imposition of restrictions on the export of goods not previously subject to restriction; and the incurring, as a result of interruption or diversion of a voyage, of additional handling, transport or other changes in respect to goods exported.

Classes of insurable transactions are: consumer goods and miscellaneous general commodities sold on short credit terms usual for the particular trade, and which normally range from documentary sight draft to a maximum of 180 days; capital goods such as heavy machinery sold on medium credit terms which may extend to a maximum of five years; services such as the supply of design, engineering, construction, technological, and marketing services to a foreign customer; photogrammetric and geophysical surveys; and "invisible" exports such as the sale or licensing to a foreign customer of any right in a patent, trademark, or copyright, advertising fees, fees to auditors and architectural consultants.

In the case of goods or services sold on short-term credit, a whole-turnover policy is issued which covers an exporter's entire export sales for one year. For goods or services sold on medium credit terms, specific policies are issued for each transaction.

There are two types of policies, a contracts policy which protects from the time an exporter receives the order until he is paid, and a shipments policy which protects him from the time of shipment only. The contracts policy is designed for the exporter who manufactures goods to particular specifications, or goods which are so marked or stamped that they are of no value except to the original buyer.

EDC normally covers a maximum of 90% of the amount of the loss with the exporter required to retain the remaining 10%. With this protection a policy-holder's working capital remains intact. The most he stands to lose in any transaction is a portion of his profit margin.

Aid in financing. To assist him in export financing, a policy-holder may request EDC to assign the proceeds of any losses payable under a policy to a bank or other agent providing financing in respect of export sales. He may assign an individual bill or he may make a blanket assignment of all his foreign accounts receivable. As a further aid, EDC may issue unconditional guarantees to chartered banks or to any person who will agree to provide non-recourse supplier financing. Such guarantees are usually issued in respect of insured sales of capital goods. EDC may also issue unconditional guarantees to banks who will agree to finance the manufacturing period of an insurable medium-term export credit sale.

Export loans. EDC makes loans to foreign purchasers, or guarantees private loans to foreign purchasers at internationally competitive interest rates when extended credit terms are required and when commercial financing is not available.

The following are some examples of capital equipment and services, by industry, that are eligible for export financing. Power industry: conventional and nuclear power plants, electrification programs and transmission lines; transportation industry: equipment for telecommunications such as telephone systems, microwave facilities and earth satellite stations; and other capital goods industries: equipment for wood, pulp and paper, chemical, mining, construction and metallurgical projects. Under certain conditions, long-term loans and guarantees would be available for airport terminals and hotels. Financing may be provided for services even when they are not directly associated with equipment supply. They may be related to appraisal and development of natural resources, primary and secondary industry projects, and public utilities projects.

A Canadian exporter usually submits a loan application to EDC on behalf of a buyer, or the buyer may submit the application directly. The borrower need not be the importer in the transaction, as for example when a government might borrow on behalf of one of its agencies, or a bank on behalf of one of its clients. EDC may make loans to foreign national development banks for re-lending to importers in their countries to enable them to buy Canadian capital goods.

A transaction is normally one for which extended credit terms (beyond five years) are necessary and justifiable. Repayment schedules vary according to