

APPLICATION FORM

Please tick appropriate box:

- A Confiscation, Expropriation, Nationalisation Insurance for Permanent Investments.
- B Confiscation, Expropriation, Nationalisation Insurance for Mobile Equipment located abroad.
- C Equipment Inconvertibility Insurance.

Please provide additional information separately if applicable.

1. APPLICANT

- a. Name: _____
- b. Mailing Address: _____

- c. Nationality: _____
- d. Date and place Applicant established: _____
- e. Business of Applicant: _____

2. **This section to be completed where the Insurance sought is for a PERMANENT INVESTMENT:**

I. FOREIGN ENTERPRISE IN WHICH INVESTMENT IS MADE:

- a. Name: _____
- b. Mailing Address: _____

- c. Location of facilities: _____
- d. Describe the business of the Foreign Enterprise:



- e. Is this a new or existing enterprise? _____
- f. Year of start-up: _____
- g. Year in which Investor became involved in enterprise: _____

II. OWNERSHIP OF FOREIGN ENTERPRISE

- a. Describe ownership of Foreign Enterprise and note any equity participants controlled by governments or their agencies:

<u>EQUITY PARTICIPANT</u>	<u>NATIONALITY</u>	<u>PARTICIPATION %</u>
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_____	_____	_____
_____	_____	_____

- b. Describe any existing provisions or plans for future divestiture of ownership to local interests: _____

- c. List all foreign or multilateral lenders to the Foreign Enterprise:

<u>LENDER</u>	<u>NATIONALITY</u>
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_____	_____
_____	_____
_____	_____
_____	_____

III. INVESTMENT TO BE INSURED

- a. Exposed Investment
 - i. Investor's equity contribution to Foreign Enterprise _____
 - ii. Investor's share of retained earnings _____
 - iii. Investor's loans to Foreign Enterprise _____
(including accrued but unpaid interest)
 - iv. Investor's guarantees of non-local obligations of Foreign Enterprise _____
 - v. Payable due Investor (average) _____
 - vi. Receivables due from Investor (average) _____



vii. Total exposed Investment _____

b. Desired limit of Liability _____

(Note: The Limit of Liability elected by an Investor in any year can be less than but not greater than Exposed Investment.)

c. Nature of Investment

i. Form of Investor's equity contribution (cash, equipment, technology, other):

ii. Form and terms of Investor's debt contribution (notes, letter of credit, etc., maturities):

iii. Names of guaranteed third parties:

IV. OPERATIONS OF FOREIGN ENTERPRISE IN HOST COUNTRY

Please answer the following questions concerning the Foreign Enterprise's operations in the Host Country. IF this is a new enterprise, estimates should be made as to the level of operations after a reasonable start-up period:

a. Breakdown of Foreign Enterprise's assets:
(This information is used for underwriting purposes and not for determining limits of liability).

Cash/Securities _____

Accounts Receivable _____

Inventories _____

Mobile equipment and plant _____

Fixed plant and machinery _____

Buildings/Leasehold Improvements _____

Land _____

Other assets _____

TOTAL ASSETS _____

- b. i. What accounting basis is used in determining value of assets (e.g. book, replacement, etc.)?

- ii. Basis of depreciation of assets:

- c. Foreign Exchange Impact of Foreign Enterprise:

If this is a new enterprise, estimates should be made as to the initial level of operations after start-up.

- i. Total exports as a percentage of annual revenues _____%

Exports to Investor as a percentage of annual revenues _____%

Total imports as a percentage of annual revenues _____%

Imports from Investor as a percentage of annual revenues _____%

- d. How dependent is Foreign Enterprise on technology inputs from Investor?

- e. Labour and Management of Foreign Enterprise:

- i. Does the Investor control the management of the Foreign Enterprise?

- ii. Number of local national in managerial positions:

- iii. Number of local national employees:

- iv. Number of foreign employees and nationality:

- v. Is work force unionised?

- f. Foreign Enterprise – Host Government Agreements:

- i. Have all documents necessary for legal operations in the Host Country been obtained and are they currently valid?

- ii. Have any special agreements been negotiated between the Investor and the Host Country beyond those normally afforded foreign Investors under the investment code of the host country (e.g. excessive tax holidays, monopoly agreement, subsidies, special tariff or quota concessions, etc.)?

If so, please describe: _____

- g. Describe any effects on the Host Country by the Foreign Enterprise that you consider noteworthy (e.g. impact on local suppliers, local employment, creation of downstream economic activity, training programmes, development of social services, etc.)

- h. Does Investor have operations in the Host Country other than the subject of this application?

