



Allianz
Trade

Accounts Receivable Management Solutions

from Allianz Trade

[ALLIANZ-TRADE.US](https://www.allianz-trade.us)

Euler Hermes North America Insurance Company and its affiliated debt collection company are part of the Allianz group and market their products and services using the 'Allianz Trade' trademark.

Allianz Trade Key Facts:

Trade with Confidence

Allianz Trade is the global leader in trade credit insurance and a recognized specialist in the areas of surety, collections, structured trade credit and political risk; helping customers worldwide to trade wisely and develop their business safely. Our financial solidity, risk analysis and global business network empower companies of all sizes with domestic and export market knowledge, and support them in successfully managing trade receivables in changing economic environments.

Our Heritage and Financial Strength

For 125 years we've thrived as the market leader; we have deep roots that sustain us, even in tough economic times. So, if the unexpected does arrive,

we have the resources and the financial strength (AA S&P, A+ A.M. Best), to provide compensation to help our customers maintain their business. Our track record of excellence is why people trust us and share our confidence in what tomorrow will bring.

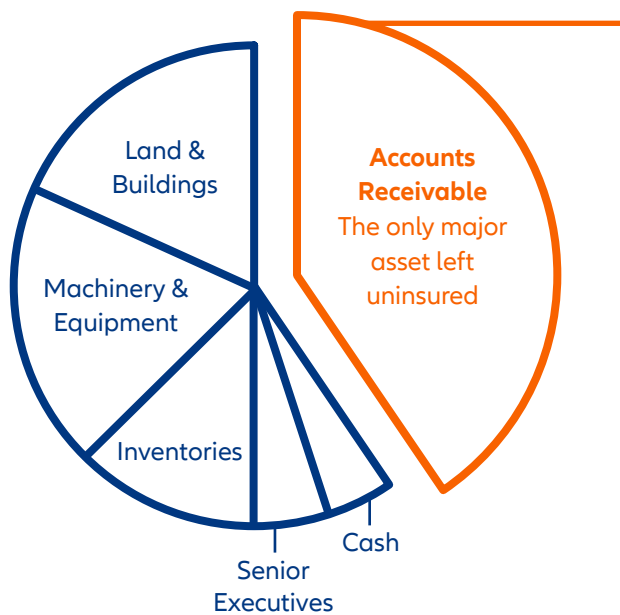
An innovation mind-set

Because digital technologies are quickly changing the nature of trade, we put innovation and collaboration at the heart of our business. Our culture is to promote the development of new tools and products to help companies trade safely and be ready for the trade of tomorrow. Thanks to our predictive intelligence we can identify trends, move fast, and innovate accordingly. An innovation mindset is part of our DNA and it's what makes us different.

Key Facts	
Market Presence	Operational Excellence
	 nearly \$1 trillion covered trade transactions globally
6 continents 160+ countries	 83 million companies monitored across all sectors
100+ agents	 22,000 credit limit requests received per day
100+ agents 62,000+ clients worldwide	 1,000 claims indemnified per week
 34% market share worldwide 39% U.S. market share	Financial Ratings AA Standard & Poor's A+ A.M. Best Company

Is one of your largest assets **unprotected?**

There is a greater chance that a business will experience a loss within its accounts receivable than any other asset.



Accounts receivable typically make up **40%** of a company's assets. With **past-due invoices** and **non-payment events** so common, it becomes a very vulnerable asset.

