General Terms and Conditions – Contract Bond Insurance

GTC CB, version 6.0
valid as of 01.06.2026

The General Terms and Conditions for Contract Bond Insurance (GTC CB) issued by Swiss Export Risk Insurance SERV shall apply to the extent that individual regulations are not expressly excluded or amended by special conditions in the insurance policy. The GTC CB shall apply within the scope of the Swiss Export Risk Insurance Act (SERVG, SR 946.10) and the Swiss Export Risk Insurance Ordinance (SERV-V, SR 946.101) in the version in force on the date the insurance is granted. These GTC CB and other terms and conditions of SERV shall not grant the policyholder any rights beyond those set forth in the SERVG and the SERV-V.

1 Object and Scope of the Insurance

1.1 The insurance shall cover the sum guaranteed in a contract bond, up to the maximum amount set forth in the insurance policy for each individual contract bond. The maximum cumulative amount for all insured contract bonds is limited to the contract value.

1.2 Sums guaranteed, resulting both from direct contract bonds issued directly to the debtor as bid, advance payment, delivery, service, performance, or warranty bonds, and from indirect contract bonds issued in favour of an intermediate financial institution, shall be insured.

1.3 Expenses that the policyholder incurs in connection with a contract bond, in particular the commissions and fees of the financial institution issuing the bond, shall not be insured.

2 Liability Period

2.1 The liability for the insured risks shall begin upon delivery of the guarantee document to the beneficiary.

2.2 If risk aggravating factors occur, SERV may at any time give notice that any liability is excluded for contract guarantees that had not yet been delivered to the beneficiary at the time the policyholder receives the notice.

2.3 Liability shall end upon expiry of the contract bond or when the financial institution issuing the bond discharges the policyholder from the recourse liability. If the contract bond is called unfairly, insurance cover shall end upon fulfilment of the claim for repayment.

2.4 The liability of SERV shall expire:

2.4.1 at the end of liability for all insured sums guaranteed; or

2.4.2 if the claims to compensation under the insurance or the claims under the contract bond are assigned without the consent of SERV.

3 Insured Risks

3.1 Political Risk

3.1.1 The insurance covers the risk that the beneficiary calls the contract bond as the result of political causes abroad. This applies in the event that the contract bond is legitimately called because the policyholder cannot fulfil its contractual obligations as the direct result of political causes.

3.1.2 Political causes shall be deemed unforeseeable, extraordinary measures of foreign states, war or warlike events, revolution, annexation, or civil unrest abroad, as well as Swiss government measures.

3.2 Transfer Risk and Payment Moratorium

3.2.1 The insurance covers the risk that the beneficiary calls the contract bond because it is unreasonable for the policyholder to fulfil the contract as a direct result of impairments to international payment transactions.

3.2.2 A payment moratorium causes performance of the contract to be unreasonable if the debtor is unable to pay at maturity due to an official or statutory payment prohibition.

3.3 Force Majeure

3.3.1 The insurance covers the risk that the beneficiary calls the contract bond because, as a direct result of force majeure, it is not possible to fulfil the contract or it is unreasonable for the policyholder to fulfil it.

3.3.2 Force majeure shall be deemed events such as hurricanes, floods, earthquakes, volcanic eruptions, flood tides, and nuclear accidents outside Switzerland.

3.3.3 SERV's liability for force majeure is subject to the condition that the policyholder was unable to insure this risk with private insurance companies at market conditions prior to the beginning of the risk.

3.4 Payment Risk (Del Credere Risk)

3.4.1 The insurance covers the risk that the beneficiary wrongfully calls the contract bond (unfair calling).

3.4.2 In this case, SERV's liability is subject to the condition that the policyholder has a repayment claim on the debtor.

4 Event of Loss

An event of loss shall occur if, due to an insured risk, the contract bond is called, the insured sum guaranteed is paid to the beneficiary, and no repayment is made within a waiting period of three months from payment of the sum guaranteed.

5 Conditions for Indemnification

5.1 Payment of the indemnity is subject to the conditions that:

5.1.1 an insured risk occurred, a loss was incurred, and a causal connection exists between the occurrence of the risk and the loss;

5.1.2 if the contract bond is called unfairly, the claim for repayment is legally valid, due, free of defences, and there are no legal obstacles to the assertion and enforcement of the claim for repayment in the country of the debtor that were already known upon conclusion of the contract(s) on which the claim is based, or would have been known if the required attention had been paid;

5.1.3 there are no reasons for exclusion of indemnification; and

5.1.4 the waiting period has expired and the request for indemnification has been submitted within the forfeiture period of two years from occurrence of the event of loss (Art. 17 para. 1 SERV-V).

