



ZURICH

**Zurich Emerging Markets Solutions
Political Risk and Credit Insurance**

1201 F Street, NW, Suite 250, Washington, DC 20004 Tel: (202) 585-3100 Fax: (202) 628-2216

APPLICATION FOR POLITICAL RISK INSURANCE

NON-HONORING OF SOVEREIGN DEBT OBLIGATION OR GUARANTEE

1. APPLICANT (Lender)

A. Name of Applicant: _____

Authorized Representative: _____

Address: _____

Code: _____ City: _____ State: _____ Country: _____ Postal

Telephone: _____ Facsimile: _____

Email: _____

2. WHICH OF THE FOLLOWING APPLIES TO THE OBLIGATION YOU ARE INSURING:

- A. Sovereign guarantee of loan to a third party borrower.
- B. Loan directly to a sovereign, sub-sovereign or quasi-sovereign borrower or state owned enterprise

3. BORROWER

A. Name of Borrower: _____

B. Address: _____

PRIVILEGED BUSINESS INFORMATION

Code: _____ City: _____ State: _____ Country: _____ Postal _____

C. Borrower's legal status (*e.g., Ministry of Finance, other agency/department/ministry of the federal government, state-owned enterprise, other*)

D. If the Borrower is NOT the Ministry of Finance or Central Bank, please answer the following:

1. Who owns and controls the Borrower?

2. Principal activity of the Borrower:

3. Is the Borrower a self-sustaining entity (*i.e., not dependent on national budget allocations*)? Yes _____ or No _____. If "No", please explain.

4. Describe how the Borrower will fund the repayment of the loan (*e.g., national budget allocations, revenues generated by operations of Borrower, etc.*):

E. What is the current long-term foreign currency rating of the Borrower, including outlook?

S&P:

Moody's:

Fitch:

4. SOVEREIGN GUARANTOR (if applicable)

A. Host Country:

B. Entity/Authority issuing the guarantee:

C. Source of legal authority for the guarantee (*cite applicable law, etc.*):
(*Please attach a legal opinion or other information confirming the legality and enforceability of the guarantee.*)

D. What is the current long-term foreign currency rating of the Guarantor, including outlook?

S&P:

Moody's:

Fitch:

PRIVILEGED BUSINESS INFORMATION

5. OBLIGATION TO BE INSURED

- A. Purpose of the loan and use of funds (*e.g., purchase capital goods and/or services, specific infrastructure project, etc*). Describe specifically how the funds will be used:

- B. Does the loan constitute a refinancing of previously outstanding debt? Yes_____ or No_____. If "Yes", please explain.

- C. Is the Applicant aware of any significant environmental, political, procurement or public policy issues associated with the loan or its purpose? Yes _____ or No_____ If "Yes", please describe, and provide a copy of any environmental impact assessment undertaken in connection with the project or activity with which the loan is associated.

- D. If the Applicant is seeking insurance for a sovereign guarantee of a loan to a third party, describe the procedure for calling on the guarantee in the event of a default by the Borrower. Put "Not Applicable" if the Applicant is not insuring a sovereign guarantee.

6. LOAN TERMS AND CONDITIONS AND COVERAGE REQUESTED

- A. Summarize the structure of the financing (*e.g. multiple tranches, ECA participation, etc.*):

- B. Loan tenor and repayment terms, including drawdown/disbursement schedule and grace periods (*attach a repayment schedule if available*):

- C. Is the Applicant participating with other lenders in this financing? Yes_____ or No_____ If "Yes", please identify the lead financial institutions(s) and other principal participants, and attach inter-creditor agreements.

- D. Loan principal amount to be insured:

- E. Amount of coverage requested:

- F. Will the Applicant have other political risk insurance on the loan or guarantee? Yes_____ or No_____ If "Yes", please explain.

- G. To the Applicant's knowledge, will other participants in the financing have political risk insurance coverage? Yes_____ or No_____ If "Yes", please explain.

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7. APPLICANT'S RELATIONSHIP WITH THE BORROWER AND GUARANTOR

- A. Does the Applicant have any outstanding loans to the Borrower, the Guarantor, or other sovereign obligor of the host country? Yes____ or No____. If "Yes", what is the approximate aggregate principal amount of such loans made to each such Borrower and the Guarantor:

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- B. How long has the Applicant had an active lending relationship with the Borrower (and the Guarantor, if applicable)?
- C. Have the obligations of the Borrower (and the Guarantor, if applicable) to the Applicant consistently been met during the last five years? Yes_____ or No_____. If "No", please explain.
- D. Have repayment difficulties led to a refinancing or rescheduling of the Borrower's (or Guarantor's, if applicable) debts to the Applicant during the last five years? Yes_____ or No_____.
- E. Has the applicant provided any consultative/advisory services (*e.g. debt management, rating advisory, privatization, etc.*) to the Borrower (and the Guarantor, if applicable) in the last five years? Yes_____ or No_____. If "Yes", please describe.
- F. Please describe the extent of the Applicant's presence in the Borrower's/Guarantor's country (*e.g. rep office, branch offices, subsidiaries, etc.*)

8. PLEASE ATTACH THE FOLLOWING:

- A. A draft or execution copy of all loan documentation, including a repayment schedule and, if applicable, the loan guarantee. If attaching a draft, please note that the final loan documentation must conform to the draft in all material respects and be satisfactory to Zurich Emerging Markets Solutions.
- B. An information memorandum or other description of the transaction, project, or financing.
- C. A copy of the Applicant's current in-house assessment of the creditworthiness of the Borrower (and Guarantor, if applicable).
- D. Any additional documents, as requested in this application and if applicable.

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The undersigned authorized representative of the Applicant declares that to the best of his/her knowledge the statements 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 Zurich Emerging Markets Solutions.

Signing of this application does not bind the Applicant to purchase insurance, but it is agreed that this application shall form in part the basis upon which any insurance may be issued, and will form part of the insurance policy.

APPLICANT: _____

BY: _____ DATE: _____
(Signature)

PRINTED NAME: _____

TITLE: _____

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