of which has been acknowledged by the Insured, or which have been awarded to the Borrower by a final and conclusive decision in legal or arbitration proceedings unless otherwise specified in the Insurance Contract.
9. The indemnification is set for the unpaid Insured Receivable determined according to paragraph 7 of this Article, reduced according to paragraph 8 of this Article, and further reduced by the amount of the agreed Self-Retention of the Insured.
10. Unless otherwise agreed between the Insured and the Insurer, the Insurer always starts from the original due date of individual credit payments when determining the amount and date of the indemnification payment. If, based on the appropriate provision of the Credit Contract and for the reason of the Borrower's default, the Insured makes the Credit or its part payable prematurely (credit acceleration), or if they become prematurely due for other reasons, these changes have no effect on the Insurer, and the Insurer does not take them into account when determining the amount and date of the indemnification payment.
11. The indemnification is paid out in the currency in which the Insurance value of the Insurance Contract is set unless otherwise stated in the Insurance Contract. If the Insurance also covers the exchange rate loss risk under Article III.2 of the Insurance Conditions, the Czech National Bank exchange rate valid on the day of the decision on indemnification will be applied for conversion from another currency.
12. The indemnification is payable within fifteen (15) days from the date of issuance of the decision on indemnification.

Article IX. – Exclusions from Insurance, Refusal and Reduction of Indemnification

1. The Insurer's obligation to indemnify does not arise:
 - a) if the rights arising from the Credit Contract have been transferred to a third party without the prior written consent of the Insurer;
 - b) if, without the prior written consent of the Insurer and during the period of Insurance, the Insured and the Export-oriented Company, the Exporter or the Producer have become economically or personally related persons, when one person participates, directly or indirectly, in management, control, or the registered capital of the other. Participation in the registered capital of the other person means holding shares or a share representing at least 10% of the registered capital of the respective person;

- c) in case of a dispute between the Insured and the Borrower concerning the performance of the Credit Contract or validity of the Insured's Insured Receivable and before an enforceable decision solving the dispute has been made for the benefit of the Insured; the Insurer will decide on the advance payment of the indemnification or the payment of the indemnification within thirty (30) days of the request of the Insured in case the dispute had been considered unjustified by the Insurer;
 - d) if the Insured Receivable was denied by the insolvency administrator and if it was not subsequently approved by the insolvency administrator, or if the denied Insured Receivable was not accepted by a court decision;
 - e) if the insurance loss has occurred due to a wilful decision of the Insured without any objective economic reason, which has a deliberate direct result in the impossibility for the Borrower to perform the Export Contract
2. The Insurer has the right to refuse the indemnification:
- a) in case the Beneficiary knowingly provides untruthful or grossly distorted information relating to the scope of the insurance loss or withholds essential data concerning this loss when asserting the right to indemnification;
 - b) in other cases stipulated by the Civil Code.
3. The Insurer has the right to reduce the indemnification in the corresponding extent if the insurance loss has been caused, directly or indirectly:
- a) by the Insured or a person acting for or on behalf of the Insured, including, without limitation, by breaching the Credit Contract conditions or laws and regulations valid in the Borrower's country;
 - b) by the application of any provision of the Credit Contract or the related documentation concluded or issued by the Insured, which restricts the rights of the Insured or the possibility of their application and enforcement;
 - c) by any subsequent agreement between the Insured and the Borrower made after the date of conclusion of the Credit Contract, which inhibits, delays or limits the payment of the Insured Receivable;
 - d) if the Insured has breached the obligations towards the Insurer as specified in the Insurance Contract, Insurance Conditions, and the applicable provisions of the generally binding laws and regulations related to Insurance, and this breach had a significant impact on the occurrence of an insurance loss, its course or an increase of its consequences, or the ascertainment or determination of the indemnification amount;
 - e) in other cases stipulated by the law.

