



Global Policy Support Pack

Your guide to managing your credit insurance

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Our service promise

Whether you've chosen a Global Policy as protection against payment risk or to take advantage of financing against your receivables, you can be certain that all your insured business will receive excellent service from everyone at Atradius.

As a Global customer, you have access to the unrivalled market knowledge of our experienced risk assessors who are strategically located in key centres around the world. Market and buyer information is also available to you through Serv@Net – our secure web-based policy management system. Furthermore, account management teams are based in most of the same countries as your subsidiaries to provide local management of policies.

Together our experts can guide your growth strategy, warn you of the risks involved and provide cover tailored to meet those risks. In fact, whatever your global requirements, Atradius will aim to deliver.



Worldwide cover

Credit Insurance can play a dynamic role in your organisation's prosperity, providing improved cash flow, easier access to trade finance, increased stability and the opportunity for quantifiable business growth. Managing group-wide insurance can be a complex business, but with the Atradius Global Policy, you can take it in your stride.

As one of the world's largest credit insurers, Atradius takes the hassle away from managing your risk cover by delivering flexible credit insurance and risk management solutions that can be seamlessly integrated throughout your organisation, from head office through to your subsidiaries.

With the financial backing of Grupo Catalana Occidente, and a strategic network of over 160 offices in more than 40 countries worldwide, Atradius is a truly global player.

Our comprehensive Global Policy offers credit protection for both commercial and political risk, tailored to meet your specific needs. The aim of this support guide is to ensure that all procedures are fully understood by your credit management department so that your bespoke cover is administered effectively. You'll find details of your credit insurance policy, advice on maintaining cover and applying for credit limits, declaring business, reacting to a loss, as well as an introduction to using our web-based policy management system, Serv@Net.



Your Atradius account team

As your account management team, it's our job to ensure that the service you receive from us, including our underwriting team, continues to meet your business requirements. Should any problems arise, we will make sure they are resolved quickly. We are also here to answer any queries about your policy. Just call.

Account Manager:

Telephone:

Email:

Account Executive:

Telephone:

Email:



Managing your policy

This section of the guide explains how to administer your policy. Remember, there are four main things you must do in order to maintain cover. You must declare your business, obtain credit limits on your buyers, pay the premium, and you must react to any event likely to cause a loss.

How to make sure cover is maintained

Overleaf are illustrations demonstrating what you need to do in order to ensure that your policy remains valid. It does not replace your policy provisions, but merely acts as a guide.

This is not a legal document and does not create legal relations. It does not affect the terms, rights and obligations of any policy of insurance which you have with Atradius or any other contract which you might have with an Atradius company



How does your credit insurance policy work?

Credit risk cover

Note: This summary does not in any way replace or alter the policy provisions. Please refer to your policy for specified terms.

Assumption: every month has 30 days.

Policy procedures

Date goods are despatched/ Services are invoiced	
Commencement of credit risk period.	Your cover has commenced.
Credit term (variable) Invoice must be sent within the invoicing period specified in the policy.	1 January Send invoice (payment term is 30 days from invoice date). (The above is an example, invoicing period and credit terms are individual to the policy).
Due date of the invoice Maximum Extension Period (MEP) begins. (Length of MEP is specified in the policy. In this example the MEP is 60 days).	1 February Due date - you should encourage prompt payment of invoice.
Expiry of MEP No cover for new shipments/invoices.	
Notify Atradius (of probable loss) within 30 days after expiry of MEP. With our advice, you should take all steps necessary to collect the debt.	1 May
6 months after original due date: Date of Loss Protracted Default If invoices are still unpaid, submit claim. You can claim earlier if the buyer has become insolvent or you believe the buyer is unlikely to pay. 6 months is the normal waiting period, but it can be longer for specific risks.	1 August This is the earliest date when we can pay your claim under Protracted Default.
Deadline for submission of claim Normally 6 months from Date of Loss.	1 February (of the following year) You should have submitted your claim by this time. If you need longer, please contact us before the given deadline.

How does your credit insurance policy work?

Pre-credit risk and credit risk cover

Note: This summary does not in any way replace or alter the policy provisions. Please refer to your policy for specified terms.

Assumption: every month has 30 days.

