

ACCOUNTS RECEIVABLE INSURANCE

Businesses have long relied on the ability to extend credit in order to facilitate trade. While selling goods or services on credit is standard practice for many companies, the risk of non-payment creates great financial exposure. Additionally, with concerns of cyber-attacks and data breaches, cyber insurance policies are playing a greater role in addressing companies' need to improve their cyber risk management. However, there is no cyber insurance policy that covers the entire spectrum of potential loss.

This is where Accounts Receivable Insurance can help as the standard policy wording does not exclude coverage from third-party party customer cyber events that lead to a non-payment. In today's increasingly complex global economy, finding solutions to help manage these risks is critical to an organization's bottom line.

KEY BENEFITS OF ACCOUNTS RECEIVABLE INSURANCE

- Expands your cyber security insurance coverage
- Ability to increase sales to existing and new customers without additional risk on your balance sheet
- Ability to obtain a higher advance rate with the bank to improve liquidity or help expand your receivables purchase or supply chain finance facilities
- Assists in maintaining or reducing the allowance for bad debt expense to potentially increasing profitability
- Mitigates the risk of non-payment due to customer insolvency, protracted default and/or political risk (for export policies)
- Improves certainty around a company's balance sheet by protecting accounts receivable against customer default
- Supports bank financing initiatives by safeguarding extended credit and customer concentrations
- Supports cross-border trading (between the United States and Canada, as well as global customers)

PRODUCTS

- Domestic Risks Insurance - Shipments Policy
- Export Risks Insurance - Shipments Policy
- Structured Trade Credit - solutions for emerging markets and policies with tenors up to five years.

TARGET ORGANIZATIONS

Support for CFOs of medium to large commercial companies in the United States and Canada. Key industries include, but are not limited to:

- Manufacturers
- Suppliers, Wholesalers, and Distributors
- Food & Beverage, Electronics, Auto Parts, and Forest Products

PRODUCT HIGHLIGHTS

Address a client's domestic and export accounts receivable exposures:

- Pre-approved, non-cancellable trade credit insurance, including:
 - Specific Buyer(s) Limits
 - Discretionary Credit Limit
 - Named Buyer Options
- Automatic preference claims coverage for domestic policies
- Coverage available for:
 - Pre-shipment risks
 - Services
- Simplified reporting
- Annual policy periods

ALLIED WORLD TEAM

Allied World's dedicated underwriters possess a combined 40 years of accounts receivable insurance and political risk experience, and can craft solutions on a short-term and structured basis. We take great pride in our ability to tailor coverage to the needs of clients.



CAPACITY/LIMITS

- Allied World has up to \$50M per Buyer/Obligor, per policy, reserved for top-rated debtors
- Policy Limits of Liability are competitive and meet client needs
- Discretionary Credit Limits enable credit departments to manage the business

Quotes available in both Canadian and U.S. dollars.

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