Article X. – Transfer of Rights

1. Together with the partial or full payment of the indemnification, the Insurer may request that the Insured transfers, assigns or otherwise surrenders its financial claims against the Borrower in a way effective towards the Borrower. Upon the Insurer's request, the Insured shall also transfer, assign or otherwise surrender all rights connected with these claims, including, without limitation, the rights from guarantees or other forms of security unless otherwise stated in the Insurance Contract.
2. Notwithstanding the assignment of claims, the Insured shall always enable the Insurer to recover the performance from the Insured Receivable from the Borrower. To this end, the Insured shall submit to the Insurer any and all documents related to the Insured Receivable and provide the Insurer with the necessary assistance without undue delay.
3. For the reasons of expediency of the enforcement of the Insured Receivables or simplification of the legal procedures against the Borrower, the Insurer may authorise the Insured or a person designated by the Insured to recover the Insured Receivables from the Borrower or, as the case may be, from persons providing security for the Insured Receivable or the relevant financial claims. The Insurer agrees to reimburse the Insured for the effectively incurred expenses related to the recovery of the Insured Receivable based on their proper statement and evidence from the Insured.
4. Payments made by the Borrower or by a third party as settlements of the Insured Receivable after the Insurer had paid out the indemnification belong to the Insurer, and the Insured shall inform the Insurer about such payments without undue delay and assign these payments to the Insurer within five (5) days of receiving them.
5. If rights of the Insured are not transferred to the Insurer by a contract for the assignment of the Insured Receivable in accordance with paragraph 1 for a reason of purposefulness of the recovery of the Insured Receivable, the Insurer and the Insured will conclude a contract regulating the mutual rights and obligations when recovering the Insured Receivable.

Article XI. – Rights and Obligations of the Insured

1. The Insured has the right to:
 - a) indemnification resulting from the occurrence of an insurance loss if the Insured is also a Beneficiary;
 - b) assign the Insured Receivables with the prior written consent of the Insurer to a third party, create a security interest with respect to the Insured Receivables or encumber these receivables in another way;
 - c) request the Insurer to perform due investigation necessary to determine the extent of the Insurer's obligation to indemnify, state the results of the investigation in the decision on indemnification and inform the Insured about its contents;
 - d) the payment of the awarded indemnification within fifteen (15) days from the date of the decision on indemnification.

2. The Insured shall:
 - a) proceed in the process of negating the Credit Contract with due care and diligence while taking into account international business practices, including, without limitation, respect the exact and legally binding identification of the contracting parties, agree upon a suitable clause on choosing the applicable law, and regulate the way of dispute resolution;
 - b) if it is agreed in the Insurance Contract, specify an indicative schedule of the Credit utilisation with regard to the distribution of the Borrower's financial needs and, based on the documents from the Borrower, specify the volumes and purpose of each use in the intervals set by the Insurance Contract and in the main categories given in the Insurance Contract;
 - c) perform and duly keep the records of the Credit utilisation and the records of the Credit repayment duly and properly;
 - d) keep the records of the documents proving the effectiveness of the Credit utilisation based on the documents from the Borrower and follow such documentation;
 - e) not use any Credit Contract provision or the related documentation which restricts the rights of the Insured or the possibility of their application and enforcement;
 - f) not conclude any subsequent agreement with the Borrower after the date of conclusion of the Credit Contract, which inhibits, delays or limits the payment of the Insured Receivable;
 - g) secure, in an appropriate way, own rights towards the Borrower, Borrower's guarantors and third parties and observe that the Credit Contract or other agreements with the Borrower or a third party do not restrict any claims of the Insurer or that they do not make their application more difficult;