5.2 The request for indemnification shall enclose all the documents required to establish the conditions for indemnification. The policyholder shall bear all costs for proving that the conditions for indemnification have been met.

5.3 If the claim for repayment is disputed, SERV may request that proof of existence of the claim, maturity, and absence of defences and objections be established by judgement of the court having competent jurisdiction. The same shall apply if the existence of legal obstacles is known.

5.4 Indemnity payments shall be excluded as long as the existence of the conditions for indemnification is not established.

6 Calculation of the Indemnity

6.1 SERV will determine the amount of indemnifiable claims under consideration of all payments made by the debtor or payments received from collateral eligible for allocation.

6.2 Proceeds from the realisation of collateral, payments by third parties, and other pecuniary advantages that the policyholder receives in connection with the occurrence of the event of loss shall be applied to the loss.

6.3 The remaining insured sum guaranteed shall be multiplied by the cover ratio set forth in the insurance policy.

7 Indemnity Currency

7.1 The indemnity shall be paid in the currency set forth in the insurance policy (indemnity currency).

7.2 If the particular foreign currency is not available on the foreign exchange market, the indemnity shall be converted into Swiss francs at the most recent rate quoted on the foreign exchange market.

7.3 If the policyholder applies for the indemnity payment in Swiss francs, the conversion shall occur as of the last rate quoted on the foreign exchange market on the day prior to the indemnity payment.

8 Payment of the Indemnity

8.1 SERV will pay the indemnity within 30 days of its acknowledgement of the event of loss.

8.2 Any costs for payment to an account outside Switzerland shall be borne by the policyholder.

9 Transfer of Claims and Rights

9.1 Upon payment of the indemnity, any claims against the debtor and collateral provided for this purpose, shall be subrogated to SERV in the amount of the indemnification paid.

9.2 The policyholder shall perform all legal acts necessary for the subrogation of such rights upon request by SERV.

9.3 If the subrogation of rights is not possible under the authoritative legal relationship and SERV waives the subrogation of rights for the time being, the policyholder shall hold such rights in trust for SERV.

10 Legal Action and Cost Contribution

10.1 Notwithstanding any subrogation of rights, the policyholder shall remain obliged to take any measures for recovering or realising assets and mitigating the loss.

10.2 SERV shall contribute proportionally to all appropriate and reasonable costs and expenses incurred by the policyholder with the consent of SERV after the event of loss has occurred, and that are not part of normal business, dunning, or collection activities.

10.3 In exceptional cases, SERV may also contribute to the costs of loss-avoidance or mitigation measures taken before the event of loss occurred, provided that it consented to a respective request. SERV may make consent dependent on the fulfilment of restrictions and conditions.

11 Debt Rescheduling and Restructuring

SERV is entitled to conclude debt rescheduling agreements with the debtor country or restructuring agreements with private debtors for claims subrogated to SERV and those that are held in trust by the policyholder for SERV and the policyholder's deductible. Clause 12 of the General Terms and Conditions of SERV for Supplier Credit Insurance shall apply accordingly.

12 Obligations of the Policyholder

12.1 The policyholder shall fully and correctly disclose all circumstances material to the acceptance of the insurance and entitlement to indemnity. Any changes of such circumstances shall be notified to SERV without delay.

12.2 Swiss and foreign legal provisions shall not be violated in connection with the conclusion or performance of the export contract.

12.3 Upon carrying out the export transaction, the policyholder may substantially deviate from the facts documented in the insurance policy only with the consent of SERV. In addition, it may waive any collateral that exists only with the consent of SERV, even if the collateral is not documented in the insurance policy.

12.4 The policyholder shall, without delay, inform SERV of any material breaches of obligations by the debtor as well as the occurrence of any risk aggravating factors and an event of loss. The occurrence of risk aggravating factors shall be assumed, in particular, if the debtor is more than one month in arrears or submits a request for extension or if other information is available about a general deterioration in the financial situation of the debtor or any jointly liable third party.

12.5 The policyholder may not provide contract bonds without the consent of SERV if risk aggravating factors have occurred since the insurance was accepted.

12.6 The policyholder shall, with all due care required by sound business practice, take all appropriate and necessary measures to avoid any event of loss or to mitigate any loss. In the event of an evidently wrongful calling, this includes immediately taking interim legal protection measures to prevent payment of the sum guaranteed to the beneficiary. The policyholder shall follow any instructions from SERV in this regard without delay.

12.7 Upon occurrence of an event of loss, the policyholder shall inform SERV of any defences and objections that the debtor raises in connection with calling the contract bond or against the claim for repayment asserted in the event of unfair calling.

12.8 SERV shall be informed at any time upon request of the particulars and the execution status of the export transaction, and of any other circumstances that could be material to the insurance.

12.9 The policyholder shall grant SERV or its authorised representative access to books, records, and other documents that could be material to the insurance.