Policy procedures

Contract signed, commencement of risk for Atradius Start of contract. The contractually agreed period for performance of the contract may not exceed the maximum pre-credit risk period specified in the policy.	Contract signed / pre-credit risk period (variable)	1 October Written order confirmation. Your cover has commenced only if you hold pre-credit risk cover.
Despatch date Pre-credit risk period ends when goods have been despatched or invoices for services performed have been submitted.		The credit risk period has now begun.
Send Invoice Invoice must be sent within the invoicing period specified in the policy.	Credit term (variable)	1 January Send invoice (payment term is 30 days from invoice date). (The above is an example, invoicing period and credit terms are individual to the policy).
Due date of the invoice Maximum Extension Period (MEP) begins. (Length of MEP is specified in the policy. In this example the MEP is 60 days).		1 February Due date - you should encourage prompt payment of invoice.
Expiry of MEP No cover for new shipments/invoices.		1 April
Probable loss Notify Atradius (of probable loss) within 30 days after expiry of MEP. With our advice, you should take all steps necessary to collect the debt.		
6 months after original due date: Date of Loss Protracted Default If invoices are still unpaid, submit claim. You can claim earlier if the buyer has become insolvent or you believe the buyer is unlikely to pay. 6 months is the normal waiting period, but it can be longer for specific risks.		1 August This is the earliest date when we can pay your claim under Protracted Default.
Deadline for submission of claim Normally 6 months from Date of Loss.		1 February (of the following year) You should have submitted your claim by this time. If you need longer, please contact us before the given deadline.

Declaring your business

Your questions answered

Why do I need to declare my sales?

You only pay premium on the amount of business you actually generate. To make sure we charge you correctly you need to tell us by way of a declaration. Remember, we can only consider payment on a claim against your buyer if business has been declared and premium has been paid on the business.



When do I need to make the declarations?

Your policy will clearly state when you will need to make your declarations.

What information do we need to know?

Your total turnover* on a country by country basis to which you sell your goods and services, during the time period specified on your policy.

*Outstanding Balance policyholders only declare their outstanding balance.

How do I let you know this information?

Through Serv@Net, our on-line policy management system. The on-screen declaration form lets you record, by country, the amount and credit period of your sales. Occasionally, you'll need to include other information to identify particular kinds of business turnover: for instance, sales to an associate company. This information is then transmitted directly to our finance system, where your premium will be calculated and an invoice generated. You can also view records of your past declarations on-line.

How is my premium calculated?

We will calculate the premium based on the premium rates stated in the policy.

What If I don't declare or pay my premium on time?

It is most important that you ensure that both these activities are done on time. Failure to do so could affect your policy cover and our liability in the event of a claim.

How to complete declarations of business based on turnover*

*Please check your policy type or ask your Account Manager which process applies to your policy.

For each declaration period, you should complete your declaration showing details broken down by country of all contracts entered into (if you hold pre-credit risk cover) and/or despatches made (or invoices raised in the case of services) during the relevant period.

The declared amount should include:

Goods and Services

The gross invoice value (excl VAT, unless specified otherwise) of all goods despatched and, in the case of services, the gross value of all services invoiced during the declaration period, and:

Pre-Credit Risk

The total value of all contracts entered into during the period and any increase in the total value of any previously declared contract arising during the period.

Nil Declarations

Even if you have no business to declare, you must still complete a declaration for the period in question by entering 'NIL' as the amount declared.

Cover Codes and Special References

This is a condition that will be attached to your buyer's credit limit. You will need to quote this code when making your declaration so that the correct premium is charged. For example, you may be asked to quote a special code for Third Country Risk.

Insurance Premium Tax

Insurance Premium Tax (or equivalent) is payable in accordance with the relevant tax regulations.

Date of Declaration

You must send your declaration to us by the agreed due date as specified in the policy.

Inclusions and Exclusions

Please refer to the "Do Not Declare and Do Declare" table.

How to complete declarations of business based on outstanding balances*

*Please check your policy type or ask your Account Manager which process applies to your policy.

For each declaration period, you should complete your declaration showing details broken down by country of all outstanding balances at the end of each month (unless otherwise agreed by us) for despatches made (or invoices raised in the case of services).

The declared amount should include:

Outstanding Balance

The total amount owing to you by your buyers, in respect of contracts covered by the policy which are due or not yet due for payment, including unpaid bills of exchange, promissory notes and cheques. This should be declared by country and by specific payment terms.

Credit Limit

In case the outstanding balance exceeds the amount of the credit limit, you should only declare the amount of the credit limit.