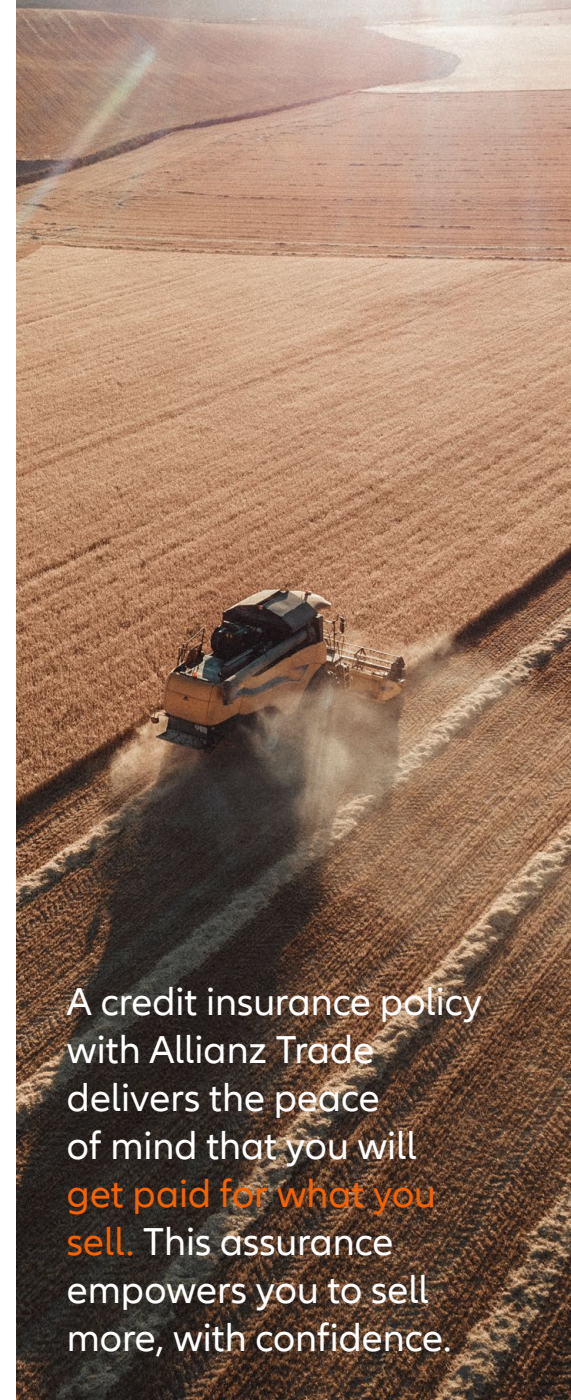
Sometimes the figure is far higher. Accounts receivable are a critical component of your balance sheet — they directly affect your cash flow and profitability. Yet while you insure your company against property loss, liability and other unpredictable, high-exposure events, you're leaving one of your most valuable assets open to loss. There is a safer way to do business.

What is Trade Credit Insurance?

Trade credit insurance, also called accounts receivable insurance, is a financial tool that manages both commercial and political risks that are beyond a company's control. It is protection against your customer's failure to pay its trade debts.

Who should use Trade Credit Insurance?

Any company selling on open account terms to other companies can benefit from credit insurance. Allianz Trade policyholders can be found in all industries and are companies of all sizes.



A credit insurance policy with Allianz Trade delivers the peace of mind that you will **get paid for what you sell**. This assurance empowers you to sell more, with confidence.

How does trade credit insurance work?

A credit insurance policy is more than just a piece of paper, it is a partnership. As a virtual extension of your company, Allianz Trade provides the knowledge and resources you need to manage, maximize and protect your receivables.



When you initiate a policy, we analyze the creditworthiness and financial stability of your customers and assign them a specific credit limit, which is the amount we will indemnify if that insured customer fails to pay.

At any time during the policy's life, you may request additional coverage for trade with any of your customers if the need arises. While we continuously monitor each of your insured customers, we will evaluate the risk of increasing the coverage and will either approve the additional credit limit request or decline it with a clear and timely explanation. You can also request a credit limit for a new customer with whom you would like to start doing business.

We receive over **22,000 credit limit requests** every day and process **90%** of them in less than **48 hours**.



ACCOUNTS RECEIVABLE MANAGEMENT SOLUTIONS

Cost Justification:

The extra sales revenue you'll earn by increasing limits can offset the cost of a policy many times over. Below is a sample return on investment with a Allianz Trade trade credit insurance policy in place.