12.10 The policyholder shall keep confidential all information that he receives in connection with SERV's decision on the creditworthiness of the debtor or jointly liable third party.

13 Exclusion of Indemnification

13.1 No indemnification shall be paid if the policyholder is in breach of any of his obligations and SERV comes to the conclusion that it would not have granted insurance cover at all or not to the same extent if the policyholder had fulfilled its obligations, or that such a breach of obligations has caused or threatens to cause a loss.

13.2 Indemnification shall not be excluded if the policyholder establishes that the breach of obligations was not its fault. In all other respects, SERV may partially or wholly waive its right to exclude indemnification in consideration of the particular circumstances of the specific case.

13.3 Indemnification shall be definitely excluded:

13.3.1 in the event of late payment of the premium, if an insured risk already occurred prior to the payment of the premium; or

13.3.2 if any infringement of Swiss or foreign laws occurred when the export contract was concluded or performed.

13.4 Any further claims of SERV due to the policyholder's breach of obligations shall remain unaffected.

14 Recoveries and Repayments

14.1 The policyholder shall promptly notify SERV of all payments eligible for offsetting, any proceeds from the realisation of collateral and other assets, and other pecuniary advantages received in connection with the event of loss after the indemnification has been paid (recoveries), and shall transfer such recoveries to SERV on a pro rata basis in proportion to the cover ratio.

14.2 If, after the indemnification has been paid, it emerges that the conditions for indemnification were not fulfilled or subsequently ceased to exist, the indemnity paid shall be refunded, along with any costs of legal action reimbursed by SERV.

14.3 SERV's claim to have recoveries transferred according to clause 14.1 shall bear interest from the date of receipt of the recoveries. Repayment claims according to clause 14.2 shall bear interest from the date the indemnity or cost contribution is paid, but no later than the date on which the conditions for indemnification ceased to exist.

15 Premiums

The SERV premium tariff in effect at the time the insurance is granted shall apply to premiums and any reimbursement of premiums paid.

16 Assignment of Claims under the Insurance

16.1 Any assignment of claims under the insurance shall require consent from SERV. SERV may make its consent conditional upon the fulfilment of special conditions.

16.2 The legal relations between SERV and the policyholder shall remain unaffected by the assignment.

17 Termination of the Insurance

17.1 SERV may terminate the insurance if

17.1.1 the policyholder violates the insurance to such a degree that SERV can in good faith no longer be expected to continue the insurance, or

17.1.2 the policyholder breaches its obligations under the insurance in any other way, in particular by falling into arrears on its premium payments, and SERV has requested that the breach be remedied within a set deadline and notified that it will terminate the insurance if the breach is not remedied by the time the deadline expires.

17.2 The policyholder may terminate the insurance at any time without observing any notice period.

18 Official secrecy and data protection

18.1 The information provided by the policyholder during the insurance relationship and through the insurance application is protected by the obligation to maintain official secrecy (Art. 320 Swiss Criminal Code) to the extent of the protection this provision provides. The personal data of natural persons are also protected by the Data Protection Act (FDAP) and those of legal entities by the Government and Administration Organisation Act (GAOA).

18.2 The policyholder has taken note of the information on the disclosure by SERV to third parties of protected information about export and financing transactions, which is available on the SERV website (www.serv-ch.com/disclosure-information).

18.3 The policyholder consents to the disclosure of confidential information and protected data by SERV to supervisory authorities and third parties in connection with the conclusion and processing of insurance transactions and for the purposes of international collaboration, in the event of overriding interests and for the electronic administration of insurance applications and insured transactions.

18.4 The policyholder releases the third parties contacted by SERV from their obligation to maintain official secrecy and/or professional confidentiality and consents to data processing in order to allow the exchange of information with SERV in the context of the subject matter and purpose of this declaration of consent. At the request of the third party, the undersigned shall provide separate releases and declarations of consent.

18.5 Should email be used for certain purposes, the policyholder authorises SERV to conduct such correspondence using neither encryption nor a digital signature.

19 Miscellaneous

19.1 The following requirements of formality apply:

19.1.1 The issuance of the insurance commitment in principle and the insurance policy, including any amendments thereto, as well as all declarations by SERV shall require the written form.

19.1.2 All applications, notifications and declarations by the policyholder shall be submitted to SERV in writing or in another form that ensures the identification of the sender and the integrity of the content, and that records the time of transmission of the content.

19.2 The federal administrative law of Switzerland applies. The Federal Administrative Court shall have sole jurisdiction over disputes in connection with this insurance. Notwithstanding and without prejudice to the foregoing, SERV shall also be entitled to bring action against the policyholder at any other court having competent jurisdiction if the policyholder has a registered office abroad.