- h) provide the Insurer with precise and true information about its economic position, financial and legal status and any and all information known to the Insured about the economic position, financial and legal status of the Borrower, even without being requested to do so by the Insurer;
- i) inform the Insurer without undue delay about all circumstances known to the Insured which might lead to an occurrence of an insurance loss or increase its extent, or which may affect the Insurer's obligations arising from the Insurance Contract;
- j) in case the expenses related to the Insurance Contract are transferred to the Borrower, it is necessary to observe the condition to pay these expenses in advance in one lump sum and not to include them in the utilisation under the Credit Contract;
- k) participate in the insured risk in the extent of the agreed Self-Retention and not conclude another Insurance for the Self-Retention;
- l) if the Insured Receivable is not paid within five (5) working days from the due date, send to the Borrower a written reminder and inform the Insurer without undue delay about the non-payment of the Insured Receivable;
- m) take individually, or by agreement with the Insurer, all reasonable steps aimed at preventing the occurrence of an insurance loss or increase in its extent, including, without limitation, assert its claims in a due and timely manner, and enforce, in a consistent way, due Insured Receivables. The Insured is liable for reduced recoverability or legal enforceability of Insured Receivables caused by their late presentation to court or to other relevant authorities;
- n) coordinate with the Insurer procedures taken to prevent a threat of an insurance loss from occurring or to reduce its consequences, and take all necessary steps against the Borrower or a third party with the prior consent of the Insurer only; if the Insurer does not inform the Insured about its opinion regarding the proposed procedure within ten (10) working days of receiving the request from the Insured or if the Insurer does not agree with the Insured on any other deadline for giving its opinion, the Insurer is deemed to have consented to the proposed procedure;
- o) conclude, simultaneously with the indemnification payment and on the suggestion of the Insurer, a contract for assigning the receivables which the Insurer has indemnified, or conclude, in compliance with Article X of the Insurance Conditions, a contract regulating the rights and obligations;
- p) enable the Insurer to assert its claims, including, without limitation, the claims for damages, which belong to the Insured;
- q) return the Insurer the paid-out indemnification if the Insured prevented the Insurer from carrying out the rights assigned to the Insurer or whose assignment was refused by the Insurer, or if the Insured has not enabled the Insurer to enforce them properly, or if the Insured has complicated the ability to collect the Insured Receivables indemnified by the Insurer;
- r) return the Insurer the already paid-out indemnification if it had been paid out based on incomplete or untruthful information or without the rightful title to the indemnification

payment, or if such a claim later ceased to exist or if it emerges that the facts mentioned in Article IX of the Insurance Conditions had occurred;

- s) in case of insolvency proceedings, register the Insured Receivables in the proceedings in a due and timely manner;
 - t) perform a corresponding analysis of the Borrower's ability to repay the Credit or commission this verification at a third party, whose selection was approved by the Insurer; further details will be defined in the Insurance Contract; in case the Insured has arranged for this obligation with a third party, the Insured shall ensure, by contract, liability of this third party for the proper performance of its obligation;
 - u) agree with the Borrower, in the Credit Contract or the Credit documentation, the Borrower's obligation to make due payments of the obligations arising from the Credit Contract so that this obligation is not conditioned by the implementation of the Borrower's investment plan or operating activities financed under the Credit Contract;
 - v) ensure that the Credit Contract and the Credit documentation comply with at least the minimum conditions set out by the Insurance Contract and Insurance Conditions;
 - w) when arranging and concluding the Credit Contract with the Borrower, proceed with due care as it proceeds when arranging and concluding Credit Contracts without Insurance provided by the Insurer.
3. The Insurance Contract may set out other obligations of the Insured.

Article XII. - Obligations of the Borrower

- 1. The Borrower shall use the Credit in compliance with the Credit Contract solely for the purpose set out in the Insurance Contract, i.e., to finance production for the Export or invest in the production for Export or for Commercial Utilisation of Intellectual Property for Export in the case of the Pre-Export Credit, and the purpose given in the Insurance Contract under Article II(g) of the Insurance Conditions in the case of Credit provided to increase international competitiveness.
- 2. The Borrower shall provide the Insurer with any and all cooperation and information to the extent set out in the Insurance Contract.
- 3. The Borrower shall arrange the Insurance of industrial risks in an adequate scope, covering particularly natural risks, liability for damage, damage caused by the interruption of operations, and lost profit.
- 4. The Insurance Contract may set out other obligations of the Borrower.