Sample return on investment with a Allianz Trade trade credit insurance policy

Average A/R Balance	\$5,000,000
Total Yearly Sales (Revenues) on Credit	\$30,000,000
Gross Profit Margin from Sales	10%
Total Number of Credit Customers	50
Turns (No. of times you sell to a customer in a year)	6
Estimated Premium	\$45,000
Average Credit Limit – Size of A/R per Customer	\$100,000

Based on the Gross Profit Margin, this is the amount of additional revenue you need to offset the cost of the policy ... \$450k

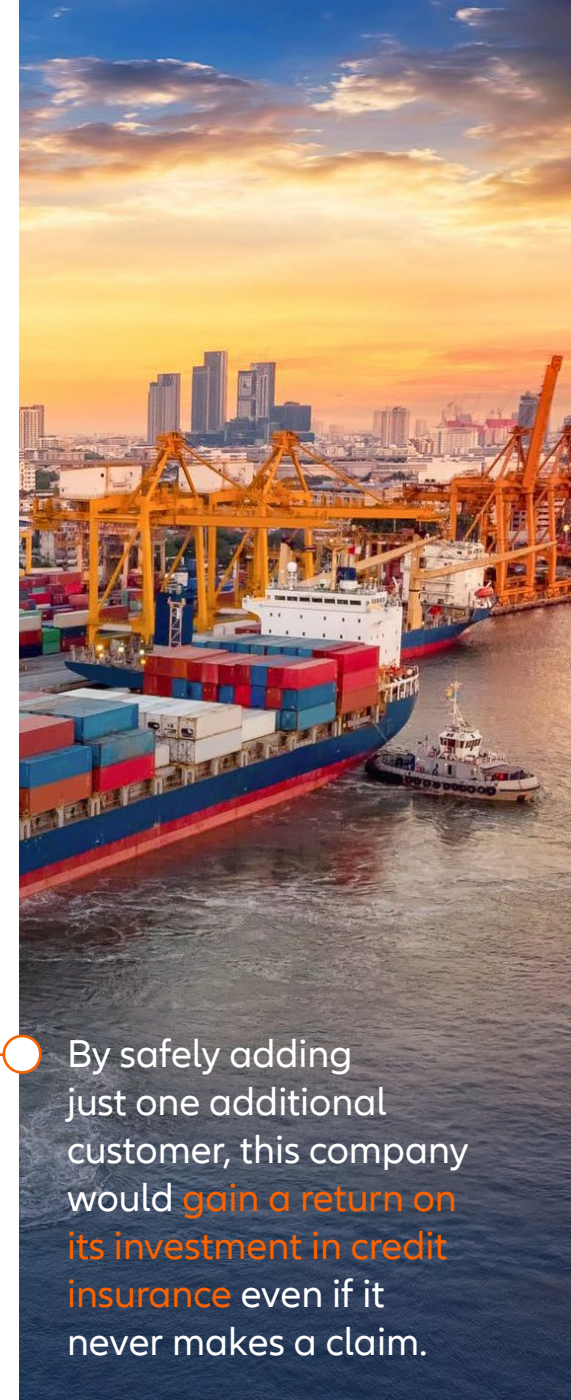
Based on the average A/R per customer, this is the number of new shipments you need to offset the policy 4.5

Based on the number of Turns, this is the total number of new customers you need to add to offset the policy75

It is our responsibility to proactively monitor the creditworthiness of your customers. We do this by gathering information about your customers from a variety of proprietary and public sources.

