



EXPORT CREDIT GUARANTEES OF THE
FEDERAL REPUBLIC OF GERMANY

► **Hermes Cover**

LETTER OF UNDERTAKING

Attachment to the application for a Revolving Buyer Credit Guarantee

Complete style and address of the company giving the undertaking

Company ./.
 Contact person ./.
 Street and house no. ./.
 P. O. Box ./.
 Postcode and town ./.

Personal number (DN) of the company giving the undertaking PN (DN) ./.

Transaction ID of the Revolving Supplier Credit Guarantee VG ID ./.

We are aware that

./.
 - hereinafter: Bank -

has applied or will apply for a Revolving Buyer Credit Guarantee of the Federal Republic of Germany to secure buyer credits to

./.
 - hereinafter: Foreign Debtor.

The purpose of these buyer credits is to finance transactions concerning the delivery of goods and/or the provision of services between us and

./.
 - hereinafter: Buyer -

for the supply of the following goods/services:

./.
./.
./.

Financing these supplies and services with a loan and cover for that loan under a Buyer Credit Guarantee of the Federal Republic of Germany is also in our interest.

In the event that the Federal Government assumes this Buyer Credit Guarantee in favour of the Bank, we hereby irrevocably commit ourselves vis-à-vis the Federal Government to the following:

1. a) We will completely and correctly describe in writing all material circumstances related to the delivery/service transactions which may have a bearing on the assumption of the Revolving Buyer Credit Guarantee as well as on the inclusion of the individual buyer credit claims in the revolving buyer credit cover to the Bank and immediately amend the information provided if there are any subsequent changes or modifications regarding the delivery/service contracts.

This duty shall apply mutatis mutandis if the determination of the eligibility of the delivery/service contracts is based on a flex&cover commitment (an administrative assurance to accede to an expedited eligibility examination) and the flex&cover commitment has been obtained by fraudulent deception, threat, corruption, or incorrect information (see § 48 VwVfG).

- b) We will notify the Federal Government in writing of any risk-aggravating factors which may become known to us before the full disbursement of the respective buyer credit. Such risk-aggravating factors are in particular that

- (1) the Buyer or the Foreign Debtor defaults on his payments or asks for an extension of the payment period;
 - (2) the financial situation, payment record or general market reputation of the Buyer, the Debtor or the Guarantor worsens, or the Buyer offers to discharge the debt in a manner that differs from his contractual obligations.
- c) We will, at any time, inform the Federal Government or its agent about the details of the delivery/service transactions and the respective state of their implementation as well as any other circumstances which may be of importance for the Buyer Credit Guarantee of the Federal Government.
- d) We herewith confirm to the Federal Government that we are not excluded from the award of public contracts as a consequence of a legally established breach of the LkSG (Supply Chain Act) (Section 22 para. 1 LkSG in conjunction with Section 24 para. 1 LkSG). We are aware that we are obliged to immediately inform the Federal Government of any legally effective ruling of the Federal Office for Economic Affairs and Export Control (BAFA) that may result in the exclusion from the award of public contracts until cover is finally granted.
2.
 - a) In the event that we fail to perform our duty to provide information and amend it if necessary (item 1. a), we will indemnify the Federal Government for its obligation to pay a claim from the Bank under the terms of the Revolving Buyer Credit Guarantee unless the incomplete or incorrect information constituting a breach of our duties neither had any influence on the Federal Government's decision to assume the Revolving Buyer Credit Guarantee nor resulted in the inclusion of a buyer credit claim in the cover under the Revolving Buyer Credit Guarantee which was not eligible for cover. We are not liable to indemnify the Federal Government if we were not aware or could not have been aware that the information provided was incorrect or incomplete.
 - b) If, due to a failure to exercise due care, we violate our duty to report any increases of risk (item 1. b) or to inform, upon request, the Federal Government about the delivery/service transactions' state of implementation or any other circumstances which may be relevant to the Revolving Buyer Credit Guarantee (item 1. c), we will indemnify the Federal Government for its obligation to pay a claim unless such breach of duty neither caused a loss nor is of such a nature as to expect that it may result in a loss.
 - c) If we breach our obligation to inform the Federal Government of our exclusion from the award of public contracts (item 1.d), we will indemnify the Federal Government for its obligation to pay a claim from the bank under the Buyer Credit Guarantee.
3. The Federal Government may limit our obligation to indemnify it pursuant to item 2 above according to the circumstances of the individual case, particularly taking into account the risk which has arisen and the seriousness of the breach of duties.
4. If any criminal offence, in particular bribery, was committed in connection with the conclusion of a delivery/service contract, we will indemnify the Federal Government for its obligation to pay a claim unless we neither knew nor could be expected to know about such offences.
5. We will immediately inform the Federal Government in writing if
 - a) an employee of our company or any other person acting on our behalf (agent) who was involved in the conclusion of one of the delivery/service contracts financed under the Revolving Buyer Credit Guarantee is indicted for bribery in a national court or has been sentenced in such a court or criminal proceedings for bribery against such an employee of agent were dropped pursuant to Section 153a StPO (Criminal Code) against the imposition of certain obligations or instructions.
 - b) a fine was imposed on our company pursuant to Section 30 OWiG (Administrative Offences Act) because a member of the managing staff committed a criminal act of bribery or because control measures to prevent corruption were lacking.
6. If the Foreign Debtor refuses to meet his obligations under the loan agreement citing incomplete or defective performance of the delivery/service contract, with respect to a claim which was asserted within the warranty period, we will indemnify the Federal Government for its obligation to pay a claim from the Bank under the Revolving Buyer Credit Guarantee, if and as long as we or any of our subcontractors are obliged to the Buyer under the warranty provisions of the delivery/service contract.
7. We will comply with our obligations to indemnify the Federal Government on first written demand.

8. We undertake to reimburse the Federal Government for any indemnified loan amount under the Buyer Credit Guarantee which was meant as payment under the delivery/service contract if such loan amount was disbursed before the services agreed were performed. The aforementioned shall not apply if we have either performed our duties vis-à-vis the Buyer or the warranty period agreed upon in the delivery/service contract, but at least a period of two years, has expired so that the Buyer may not assert any warranty claims.

We will comply with this obligation towards the Federal Government if and when, following a request by the Federal Government, we fail to show credibly that we performed our obligations under the delivery/service contract within a period of three months.

Place and date

Signature/company stamp

Alternatively to submitting by physical mail, this declaration can be uploaded via [myAGA](#) customer portal or be sent by email to underwriting@exportkreditgarantien.de, provided that the declaration is signed with a qualified electronic signature (qeS) in accordance with Regulation (EU) No. 910/2014 (eIDAS Regulation). Further information regarding the qualified electronic signature (qeS) can be found, for example, on the information website of the Federal Network Agency (Bundesnetzagentur).

Explanation and FAQs regarding the Letter of Undertaking can be found [here](#)