Article XIII. – Rights and Obligations of the Insurer

1. The Insurer's rights include, but are not limited to, the following:
 - a) The right to receive insurance premium for the whole Insurance period;
 - b) The right to request from the Insured submission of the Credit Contract and the Export Contract, in the case of Insurance of receivables arising from the Pre-Export Credit, including their modifications and supplements and the related documentation; in doing so, the Insurer is not liable for the content and form of these contracts and documents;
 - c) The right to verify the truthfulness and accuracy of the submitted documents and of all data and information given by the Insured while respecting the generally binding regulations on the banking and trade secret;
 - d) The right to request that the Insured properly asserts the claims against the Borrower or third parties;
 - e) The right to negotiate with the Borrower the follow-up procedures in recovery and collection of the Insured Receivable independently of the assumption of the unpaid Insured Receivable after the indemnification payment;
 - f) The right to claim from the Insured the repayment of the paid-out indemnification or compensation for damages in case the indemnification has been provided based on untruthful information or without the rightful title for payment of the indemnification or if such a claim later ceased to exist.
2. The Insurer shall:
 - a) perform, based on a notification of a threat of an insurance loss, proper investigation connected with ascertainment of the origin and extent of the insurance loss, and, in relation to Article XV.5 and XV.6 of the Insurance Conditions, also of the cause of the insurance loss, and discuss them with the Insured;
 - b) provide the results of the investigation in the decision on indemnification and inform the Insured about its content;
 - c) pay the awarded indemnification within fifteen (15) days from the date of the decision on indemnification;
 - d) retain the documents entrusted and provided to the Insurer with due care.

**Article XIV. – Insurance of Receivables from the Credit to
Increase International Competitiveness**

Insurance of Credit provided to increase international competitiveness is governed by these Insurance Conditions, except for Articles XV, XVI and XVII of the Insurance Conditions; other insurance conditions pertaining to individual cases of this Credit type are set out by the Insurance Contract. The Insurer makes the decision on the possibility to insure Credit to Increase International Competitiveness, in particular, based on an analysis of the Borrower and the case in question.

Article XV. – Insurance of Receivables Arising from Pre-Export Credit

1. This Article governs some specific terms and conditions of Pre-Export Credit Insurance by way of derogation from the provisions given in other parts of the Insurance Conditions. In the case of any such deviations, Pre-Export Credit Insurance will be governed preferentially by the provisions of this Article. The provisions of this Article will be applied in the case that under the Insurer's decision (under Article XIV of the Insurance Conditions), the subject matter of Insurance will not be a Credit to Increase International Competitiveness but a Pre-Export Credit.
2. The Pre-Export Credit Insurance can be arranged merely in connection with the Insurance of receivables arising from an Export Customer or Supplier Credit or in case of sufficient security for the payment of receivables arising from the Export Contract approved by the Insurer in advance.
3. If the consequent Export Credit has a payment term under two (2) years, the Credit for financing production for Export can be provided and used up to the maximum amount of 85% of the Export value specified in the Export Contract. If the consequent Export Credit has a payment term over two (2) years, the Credit for financing production for Export can be provided and used up to the maximum amount of 75% of the Export value specified in the Export Contract.
4. If the Exporter or the person acting for and on behalf of the Exporter breached the provisions of a special law¹ when negotiating the Export Contract, the Insurer has the right to refuse to insure the risk of the failure to pay the Credit under these Insurance Conditions.
5. In the case of the Pre-Export Credit Insurance, an insurance loss within the meaning of Article VII.1 of the Insurance Conditions occurs only if it occurred due to the failure to perform the terms and conditions of the Export Contract by the Exporter or Producer for the reasons set out in paragraph 6 of this Article (insurance risk).
6. The failure to meet the terms and conditions of the Export Contract means the Exporter's inability to perform the Export Contract or the Producer's inability to produce goods and/or provide services designed for Export.
7. In the case of Pre-Export Credit Insurance, an insurance loss occurs after the expiration of a waiting period of three (3) months from the day when the Insured notifies the Insurer of the existence of the cause under paragraph 2 of this Article by delivering a completed Insurer's form of the notification of a threat of an insurance loss. The Insurer may reduce the waiting period by a unilateral statement.
8. The Pre-Export Credit repayment within the meaning of Article III.1 of the Insurance Conditions also means the occurrence of an Export Receivable (in the manner and extent given in the Insurance Contract).