Cover Codes and Special References

This is a condition that will be attached to your credit limit on the buyer. You will need to quote this code when making your declaration so that the correct premium is charged. For example, you may be asked to quote a special code for Third Country Risk.

Insurance Premium Tax

Insurance Premium Tax (or equivalent) is payable in accordance with the relevant tax regulations.

Date of Declaration

You must send your declaration details to us by the agreed due date as specified in the policy.

Nil Declarations

Even if you have no business to declare, you must still complete a declaration for the period in question by entering 'NIL' as the amount declared.

Inclusions and Exclusions

Please refer to the "Do Declare and Do Not Declare" table.

Continuing to Declare your Balance

You need to continue to declare your outstanding balance for each buyer until either that buyer has paid or until the time has been reached where we pay your claim.

Do declare

- Business in excess of your agreed credit limit.
Turnover policies: The credit limit imposes a ceiling on our liability but does not remove your obligation to declare all business under your policy. Outstanding balances policies: You should only declare the amount of the credit limit
- Turnover policies: All turnover invoiced during each declaration period, including any amounts received from a buyer before you are due to make your declaration. Your cover commences at despatch for credit risk and therefore you still need to declare these amounts. Outstanding balances policies: Any amounts still outstanding (or the amount of the credit limit, whichever is less) at the moment specified in your policy should be declared
- Irrevocable Letters of Credit
- Business for which you are waiting for a credit limit decision. A refund of premium can be considered at a later date if we do not approve the credit limit
- Most Atradius policies are based on your whole turnover and unless a particular buyer or country is excluded by your policy, all business must be declared
- Do not deduct credit notes for returned or damaged goods, not as ordered or short deliveries. Once goods have been despatched the risk has commenced and business needs to be declared in full

Do not declare

- Business for which a zero credit limit has been issued
- Confirmed Irrevocable Letters of Credit, credit risk only (customers with pre-credit risk cover should still declare contract value at appropriate time)
- Cash in advance sales
- VAT (unless specified otherwise)
- Sales to associated companies unless stated otherwise in your policy
- Anything specifically excluded from your policy with Atradius' agreement (refer to your policy)
- Business for which the Schedule of Countries advises no cover is presently available for this country
- Business for which your terms of payment do not comply with the requirements of the credit limit decision i.e. the credit limit requires an ILC but your terms are on open account



Credit limits

Your questions answered

Why do I need a credit limit?

For your insurance cover to be valid it is essential to have a sufficient and timely credit limit in place on each of your buyers. A credit limit is the maximum amount of insurance cover available to you on your buyer. This is a vital element of your policy because without a valid credit limit your sales to your buyer are simply not insured.

How do I obtain a credit limit on a buyer?

You can obtain a credit limit decision either from us (via Serv@Net) or you can set your own discretionary credit limit based on previous payment experience or reliable credit reports. Credit limit decisions issued by us will be charged at the rate illustrated in your policy.

How large a credit limit do I need?

Take into account the total value of the buyer's order, your shipping programme and the terms of payment. Your credit limit should cover the maximum amount likely to be outstanding at any one time. For instance, if your order was for € 50,000 to be shipped in two equal consignments, a credit limit of € 25,000 would be sufficient, as long as the buyer pays for the first shipment before you release the second. If you hold pre-credit risk cover, the credit limit should normally cover the total contract value.

When I receive my credit limit decision, is there anything else I need to be aware of?

Yes. The credit limit decision may set special conditions of cover on your buyer. The Schedule of Countries in your policy may also set special conditions to all buyers in particular countries. So it's vital that you comply with any credit limit decisions including any special conditions for cover, and the Schedule of Countries.

How long are the credit limit decisions valid for?

Credit limit decisions are normally valid for the life of your policy and continue to be valid if you renew your policy. However, there are circumstances where you will receive credit limit decisions with a fixed expiry date. You should also be aware that credit limit decisions can be reduced or cancelled by us at any time.

Can Atradius withdraw a credit limit decision?

Yes. We may at any time and for any reason give you written notice, cancelling the credit limit decision and withdrawing cover in respect of a buyer or a country. Under these circumstances, the policy will no longer cover any goods despatched or invoices submitted to this buyer or country on or after the date specified in the notice. We may also choose to reduce a credit limit by giving you



written notice. If this occurs then the reduction applies to any goods despatched or invoices submitted on or after the date specified in the notice.

