



## Domestic Pre-delivery Cover

### BENEFITS

Protects during the period of pre-delivery (manufacture), with cover starting the day the contract is signed, up to delivery of the goods. Available normally if you already have cover for the post-delivery risk.

### RISKS COVERED

**Insolvency of your insured buyer:** Which means any of the following events granted against your insured buyer<sup>1</sup>:

- A provisional compulsory sequestration order.
- Provisional acceptance by the court of a voluntary surrender of estate.
- A provisional winding-up order.
- Acceptance of a statutory compromise or scheme of arrangement binding on all creditors.
- A provisional judicial management order.

**Withdrawal of cover:** Credit Guarantee's withdrawal of, or reduction in, the credit limit which precludes you from making any further deliveries.

**Business rescue:** Which is the formal process introduced in terms of Chapter 6 of the Companies Act providing for the rehabilitation of financially distressed companies.

### BASIC POLICY STRUCTURE

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

**Premium:** Calculated on the total insured contract value and is payable monthly.

### GENERAL EXCLUSIONS FROM COVER

- Government buyers.
- Subsidiary/associated companies.
- Loss due to:
  - Any actual/alleged breach of contract by you.
  - Any dispute relating to an insured contract resulting in non-payment, until such time as the dispute is resolved.

<sup>1</sup> A buyer to whom a credit has been granted.