¹ section 331 and the following provisions of Act No. 40/2009 Coll., the Criminal Code, as amended

9. Besides the cases set out in the generally binding laws and regulations, the Insurance Contract or other provisions of the Insurance Conditions, the Insurance also expires by the occurrence of an Export Receivable in the amount exceeding the Pre-Export Credit value unless the Insurance Contract provides a different regulation.
10. The occurrence of an Export Receivable is also regarded as performance received within the meaning of Article VIII.7 of the Insurance Conditions.
11. In addition to the cases given in Article IX of the Insurance Conditions, the Insurer does not have an obligation to provide indemnification if the insurance loss occurred due to the following:
- a) unlawful cancellation of the Export Contract by the Importer or Importer's unlawful refusal of the Exporter's performance;
 - b) events covered by Insurance from the consequent Export Credit related to the Export Contract;
 - c) events covered by Insurance under the General Insurance Conditions "V", insuring the risk of loss as a result of the Exporter's inability to perform contractual obligations arising from the Export Contract (production risk insurance).
12. In addition to the obligations provided in the other provisions of these Insurance Conditions, the Insured has the following obligations in the case of Insurance of receivables arising from the Pre-Export Credit:
- a) To determine, following the conditions of the Export Contract, a schedule of using the Credit with regard to the distribution of the Borrower's financial needs in individual production cycle stages and specify exactly the volumes and purpose of each and every Credit utilisation;
 - b) To open a separate account that will be used to make any and all payment transactions connected with financing the Production for Export;
 - c) To condition the Credit utilisation by the requirement that the Borrower proves the effectiveness of using the given Credit amount, keep records of the documents concerning the effectiveness of the Credit use, and take any and all measures to exclude the option that the Borrower uses the Credit for another than the given purpose;
 - d) To verify feasibility and profitability of the costing for the implementation of the Export Contract and ensure a sufficient amount of resources for the financing of the Production for Export or for the financing of the investment in the Production for Export or to arrange, by contract, for this verification by a third party; its selection will be approved by the Insurer; further details will be defined in the Insurance Contract; in case the Insured has arranged for this obligation with a third party, the Insured shall ensure, by contract, liability of the third party for the proper performance of its obligations.
13. In addition to the obligations given in these Insurance Conditions, the Borrower shall also provide the Insurer, in case of insuring the receivables from the Pre-Export Credit, with any and all cooperation and information relating to the Export Contract and notify the Insurer, without undue delay, of the occurrence of all Export Receivables and all Importer's requirements for amendments of the Export Contract that could impact the subject matter of the Insurance Contract.

Article XVI. – Insurance of Receivables from Pre-Export Credit for Investment

1. To insure receivables arising from a Pre-Export Credit for Investment, the Insurance Conditions provisions relating to the Pre-Export Credit Insurance in the extent of Article XV of the Insurance Conditions (except for Article XV.3 of the Insurance Conditions) will apply, and other specific conditions of Insurance of the Pre-Export Credit for Investment are provided in this Article.
2. The Insurer decides on the Insurance of the receivables arising from the Pre-Export Credit for Investment based on a request of the Insured after assessing the Borrower's economic position and the Export case and based on proven abilities of the Borrower to meet the obligations arising from the Export Contract(s) and the proof to the Insurer regarding the return of investment.
3. The Pre-Export Credit for Investment may be granted, provided the repayment of at least 75% of the Pre-Export Credit for Investment is secured by the concluded Export Contracts and, simultaneously, the condition is met that at least 75% of the total Borrower's production is designated for Export.
4. In case of Insurance of receivables from the Pre-Export Credit for Investment, the Insured shall, further to the obligations mentioned in other provisions of these Insurance Conditions (except for Article XVII of the Insurance Conditions):
 - a) confirm, before granting the Credit, that the Borrower has secured the repayment of the Credit either by the Export Contracts from which the Export Receivables will originate no later than on the due date of the Pre-Export Credit for Investment for at least 75% of the Credit amount, or it is secured in another way acceptable for the Insured and the Insurer;
 - b) confirm, before granting the Credit, that the Production for Export will enable a sufficient formation of resources necessary for the repayment of the Credit for financing the investment in the Production for Export;
 - c) verify whether the receivables from the Pre-Export Credit for Investment are secured by other contracts, so their implementation will mean for the Borrower such formation of the resources that it will secure the financial means for the usual operation of the company together with the Pre-Export Credit for Investment;
 - d) provide the Insurer with additional documentation requested by the Insurer for analysis purposes.
5. In case of Insurance of receivables from the Pre-Export Credit for Investment, the Borrower shall, in addition to the obligations mentioned in other provisions of these Insurance Conditions:
 - a) ensure, sufficiently ahead of time, that subsequent insurance of Export Receivables is taken out for the whole duration of Insurance in accordance with these Insurance Conditions;
 - b) submit to the Insured and the Insurer the business plan, liquidity plan, planned statements for the period of the duration of the Credit and other documentation requested by the Insurer;
 - c) have the repayment of the Pre-Export Credit for Investment secured either by Export Contracts from which Export Receivables will arise on the due date of the Pre-Export Credit for Investment

