

Providing The Capacity Required to Meet Growth Needs!

Trade Credit Issues

- ▶ Larger accounts receivable exposures!
- ▶ *Prudent asset management* means setting internal limits on amount of credit to customers – how do you leverage your internal credit appetite?
- ▶ A customer's *insolvency* comes straight off your bottom line!
- ▶ 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 – **accounts receivable** – once you transfer title of the goods. Trading in a competitive environment can increase risk to your company and its assets. **Executive Risk Insurance Services** has introduced a suite of trade credit products providing the protection companies need in order to grow their business in a competitive North American marketplace!

Excess Protection Ensures Your Key Asset is Properly Protected



The growth in your customer account balances can provide increased exposure to your key customers. This increased exposure can sometimes be greater than the capacity from a specific insurance underwriter. However, you should not have to take this exposure on your books. ERIS' Excess Trade Credit Insurance is designed to provide additional capacity and to complement primary carrier where there is a greater need that the carrier can cover. ERIS' Excess cover is typically offered as a "follow form" based policy ensuring that there are no gaps in the cover between the primary and excess insurers. Protect your key asset- accounts receivable, and ensure your company is not exposed!

ERIS' Excess Credit Risks Insurance Policy

- ▶ Follow Form of Primary Carrier
- ▶ Cover lies excess of Primary Carrier limits
- ▶ Claims Co-operation agreement to keep the claims settlement process simplified with respect to the carriers on risk
- ▶ Domestic Canada and USA exposures. Selective International Exposures.

Trade Credit Insurance



ERIS Trade Credit Insurance Facility Features

Excess Credit Risk Insurance Policy

- ▶ **Individual Buyer Limits of Liability up to \$10,000,000**
- ▶ **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:

I. Kent Paisley
D: 416-979-7010
E: kpaisley@execurisk.com

Peter Beepat
D: 416-979-3313
E: pbeepat@execurisk.com

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

P: 416-979-3600
F: 416-979-8337



www.execurisk.com

12th Floor
365 Bay Street
Toronto, Ontario
M5H 2V1