How to obtain credit limits

Credit Limit Decisions on Serv@Net

The easiest way to apply for a credit limit decision is via Serv@Net; you can establish an application online that links you to our database of worldwide company information. You simply need to enter your buyer's name and address, the maximum amount that is likely to be outstanding at any one time, the terms of payment, the buyer's national registration number and any information that you believe to be relevant.

In the majority of cases a response to your credit limit request is usually supplied within 24 hours and is valid for 12 months. Each credit limit application is assessed on a case-by-case basis and therefore response times may vary. Sometimes we need more time to investigate whether we can provide the cover you've requested and therefore can't give you an answer straightaway. Our aim is to ensure that you get the best advice, based on the most accurate information, and the right level of cover. If you feel you have something to add to your application that may assist our decision-making process, you can add notes, which will be considered by the underwriter. Your Account Manager will be able to keep you informed as to the progress of the credit limit application.

Credit Checks on Serv@Net

When you want to have an immediate answer for a buyer with whom you do not have a trading history with for example (see also "Discretionary Credit Limits"), you can use the credit check facility on Serv@Net. This is a useful tool for buyers with whom you have lower value or first contracts. Where you use the credit check facility, the credit check amount equals the credit check amount specified in your policy.

Discretionary Credit Limits

There are two ways you can justify a discretionary credit limit:

Payment Experience – You can establish a discretionary credit limit by using your own payment experience to justify a credit limit, as long as it meets the following criteria: the limit can typically be equal to the total payments received from the buyer before the expiry of the maximum extension period stated in your policy. This information must be based on your payment experience within the preceding 12 months of the despatch of goods or submission of invoices for the transactions you want to insure. There are a few conditions: if you establish a limit based on your previous payment experience, it cannot cover contracts made on less secure terms than that payment experience. For instance, payment experience secured by letter of credit cannot establish a discretionary credit limit for open account business. Moreover, the credit limit amount cannot exceed the maximum discretionary credit limit stated in your policy.

Credit Reports – You can also establish a discretionary credit limit by using information positively recommending the amount you wish to justify. It must be a recent report obtained from a recognized credit information agency or bank in your country or the buyer's country.



Please note:

The amount and any conditions that apply to credit limit decisions from us (including credit checks) override any other form of credit limit you establish on your buyer. It is important to remember that it isn't possible to increase a credit limit decision from us by using either payment experience or credit reports.

Notifying us

In order to comply with your policy you must notify us of your unpaid debt within 30 days of the expiry of the Maximum Extension Period (MEP). Your MEP can be found in your policy documentation. You must also notify us immediately if you become aware that your buyer may be in financial difficulties. We list some notifiable events that may indicate financial difficulties in your policy.

The MEP also has a very important effect on whether you are covered for further trade - once a buyer has an outstanding amount with you beyond the MEP, further trade is not usually covered.



Continuing trade

We understand that you may have buyers who regularly pay late - possibly later than MEP - and that you will wish to maintain your cover for further supplies.

If the MEP is breached, you can ask us to consider whether we will waive or extend the MEP for that particular buyer, or, alternatively, you may decide for yourself, based on your knowledge of your buyer, that you will take the risk of trading after the MEP. While that continued trade is technically outside the terms of your policy, we will still cover that later trade provided that the original overdue amount is paid within the period as stipulated in your policy and of course that a credit limit was in place for the business.

If you continue to trade on secure cash terms, we'll allocate any payment you receive to the earliest outstanding debt, unless we have agreed otherwise with you in advance. As a result the amount of insured debt could be reduced by the cash payment you've received.

Taking recovery action

You need to take all possible steps to recover the debt and keep us informed of progress whilst the collection is being pursued. Indeed it is important that we agree between us the steps to be taken to obtain a successful collection. In general we will also contribute to your collection costs proportionate to our liability for your total loss. Where we have agreed specific arrangements with you relating to your debt collection (costs), then this will be outlined in your policy.

Making a Claim

You will need to file your claims with us using Serv@Net within the period specified in your policy. We will then assess your claim and either make payment or explain why payment cannot be made.

If the provisions of the policy have been met we will pay you the insured percentage (outlined in your policy) either of the amount of your loss or the credit limit for the buyer, whichever is less. If your buyer makes any payment after we've settled the claim, you should notify us immediately as this sum must be forwarded to Atradius.

What if your buyer disputes the debt?

If your buyer claims to be justified in withholding payment, we will not assess your loss until you have established the legal validity of the amount owing to you. If the buyer is still unable to pay we will then assess your claim.