at the latest for at least 75% of the Credit value, or in another way acceptable for the Insured and the Insurer;

- d) ensure that the production for the Export will enable a sufficient formation of the resources necessary for the repayment of the Pre-Export Credit for Investment;
- e) provide the Insurer with additional documentation requested by the Insurer for analysis purposes.

Article XVII. – Insurance of Receivables from Pre-Export Credit for Commercial Utilisation of Intellectual Property

1. To insure receivables arising from a Pre-Export Credit for Commercial Utilisation of Intellectual Property, the provisions of Insurance Conditions relating to the Pre-Export Credit Insurance in the extent of Article XV will apply, and other specific conditions of Insurance of the Pre-Export Credit for Commercial Utilisation of Intellectual Property are provided in this Article.
2. The Insurer decides on the Insurance of the receivables arising from the Pre-Export Credit for Commercial Utilisation of Intellectual Property based on a request from the Insured after assessing the Borrower's economic position and the Export case and proven rate of return of expenses for commercial utilisation of intellectual property from the receipts from the Export of technology.
3. The Pre-Export Credit for Commercial Utilisation of Intellectual Property can be provided if the concluded Export Contract secures the repayment of the Pre-Export Credit for Commercial Utilisation of Intellectual Property, or it is secured in another way acceptable for the Insured and the Insurer.
4. In case of Insurance of the receivables from the Pre-Export Credit for Commercial Utilisation of Intellectual Property, the Insured shall, in addition to the obligations mentioned in other provisions of these Insurance Conditions (except for Article XVI of the Insurance Conditions):
 - a) prove, before granting the Credit, that the Borrower is the holder of rights to intellectual property by, e.g., submitting a copy of an entry in the respective register of intangible industrial rights, also in the country of the final destination of the Export;
 - b) confirm, before granting the Credit, that the Borrower has secured the repayment of the Credit either by the Export Contract from which the Export Receivables will originate no later than on the due date of the Pre-Export Credit for Commercial Utilisation of Intellectual Property, or it is secured in another way acceptable for the Insured and the Insurer;
 - c) request, before granting the Credit, an expert statement or opinion on the expected application utilisation of the intellectual property;
 - d) request, before granting the Credit, an expert opinion on the scope of rights to intellectual property;

