

# ACCOUNTS RECEIVABLE INSURANCE

Companies have long relied on the ability to extend credit terms to customers in order to facilitate trade. However, this exposes the company to the risk of non-payment, which can impact their largest asset, Accounts Receivable. Allied World's Accounts Receivable Insurance products provide tailored solutions to protecting a company's balance sheet and cash flow, while enabling growth in new markets and potentially improved working capital financing. Our Accounts Receivable insurance products help companies trade with greater certainty.



## KEY PRODUCT BENEFITS

- Improves certainty around a company's balance sheet by protecting, a key asset – accounts receivable against customer default
- Ability to increase sales to existing and new customers without additional risk on your balance sheet
- Enhance 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 better management of 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) by indemnifying the invoice value of goods delivered or services rendered on open credit which go unpaid
- Supports bank financing initiatives by safeguarding extended credit and customer concentrations
- Supports cross-border trading

## TARGET ORGANIZATIONS

Medium to large commercial companies in Canada with open account sales over \$10 million.

## PRODUCT HIGHLIGHTS

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

- Domestic Risks Insurance – Shipments Policy
- Export Risks Insurance – Shipments Policy
- Pre-approved, non-cancellable trade credit insurance, including:
  - Specific Buyer(s) Limits
  - Discretionary Credit Limit
  - Named Buyer Options
- Automatic preference claims coverage for domestic and export policies
- Additional coverages available for:
  - Pre-shipment risks
  - Services
  - Bank related policies
- Simplified reporting
- Annual policy periods

## CAPACITY/LIMITS

- Allied World offers 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.

## FINANCIAL STRENGTH

Allied World is a global provider of insurance and reinsurance solutions. We are a subsidiary of Fairfax Financial Holdings Limited, the 8th Largest North American Re/Insurer based on market capitalization, and currently carry an A.M. Best rating of "A+" (Superior), a Moody's rating of "A2" (Good) and a Standard & Poor's rating of "AA-" (Very Strong). We benefit from a worldwide network of affiliated entities that allow us to think and respond in non-traditional ways.

Allied World's Trade Credit team is lead by management with over 30 years of industry experience and an average of more than 15 years in our underwriting team. This is reflected in our ability to structure policy parameters and wording to meet client's needs.



A FAIRFAX Company

This information is provided as a general overview for agents and brokers. Coverage will be underwritten by an insurance subsidiary of Allied World Assurance Company Holdings, Ltd, a Fairfax company ("Allied World"). Such subsidiaries currently carry an A.M. Best rating of "A+" (Superior), a Moody's rating of "A2" (Good) and a Standard & Poor's rating of "AA-" (Very Strong), as applicable. Coverage is offered only through licensed agents and brokers. Actual coverage may vary and is subject to policy language as issued. Coverage may not be available in all jurisdictions. Risk management services are provided or arranged through AWAC Services Company, a member company of Allied World. © 2025 Allied World Assurance Company Holdings, Ltd. All rights reserved.

## CONTACTS

### I. Kent Paisley – North America

Senior Vice President

T. 647.558.1125

E. kent.paisley@awac.com

### John Gil – Canada

Senior Underwriter

T. 647.558.1124

E. john.gil@awac.com

[alliedworldinsurance.com](http://alliedworldinsurance.com)