Serv@Net and related services

Serv@Net

Serv@Net is our on-line policy administration system, which enables you to conveniently manage key tasks related to your credit insurance policy. It is a vital element in our seamless service, the hub around which our dedicated Account teams, flexible Global Policy and rich database revolve. It is an online window on your policy and our unparalleled resources, accessible around the clock and around the world.

The Serv@Net system is available in numerous languages and gives access to our database which hosts profiles of over 52 million buyers and processes 120,000 requests each month. For every country covered under your policy you can input credit limit applications for prospects and current buyers, retrieve underwriting decisions and view management information such as your group's total current exposure to any buyer you select.

You can also view your policy, submit collection and claims cases, monitor recovery outcomes and make your business declarations. Alerts will either prompt or inform you of any developments in the policy conditions, credit limit decisions, declarations or notification of non-payments.

In Serv@Net you will find a very detailed manual, guiding you step by step through all the processes you need to use to effectively manage your policy. To access Serv@Net [click here](#); and of course, you can always contact your dedicated Account Team who can answer queries, agree decisions and action changes.

Connect

The process can be further streamlined with Connect, an optional web based enhancement which creates a secure link from your company's sales ledger to Atradius systems. Atradius Connect communicates transactions and quickly automates and updates credit limit applications and decisions, saving you valuable time and virtually eradicating input errors. If you would like to know more about Connect, speak to your Account Manager or just [click here](#) to visit the Connect page on the website.

Atradius Buyer Ratings

Atradius Buyer Ratings provides a snapshot of the likelihood of a buyer going into default within the next 12 months. Integrated into your internal credit management procedures you can use buyer ratings as an additional tool to monitor credit risk. Our buyer ratings help you to gain a better insight

in the overall health of your buyer portfolio; manage bad risk and identify good risk and any opportunity that comes with it. Because whatever the economic climate, the better informed your decisions are, the more effective your credit management will be.

To find out more about Atradius Buyer Ratings, [click here](#) or speak to your Account Manager.



Your Global Policy

Structure of the policy

The policy is transparent and is set up in modules. The policy is conveniently arranged in a simple structure. General Terms are not added separately, nor are the tariffs, (country) conditions or clauses. In short, this is an all-embracing policy.

Policy Schedule

In the Policy Schedule you'll find key facts and figures, such as the duration of the policy, insured percentage and premium rate. Please check it to ensure that it meets your requirements, and if there's anything you don't understand, contact your Atradius Account Manager.



Credit Limit Costs

This section of the Policy Schedule shows you a full tariff of credit limit charges (if applicable). Through Serv@Net, you can obtain credit limit decisions, and also access the low cost credit check option to set immediate limits up to the credit check amount specified in your policy. The cost you pay will depend on the country where the buyer is trading. These are divided into two categories; Zone 1 and Zone 2. Lower costs apply to countries in Zone 1.

Schedule of Countries

In this section we list the countries covered by your policy, and show any special conditions that may apply to your sales to customers in those countries. If you insure your exports with us, you will need to refer to the Schedule of Countries to check your cover. It informs you about conditions of cover that apply to specific countries, usually because there are special risks associated with those countries. Unless we've exempted you from any of these conditions, you should ensure that you can comply with any conditions applying to a country to which you're selling – otherwise your sales won't be covered. The layout for Schedule of Countries

differs for each customer, so you may see some or all of the following:

- Country group
- Country cover terms
- Political risk cover
- Discretionary Credit Limit
- Waiting period
- Special conditions

A key for all these terms is shown on the pages following the Schedule of Countries.

Policy Conditions

In the section Conditions you'll find the detailed conditions of your policy, including definitions of the covered causes of loss, any exclusion, and the steps you need to take to ensure that you maintain cover. There is an overview at the beginning of this section to give you a quick summary. However, we recommend you read carefully the conditions in full and check with your Broker or Account Manager if there are any parts of it that may need further explanation.

Making the most of your policy

We pay most of the claims we receive in full. Occasionally, however, we do have to reduce the amount, or decline a claim, if you have overlooked some policy requirements. To help ensure that this doesn't happen to you, there are some key points to bear in mind – not just when a loss has arisen, but throughout the lifetime of your policy.

- Always make sure that you have established a **credit limit** that covers the full amount of the (pre) credit risk you run on your buyer
- **Declare** your business and pay premium at the times specified in your policy
- Make sure you comply with special conditions
- Always **notify us** of the possibility of a loss as soon as you become aware of it