- e) confirm, before granting the Credit, that commercial utilisation of intellectual property for Export will enable sufficient formation of resources necessary for the repayment of the Credit for Commercial Utilisation of Intellectual Property;
 - f) verify whether the receivables of the Insured arising from the Pre-Export Credit for Commercial Utilisation of Intellectual Property are secured by contracts, implementation of which will mean for the Borrower such formation of resources that it will secure sufficient financial means for the usual operation of the company of the Borrower with own resources of the Borrower and with the Pre-Export Credit for Commercial Utilisation of Intellectual Property;
 - g) provide the Insurer with the documentation requested by the Insurer for analysis purposes.
5. In case of Insurance of the receivables from the Pre-Export Credit for Commercial Utilisation of Intellectual Property, the Borrower shall, in addition to the obligations mentioned in other provisions of these Insurance Conditions (except for Article XVI of the Insurance Conditions):
- a) ensure due and proper legal protection of the Subject Matter of Intellectual Property, also in the country of the final destination of the Export;
 - b) ensure, sufficiently ahead of time, that subsequent Insurance of the Export Receivables is taken out for the whole duration of the Insurance in accordance with these Insurance Conditions, or collection from utilisation of intellectual property is secured in another way;
 - c) submit to the Insured and the Insurer the business plan, liquidity plan, planned statements for the period of the duration of the Credit and other documentation requested by the Insurer;
 - d) have the repayment of the Credit ensured either by Export Contracts from which the Export Receivables will arise no later than on the due date of the Pre-Export Credit for Commercial Utilisation of Intellectual Property or in another way acceptable for the Insured and the Insurer;
 - e) ensure that the commercial utilisation of intellectual property for the Export enables sufficient formation of resources necessary for the repayment of the Pre-Export Credit for Commercial Utilisation of Intellectual Property;
 - f) provide the Insurer with the documentation requested by the Insurer for analysis purposes.

Article XVIII. – Final Provisions

1. The relations not regulated by the Insurance Contract or Insurance Conditions are governed by the applicable provisions of the Civil Code.
2. The Czech wording of the Insurance Conditions and Insurance Contract is decisive and shall prevail.
3. The Insurer may terminate the Insurance Contract if:
 - a) the banking licence of the Insured has been withdrawn, if receivership has been imposed on the Insured, the court has decided on the insolvency of the Insured, or if the insolvency petition has been dismissed for the lack of assets of the Insured;
 - b) it is so stated in the Insurance Contract;
 - c) it is stated in the Civil Code or other laws and regulations.
4. The notice of termination must be in writing. The term of notice starts to run on the day of delivery of the notice of termination to the other party and is six (6) weeks unless otherwise stipulated by the law.
5. If any provision of the Insurance Conditions or the Insurance Contract becomes, even partially invalid, non-existent, ineffective or non-applicable due to a change in laws and regulations, the remaining provisions remain valid, existent and effective.
6. Any and all information provided by the parties to each other in any form in connection with the conclusion of the Insurance Contract and performance of the obligations arising from it is confidential. The party, which has received such information, may not provide it to a third party without the consent of the other party, nor may use such information for a purpose other than the one for which it has been provided unless otherwise stipulated by the law (e.g., the Act on Insurance, etc.).
7. Any disputes arising between the parties from the legal relations established by this Insurance Contract or in connection therewith (including the issues of validity or invalidity of the Insurance Contract), which cannot be resolved by amicable settlement within a reasonable time, will be decided by the competent courts of the Czech Republic. The Insurance under these Insurance Conditions is governed by the laws of the Czech Republic.
8. Under the provisions of section 1801 of the Civil Code, the Insurer, the Policyholder and the Borrower, which is an entrepreneur, depart from the applicable provisions of sections 1799 and 1800 of the Civil Code on adhesion contracts. In this way, the potential invalidity of the provisions of these Insurance Conditions or Insurance Contract for a contradiction with the mentioned provisions on adhesion contracts is excluded, including, without limitation, the invalidity of:
 - a) clauses referring to the conditions outside the wording of the Insurance Contract where the Policyholder and/or Borrower was not familiarised with their meaning, and the knowledge of the Policyholder and/or Borrower of their meaning will not be proven;

- b) clauses which can be read with extraordinary difficulties only, or clauses which are incomprehensible for a person of average intellect even in the case when it causes detriment to the Policyholder and/or Borrower and its meaning has not been sufficiently explained to the Policyholder and/or Borrower;
- c) clauses that are particularly disadvantageous for the Policyholder and/or Borrower without any reasonable ground, particularly, when the Insurance Contract or these Insurance Conditions differ substantially and without any particular reason from the usual conditions negotiated in similar cases.