

Export Pre-shipment Cover

BENEFITS

Cover commences on the day the contract is signed and ends on the date of shipment of goods or completion of the service.

This cover is of particular interest to clients who enter into a contract for the manufacture or procurement of goods that are tailor-made and will be difficult or impossible to resell to another buyer as a result of one of the risks mentioned below.

RISKS COVERED

Loss resulting from failure to receive payment of an insured contract price¹ because shipment of goods could not take place due to any of the following causes beyond your control:

- The operation of a law, or of an order, a decree or regulation having the force of law.
- Conflict – any occurrence of war, hostilities, civil war, rebellion, insurrection, revolution or other disturbances outside the borders of SA.
- Optional cover is available for the insolvency of the buyer in the foreign country, which means any of the following events granted against your insured buyer:
 - A provisional compulsory sequestration order.
 - Provisional acceptance by the court of a voluntary surrender of estate.
 - Provisional winding-up order.
 - Acceptance of a statutory compromise or scheme of arrangement binding on all creditors.
 - A provisional judicial management order.

BASIC POLICY STRUCTURE

Selected or all markets: You may choose to offer for cover all insured contracts concluded in all countries or you may select specific countries.

Premium: Depends on the ability to resell the goods – the higher the resale value, the lower the premium rate we offer. The selection above will also impact on the overall premium charged.

Insured percentage: The percentage of the insured contract price that will be paid by Credit Guarantee in the event of a loss.

GENERAL EXCLUSIONS FROM COVER

- Trade disputes (i.e. quality of the goods, conditions of delivery), whether relating to this or previous transactions.
- Physical damage to goods.
- Changes in exchange rate.

¹ Price for which the goods have been sold.