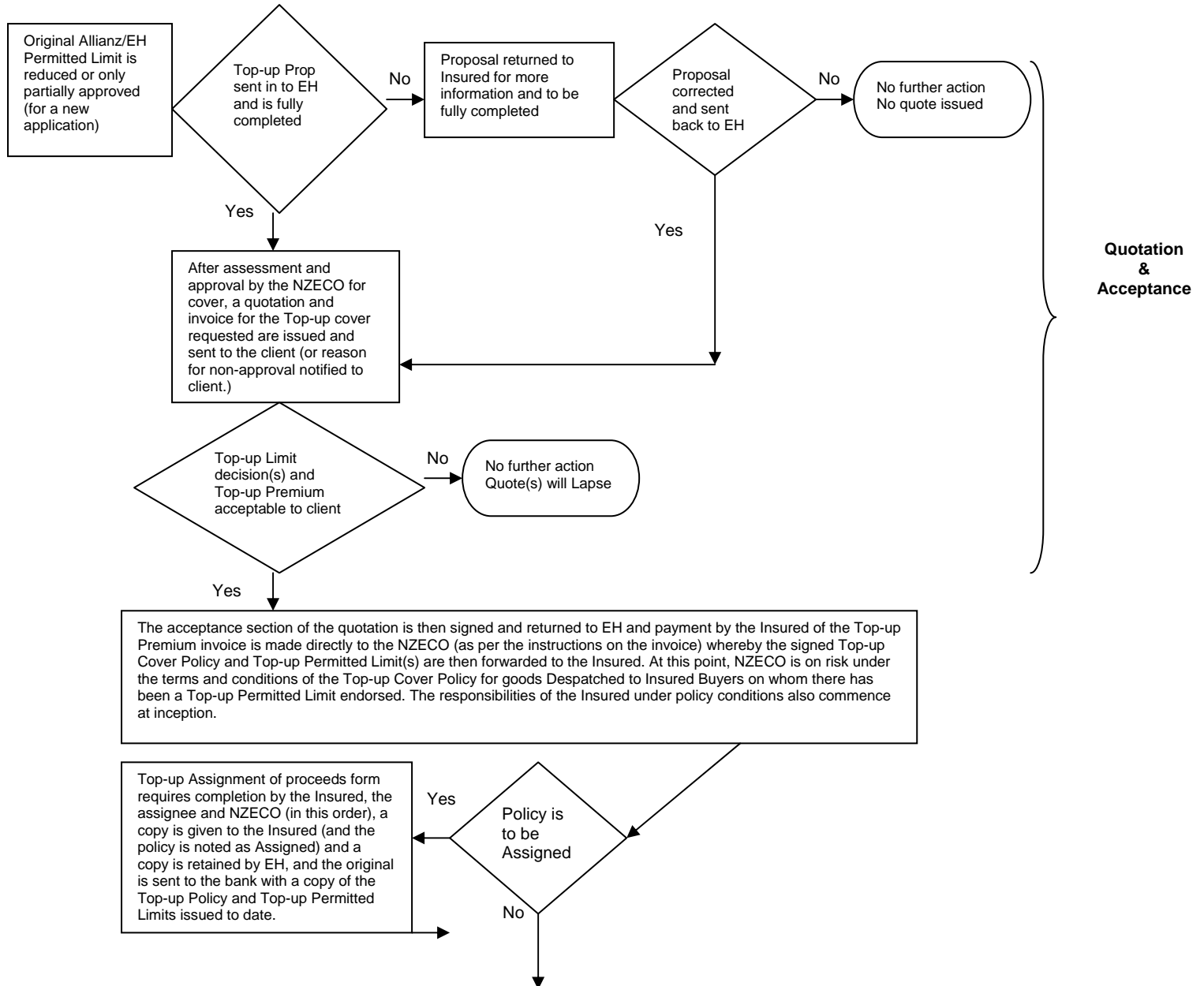


NZECO Top-up cover – Sequence from Proposal to Renewal flow chart



Quotation & Acceptance

Administration during the Policy Period

1. Requests for new Top-up Permitted Limits require a completed "NZECO Request for a Top-up Permitted Limit form" to be submitted to EH, EH will then follow the documentation process above, except for issuing the Policy document. Each Top-up Permitted Limit is formally quoted and invoiced separately, and cover for each Top-up Permitted Limit is not valid until payment of the Top-up Premium is received by the NZECO in full. A report showing all current Top-up Permitted Limits in place at any point in time will be provided by post, fax or email on request to the Insured or assignee, showing the Permitted Limits in place at the time of printing.
2. Monthly lists of all overdue Insured Buyers – are required to be submitted to EH for your Allianz Primary policy of trade credit insurance within the first fourteen days of the following month. If you are compliant your Allianz Primary policy for this reporting requirement, no additional overdue reporting is required under the NZECO Top-up Cover Policy, unless specifically requested to do so by NZECO on a case-by-case basis.
3. Insurer initiated reductions to Top-up Permitted Limits may be issued due to further reductions to Allianz Primary Permitted Limits as the level of Top-up cover available on individual buyers cannot be greater than the level of Allianz Primary cover. The Insured will be notified in writing of any Top-up Permitted Limits that may be amended in this manner.