If so, briefly describe: _____

3. This section to be completed where the Insurance sought is for MOBILE EQUIPMENT LOCATED ABROAD:

- i. Country in which equipment to be insured will be located:

- ii. a. Name and address of entity in Host Country for whom work will be conducted:

b. Legal status of entity (Private, Government, Agency, Ministry etc.)

iii. If equipment to be used for a specific contract, does title pass to Buyer on completion or at any other time:

iv. a. Who is responsible for insuring the equipment:

b. Does insurance have to be arranged in the Host Country?

v. Describe the nature and principal use of equipment while in Host Country:

vi. How long will equipment be in the Host Country:

vii. Have all documents necessary for legal operations in the Host Country been obtained?

viii. a. Does the Applicant require a re-export licence? _____

b. If so, have the necessary licences been obtained? _____

c. If no re-export licence is required had the Applicant obtained all other consents required to re-export the equipment?

c. Has the Applicant ever had problems in obtaining re-export licences. If so, please give details: _____

ix. Who will have physical control of the equipment while in the Host Country?

x. Description of equipment to be insured:

<u>Kind</u>	<u>Date Purchased</u>	<u>Cost New</u>	<u>Actual Cash Value</u>

(If required, please attach additional pages)

xi. Method of Depreciation used in calculation of Net Book Value:

(N.B. Underwriters cannot issue on a new for old basis.)

4. **This section to be completed where the insurance sought is for CURRENCY INCONVERTIBILITY which is only available in addition to coverage requested in section A and B**

i. Has the Applicant experienced any Currency Inconvertibility difficulties in the past with respect to any of its operations or investments in the Host Country?

If so, please specify: _____

ii. a. Have all registrations been duly made and all consents and approvals of Host Government been obtained, which are necessary to enable the Applicant to transfer Local Currency into Policy Currency?

b. Are said registrations, consents and approvals still valid?

iii. a. Does the Applicant have any Currency Inconvertibility Insurance with respect to Local Currency in the Host Country?



- b. If so, please specify the name of the Insurer and the nature and amounts of coverage:

- iv. How Scheduled Funds will be Generated.
This Currency Inconvertibility Insurance is being sought to cover Scheduled Funds generated from:

Equity Securities of Foreign Enterprise _____

Debt obligations of Foreign Enterprise _____

Technical assistance Agreement _____

Management Agreement _____

Other _____

Please attach copies of pertinent agreement and repayment schedules.

- v. Amount of Coverage
The Applicant should determine the maximum value in Policy Currency of Scheduled Funds to be repatriated during the Policy Period.

- a. Policy Currency Designation: (U.S. Dollars, French Francs, etc.):

- b. Amount of anticipated repatriation in Policy Currency:

i. Equity Investment _____

ii. Dividends/Profits _____

iii. Principal _____

iv. Interest _____

v. Technical Assistance Fees _____

vi. Management Fees _____

vii. Other fees/Payment _____

- c. Total amount of coverage desired: _____

(i.e. total amount of Policy Currency to be remitted during course of policy year: value of Equity Investment to be included only if investment to be disposed of during course of policy year.)



vi. Operations of Foreign Enterprise in Host Country.

a. Annual Revenues (expressed U.S. Dollars) of the Local Enterprise are or are estimated to be (please check one):

i. Under \$10 Million _____

ii. \$10 to \$50 Million _____

iii. Over \$50 Million _____

b. Does the Applicant have any other operations or investments or loans outstanding or contracts with entities in the Host Country besides this Foreign Enterprise?

If so, briefly describe: _____

vii. General

a. Were the Applicant to file a request today with the appropriate government agency for the transfer of Scheduled Funds from Local Currency into Policy Currency how long would it take for such a transfer to be made?

Up to 1 month _____

Up to 2 months _____

Up to 3 months _____

Up to ___ months

b. What special arrangements, if any, have been concluded between the Host Government and the Applicant, or the foreign Enterprise for the transfer of Local Currency into Policy Currency? Are these transfers subject to any limitations in addition to existing currency regulations? If so, please specify:

5. The following questions must be answered and relate to ALL SECTIONS

- i. Does the Investor have any knowledge of any facts which might give rise to a claim under the policy? It is agreed that if such knowledge or information exists, any claim arising therefrom is excluded from this proposed policy:

- ii. Are there any unique or unusual aspects in the subject matter of this application?

If "yes" please give details _____

- iii. Has the Applicant, its partner, joint venture, affiliates or subsidiaries ever suffered loss as a result of acts of foreign governments?

If "yes" please give details _____

- iv. Is the Applicant aware of any legislation, pending legislation, discussions, disputes, negotiations or litigations with the Host Government regarding pollution or other environmental impact relating to the Foreign Enterprises? If yes, please explain. (Attach extra pages if necessary.)

- v. Has the Applicant ever carried political risk insurance? Yes / No



Please attach the Applicant's most recent Annual Report and that of the Foreign Enterprise. Other material relating to the Applicant of Foreign Enterprise you may wish to provide is welcome.

The undersigned declares that to the best of his knowledge the statement set forth in this application are true and no material information has been withheld.

The undersigned agrees that the existence of any policy that may be issued will not be disclosed to the Host Government. All information in this application will be treated confidentially by the Company.

Signing of this application does not bind the undersigned to complete the insurance, but it is agreed that this application shall be the basis of insurance should a policy be issued and will be attached to form part of the policy.

Signed: _____

Title: _____

Corporation: _____

Date: _____