



**CREDIT GUARANTEE**  
ENABLING GROWTH WITHOUT RISK



## Fuel Guarantees for Retail and Commercial Clients

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A fuel guarantee is security provided to the Fuel Company against default payment made by the Retailer/Commercial Customer for fuel products delivered by the Fuel Company. The guarantee enables the Retailer to trade on a debit order system (ACB) and the Commercial Customer to enjoy Credit Terms. Without a fuel guarantee, the retailer/commercial client effectively trades on a “hard cash” basis.

### Fuel Guarantee Benefits for Retailers

- Payment for fuel via ACB debit instead of pre-payment
- Premium written off against taxable income
- No assets nor cash collateral required as security
- Capital in the business can improve cash flows and reduce any loan risks or trading risks
- Existing Bank Guarantees can be replaced or topped up (if insufficient) to free up assets
- Opportunity cost

### Fuel Guarantee Benefits for Commercial Clients

- Payment for fuel on Credit Terms instead of pre-payment (hard cash)
- Existing Bank Guarantees can be replaced which will release valuable capital or assets tied up with the Bank.
- Commercial clients include transport companies, mines, wholesalers, distributing agents, etc.

Note: The Fuel Guarantee is limited to the respective Fuel Companies that have entered into an agreement with CGIC. Strict underwriting standards will apply to commercial customers.

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### Credit Guarantee Insurance Corporation of Africa Limited

A licensed FSP and Non-life Insurer | Reg. No 1956/000368/06 | VAT No. 4790116877

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