During the Policy Period

Continued on Next Page

4. Other notifications -

- a. The Insured must notify EH of Financially Adverse Events (see definition 3.5) concerning their buyers, or any other information regarding the solvency of a buyer (see condition 4.3.5).
- b. Requests for extended payment terms (beyond the Maximum Extension Period) or repayment plans must be made by the Insured to the Insurer prior to agreeing to these with a buyer. Written consent from the Insurer is required for cover to be valid. (see condition 4.3.7).

If you are compliant your Allianz Primary policy for this reporting requirement, no additional overdue reporting is required under the NZECO Top-up Cover Policy, unless specifically requested to do so by NZECO on a case-by-case basis.

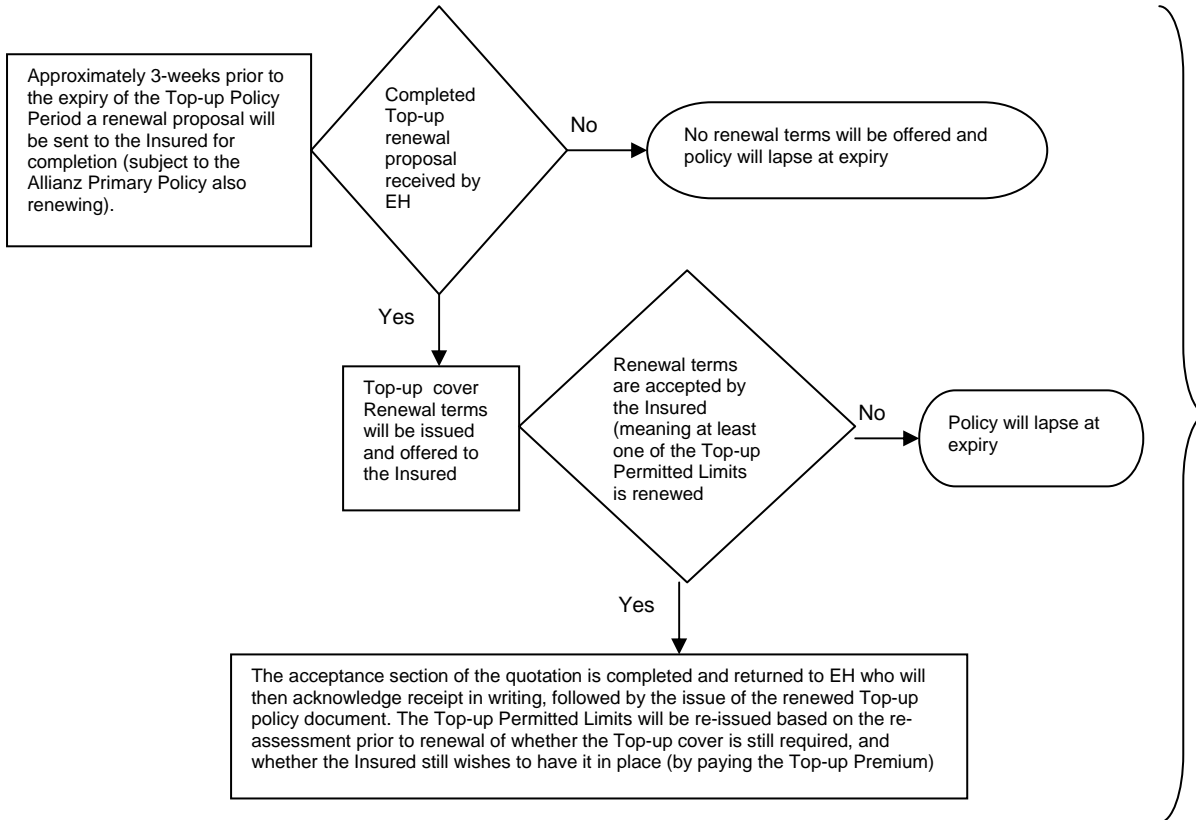
When the Insurer becomes aware of information such as a Financially Adverse Event in relation to a buyer, there may be and often is discussion as to strategy for recovery, loss minimisation, future supply, and altered terms of supply and so on. Because the variations and permutations are infinite, each case is treated separately. The objectives are to reach a commercially sound resolution having regard to the amount owed, the seriousness of the position of the buyer, security and recovery prospects, future sales possibilities, the quality and credibility of repayment proposals and so on.

5. Claims notification, processing and payment takes place in accordance with policy requirements (see condition 4.7 of the policy). It is not a requirement to submit a separate Claim form to the Claim form submitted under the Allianz Primary Policy, however NZECO reserve the right to request further information regarding the Top-up portion of a debt if necessary for assessment purposes.

Variation of cover, in the form of a reduction or cancellation of cover on a buyer, may be notified when adverse information comes to hand (usually in the form of a written or verbal explanation followed by a nil endorsement). Such variations do not effect goods already Despatched although the co-operation of the Insured would be expected if they were able to minimise losses by diverting goods in transit.

Financially Adverse Events & Claims

Renewal



Renewal Quotation & Acceptance

After Policy expiry

The reporting obligations of the Insured remain whilst any amounts covered by the Top-up Policy remain unpaid by any Insured Buyers.

Please note

- 1. This document should be used as a guide only, for full details of policy conditions you should refer to the full policy document.
- 2. The policy references contained in this document refer to wording version NZECO 1.0 and may be subject to change with updated versions