



Credit Insurance

What you need to know

What is Credit Insurance?

Every business wants to be sure that it has contingency plans in place (including insurance) 'just in case' the worst happens. The most obvious things to protect are the assets that you can see around you but for a business trading on credit, possibly one of the worst things that can happen is that their customer doesn't pay for the goods or services that have been provided.

A late payment, or worse still no payment at all can leave a significant dent in your cash-flow, and put your business on the back foot, just when you were expecting to thrive.

Credit Insurance can protect your business by reducing the financial impact of a customer failing to pay. Atradius, as a leading Credit Insurer can offer you extensive knowledge of the companies you trade with or want to trade with, of the sectors that you operate in and the economic trends that affect them.

Armed with this knowledge you will have the security and confidence to trade and to expand.

Commercial Risk

This is the risk that your customer will be unable to pay for the goods or services that you have provided to them due to financial reasons such as insolvency or protracted default (inability to pay within an agreed timescale);

Political Risk

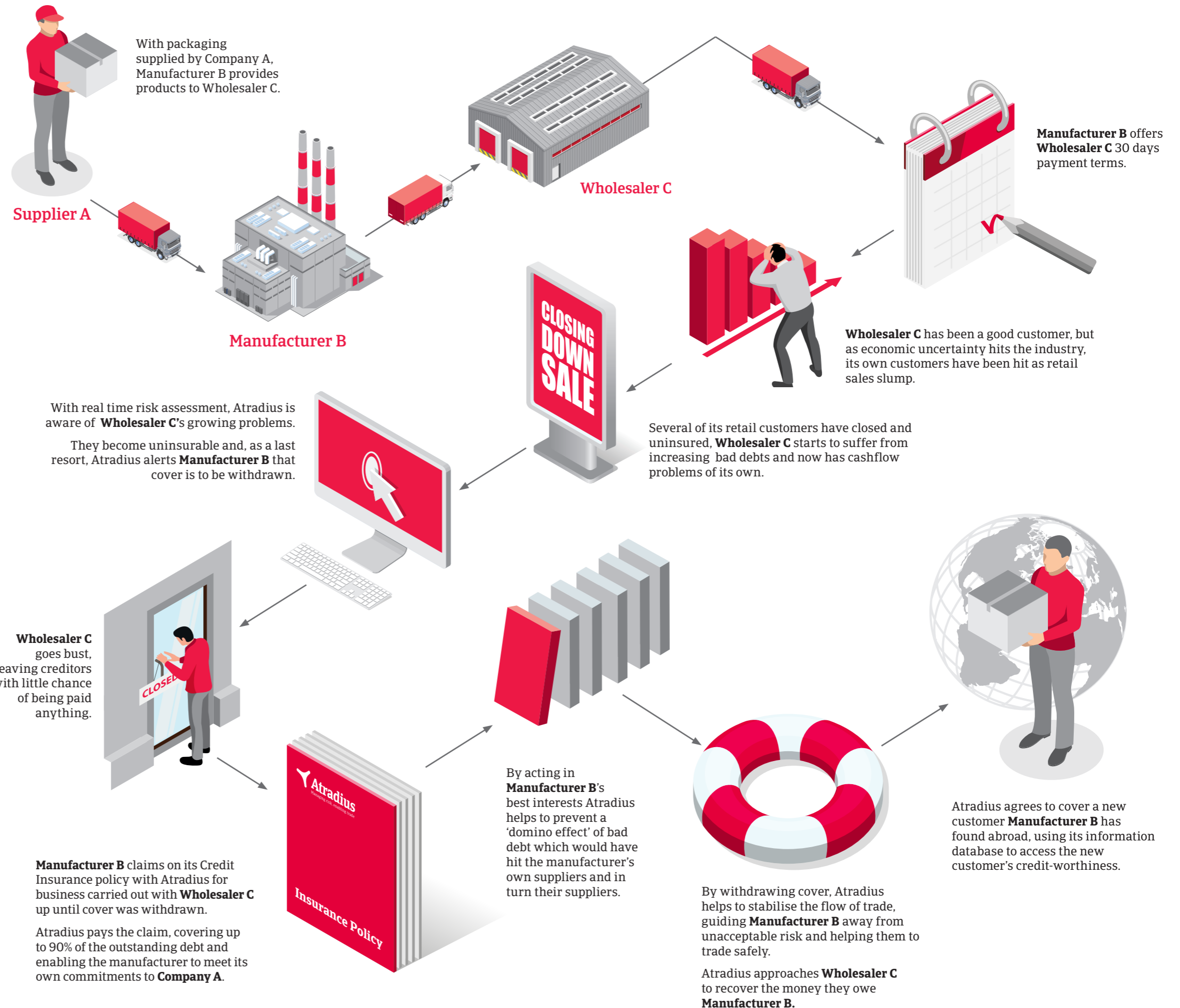
This is the risk that a customer will be unable to pay for the goods or services provided to them as a result of reasons outside of their control such as war or currency shortages within in the customer's country.

Credit Insurance typically covers 90% (95% for political risk) of the contract value, substantially reducing a business' exposure on their customer, allowing greater scope for trade. Some insurers, like Atradius, offer comprehensive political risk as part of the standard policy.

Atradius will also support you to pursue the customer for any failed payment.

Why do businesses use/need Credit Insurance?

Credit Insurance at work



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