

Manage The Risk of Expanding Sales Beyond Your Own Borders

Export Trade Credit Issues

- Expansion to new markets brings new risks!
- Selling to a foreign customer means you are trading under foreign bankruptcy laws!
- Financing foreign receivables can be tricky – banks want security against foreign accounts receivable!
- Accounts Receivable are a key asset pledged in many **financing** arrangements – get maximum value for your Asset!



Managing credit risk is a growing issue for most companies. As mergers and acquisitions result in a shrinking customer base and growing credit exposure to each customer, a company's balance sheet becomes increasingly exposed to the actions of their customer base. Your client controls a key asset of your business once you transfer title of the goods – **accounts receivable!** Trading in a competitive environment can increase risk to your company and its assets. **Executive Risk Insurance Services** has introduced their *Export Risks Insurance* policy that enables companies to leverage their own credit appetite and grow their business in a competitive international marketplace!

**International Expansion
Creates A New Set of Issues
for Your Bottom Line!**

Your company has grown successfully in its home market. In an effort to seek new ways to grow the lure of international markets is a compelling alternative for sound growth. However, expanding to international markets does raise issues you may not have faced in your home market!

Your sales to foreign markets suddenly mean you are now exposed to the bankruptcy laws of your customer's country. Your bank is likely to exclude all or a portion of your foreign accounts receivable in your borrowing base calculation. **ERIS' Export Risks Insurance** policy provides the protection required to help manage these issues, offers competitive terms and allows you to grow your sales in foreign markets without increased risk to your bottom line!

A well managed risk mitigation program coupled with effective credit management practices can help to achieve the growth in foreign markets and to avoid the pitfalls of expanding beyond your own country's borders! **ERIS** provides these tools in a new suite of trade credit insurance products.

ERIS' Trade Credit Insurance Products

- Protect sales to **Canadian, USA and Offshore** customers.
- Non-cancelable cover** – security in the knowledge that the protection is there when you need it
- Tailored risk sharing** structures to deliver the cover required while keeping pricing in line with where the risk lies
- Discretionary credit limit** authority – you know your customers – manage their exposure without additional underwriter interference
- Products designed to **hedge a company's credit management practices**
- Pre-shipment and preference claims options** available

Trade Credit Insurance



ERIS Trade Credit Insurance Facility Features

Export Risk Insurance Policy

- ▶ **Individual Buyer Limits of Liability up to \$10,000,000**
- ▶ **Top-Debtor Protection option available**
- ▶ **International, Canada and USA sales covered**
- ▶ **Pre-Shipment cover available**
- ▶ **Buyer Limit Fees – flat rate options**

Required Underwriting Information

- ▶ Completed Application
- ▶ Credit Management Questionnaire
- ▶ Aged List of Accounts Receivable
- ▶ Required Customer Credit Limits
- ▶ Detailed Explanation of Bad Debt Write-offs due to a covered event
- ▶ Description of Business
- ▶ Applicant's latest audited financial statements



Underwriting Syndicate

All policies issued under the Executive Risk Insurance Services ("ERIS") Trade Credit facility are issued by Kiln Syndicate 510 at Lloyd's which holds the financial strength rating of "A+" from Standard and Poor's. All claims are adjusted by Kiln Syndicate 510 at Lloyd's.

For further information and a detailed **ERIS – Trade Credit Insurance Products** policy discussion, Please contact your insurance broker or an **ERIS** representative:

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Executive Risk Insurance Services' corporate mission is to deliver innovative insurance solutions to Canadian businesses! **Executive Risk Insurance Services** has launched a suite of Trade Credit Insurance products designed to mitigate non-payment risks derived from trade with both domestic and export customers.

ERIS is characterised by our *experienced underwriting team, innovative solutions and service excellence*. We currently offer Directors, Officers and Trustees, Fiduciary, Independent Review Committee Liability insurance and Trade Credit Insurance. Our insurance capacity is 100% provided by certain underwriters at Lloyd's. We distribute our insurance products exclusively through licensed Canadian insurance brokers.

Innovation and Service are our strengths, Specialty Insurance is our business

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