

*Update for EXIM Registered Brokers:*

# MAJOR REVISIONS

## to All Exporter Multi-Buyer Policies

Effective Early 2022

<i>Policy Text</i>	<i>Current</i>	<i>Future</i>
Article 6, Letter C Agreements of the Insured	The standard stop shipment clause under an EXIM Multi-Buyer policy requires that the exporter stop shipping to their foreign buyer once they are 90 days past due with an overall balance of \$2,000 or more.	The policy will allow the exporter to continue to ship as long as the foreign buyer is 60 days or less past due and owes a past due balance of less than \$10,000.
Article 6, Letter D Agreements of the Insured	An exporter is asked to notify EXIM if they have any foreign buyers who are over 90 days past due AND have a balance of \$25,000 or more.	This is changing to apply to foreign buyers who are over 60 days past due when they owe a total balance of \$10,000 or more.

### *New Definition and Coverage*

“Local costs” in the buyer’s country can now be covered under the policy:

- Local costs can represent a maximum of 15% of the exporter’s total invoice for the products, however local costs invoiced separately (on their own) will not be covered.
- Local costs may include costs which support the delivery and installation of the products, as well as local duties/taxes.

**NOTE:** Local costs may **not** include (i) local goods, (ii) costs associated with promoting the sale of the products (eg. sales representative travel, promotional materials) or (iii) post-installation costs (eg. post-installation equipment repairs).

If you have questions about local costs, contact your EXIM Broker Account Manager.

This is a descriptive summary to be used only as a general introductory reference tool. The complete terms and conditions of the policy are set forth in the policy text, applications, and endorsements.