

Accounts Receivable Insurance

At Export Development Canada (EDC), the door to exporting options is always open with new markets to explore and new opportunities to seize. We can help you succeed in the global marketplace with products like Accounts Receivable Insurance and Single Buyer Insurance. These solutions help you manage and reduce the risks that come with international trade.

ARE ALL YOUR ASSETS COVERED?

Accounts receivable can be one of the largest assets on your balance sheet, yet they're often overlooked when it comes to insurance. When you protect your inventory, vehicles, machinery, equipment and buildings – even cash – consider EDC Accounts Receivable Insurance for payments owed to you by all of your foreign customers.

LET US SHARE YOUR FOREIGN RISK

Our Accounts Receivable Insurance protects you for up to 90% of losses resulting from a wide range of commercial and political risks, such as:

- insolvency or default of your foreign customer;
- payment delay caused by a blockage of funds or transfer difficulties;
- refusal of goods by your foreign customer (provided you meet the contract terms);
- war or hostilities in your customer's country or between two or more other countries; and
- cancellation or non-renewal of export or import permits.

WHAT ELSE CAN YOUR POLICY INCLUDE?

You can opt for:

- protection against contract cancellation by your customer;
- insurance for letters of credit transactions on a country-by-country basis;
- invoicing in foreign currencies; and
- insurance for receivables generated by providing services.

WHAT IS YOUR COST?

With EDC Accounts Receivable Insurance, you pay only for what you sell. Your rates are based on several factors, including:

- type of coverage selected;
- payment terms;
- type of goods being exported;
- countries involved; and
- buyer credit risks.

KEY BENEFITS

Make Accounts Receivable Insurance a key component of your international business strategy.

1. Increase sales

Enter new markets and make sales to new customers with confidence using EDC's knowledge and expertise. With EDC insurance in place, you will have the ability to offer more flexible credit terms to your buyer.

2. Increase productivity

Don't put scarce cash resources aside in case your buyer doesn't pay. Just make sure your lender knows your receivables are backed by EDC.

3. Increase the stability of your cash flow

Have greater access to working capital with EDC Accounts Receivable Insurance. You will be able to free up capital to use however you need it. EDC pays eligible claims promptly in accordance with policy terms.

- EDC's online tools allow you to assess your buyer's ability to pay and even insure a single transaction, quickly and easily from your computer. To find out more about **EXPORT Check** visit us at <http://www.edc.ca/english/creditinformation.htm>

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AN ADDITIONAL INSURANCE OPTION – SINGLE BUYER INSURANCE

Alternatively you can consider covering your sales to only one customer with our Single Buyer Insurance. With this flexible coverage you can cover unlimited export sales to the same customer for a six month coverage period on shipments or services worth up to US\$250,000. It covers up to 90% of your losses if you don't get paid after your goods have been accepted by the buyer. There is a simplified application process and policy to make it quick and simple to use. To learn more about this flexible insurance coverage, visit www.edc.ca/singlebuyer.

OTHER THINGS YOU SHOULD KNOW

EDC's mandate is to support Canadian exporters and investors and the sale of Canadian goods and services. Therefore, Canadian benefits will be taken into consideration.

› FIND OUT MORE

Contact us today at **1-800-368-6664** to learn how EDC's insurance solutions can help you open the door to export opportunity or visit www.edc.ca.

Ce document est également disponible en français.