

Multibuyer Policy

"Pay-As-You-Go"

Key Features

- Monthly Reporting / Premium Payments
- Portfolio Coverage with "DCL" or for Key Accounts
- 12 or 24 Months Policy Term
- No Caps On Losses Under the DCL
- No Buyer Credit Limit Underwriting Fee
- No Collection Fee
- Up to 95% Coverage

FCIA Pay-As-You-Go Policy

The policy offers comprehensive nonpayment coverage on international and/ or domestic sales. FCIA's Pay-As-You-Go policy protects your company's cash flow with a low upfront premium and monthly premium payments in arrears based on the value of the shipments made or services performed. All buyer limit underwriting and in-house collection efforts are provided at no additional charge. There are no caps on losses under the DCL.

Spread of Risk

The policy insures an agreed-upon spread of your international and / or domestic sales of goods or services made on credit terms. Eligible countries are endorsed to the policy. Eligible credit terms can be up to 180 days. Slightly longer credit terms are available for sales of capital equipment.

Eligible Goods and Services

Sales of all goods and services are eligible including any that are produced or performed abroad. This also includes insuring receivables arising from sales invoiced by foreign subsidiaries that are endorsed as additional named insureds to a policy.

You may invoice in US dollars, Euros, or one of the several hard currencies listed in the policy. Additional currencies can be considered at your request.



Policy Limits

Policy Aggregate Limits: The policy limit of liability states the maximum amount the insurer will pay for all losses on transactions insured during the policy period. Some policies may also be endorsed with country limits that define the maximum amount payable on losses for all buyers in that country.

Discretionary Credit Limit (DCL): FCIA offers flexibility in coverage by providing a Discretionary Credit Limit (DCL) on multibuyer policies, a policy feature that enables the insured to make their own credit decisions on the majority of their customers. To obtain a DCL, companies need to have at least one or more credit or financial professionals on staff managing accounts receivable.

Buyer Credit Limits: The policy establishes credit limits that determine the maximum amount of credit insured for any particular buyer. Credit limits can be approved by FCIA as Special Buyer Credit Limits (SBCL) or by you under the Discretionary Credit Limit (DCL).

In the Pay-As-You-Go policy, the insurer retains the right to change the amount or terms of limits during the policy period. Any change will only apply to future sales.

Coverage Commencement

Coverage begins when products are placed en route to the buyer or when services are performed. You may invoice in US dollars, Euros, or one of the several hard currencies listed in the policy. Additional currencies can be considered at your request.

Premium

Premiums are generally charged as a percentage of sales insured. Premium rates are influenced by various factors including country risk, obligor risk, length of payment terms, and your loss experience.

Sales Reporting

A report of your monthly sales insured under the policy and your payment of the respective premium must be submitted to FCIA no later than 30 days following the end of the month in which the sales took place.

Overdues Reporting

An overdue report must be filed each month if the amount overdue exceeds \$100,000 and if the amount is more than 90 days past due for a foreign buyer or 60 days past due for a domestic buyer. A complete listing and explanation of overdues in excess of 60 days will be required at policy renewal.

Claims Filing

All policies have a waiting period after due date before a claim can be filed. The waiting period is usually 90 days. Generally the deadline for filing a claim is 240 to 360 days after the due date. Approved claims are paid in U.S. dollars within 60 days of the insurer's receipt of a completely documented Proof of Loss.

Non-Qualifying Loss Amount (NQL)

The NQL is an exclusion for coverage on small losses on insured transactions with a buyer that allows for a lower premium rate.

Policy Deductible

Generally, a deductible applies to multibuyer policies with a DCL. The insured must remain at risk for the amount of the deductible as well as for the co-insurance percentage. For 24 month policy periods, a separate deductible usually applies to each 12 month period.

Key Accounts Policies may be available with no deductibles.

Target Market

Our target customers for multibuyer products are companies that have at least \$20 million in insurable domestic sales or \$7 million in international insurable sales. Our minimum annual premiums are \$15,000 for export and \$20,000 for domestic sales.

Collections/Recoveries

Take advantage of our unparalleled expertise in collecting delinquent obligations! Dealing with debtors that hide behind excuses or their debtor-friendly legal system is an everyday activity for us. We have helped our customers collect millions of dollars for their own account related to coinsurance, deductibles and amounts in excess of their approved limit.

After any claims payment, any recoveries shall be applied: 1- to reimbursement of recovery expenses, 2- to the accounts of the insured and insurer on pro rata basis.

Online Policy Management

As an insured or producer with FCIA, you have access to our secure website where you can manage your policy online and are able to:

- Review the Policy, its Declarations and Endorsements
- Review the buyer credit limits and their expiration dates
- Apply to renew, change, or add buyer credit limits
- Submit a claim notification
- File overdue reports
- Get updates on pending applications and filings
- Access the last six months of FCIA's Country Risk updates