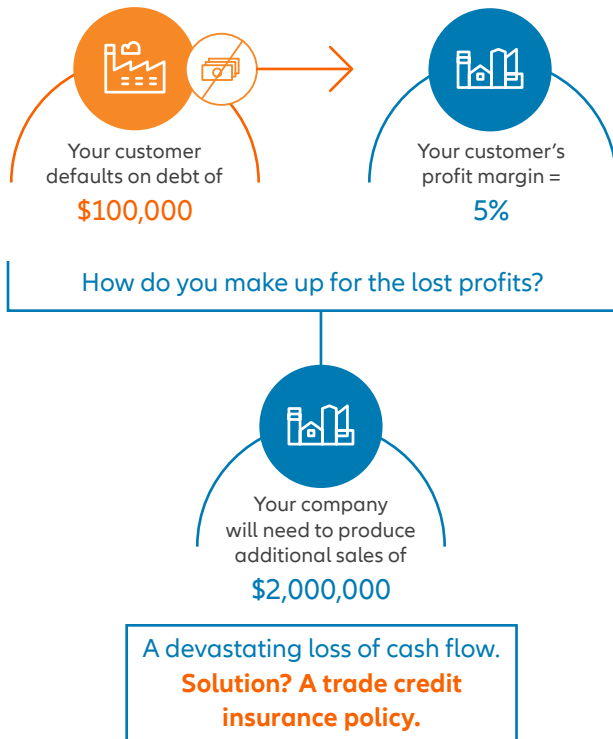
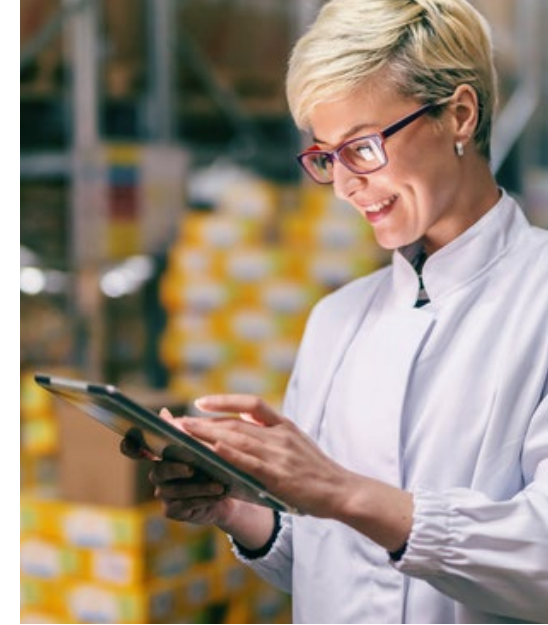
While credit insurance indemnifies losses incurred from non-payment of commercial debt, the ultimate goal is to help your business avoid foreseeable losses.

By safely adding just one additional customer, this company would **gain a return on its investment in credit insurance** even if it never makes a claim.



Benefits of trade credit insurance

A trade credit insurance policy is an investment — one that can offer attractive returns through the value of its benefits, even if you never make a claim.



Sales Expansion

By minimizing risk, trade credit insurance enables you to sell more, confidently. With the assurance that you will be paid for what you sell, your credit staff can often approve higher limits to your existing customers and safely extend credit to new and unknown accounts.



Catastrophic Loss Prevention

Credit insurance protects a company from catastrophic bad debt losses — one of the top reasons for business failure. A large loss can lead to cash flow disruption, and the lost profit is difficult to recover.



Competitive Advantages in Exporting

Credit insurance provides a platform to grow your business internationally. Level the global playing field and win more business by offering safe open terms overseas.



Better Borrowing Options

Banks typically limit what you can borrow based on the perceived risk of international receivables, concentration of sales to large customers, or age of certain accounts. When your domestic and international receivables are covered by a credit insurance policy, you may be able to borrow more — often at more favorable rates.



Reduce Bad Debt Reserves

Trade credit insurance places a ceiling on bad debt losses, allowing you to release a significant portion of your bad debt reserves — a move that can have an immediate, positive impact on earnings.

Your client **experience**

Allianz Trade believes in a proactive approach when it comes to building a strong client experience and we embrace the opportunity to be a key partner in our customers' credit management processes. That's why we offer state-of-the-art services to help you meet your business needs in an efficient, streamlined manner.

Dedicated Account Management

When you begin a partnership with Allianz Trade, you are assigned a single point of contact on our servicing team, empowered to resolve almost any issue related to your policy, from new credit limits to claims. Your service team understands the individualized needs of your company and is accountable to ensure your satisfaction.

- Submit credit limit requests and monitor their status in real-time
- Submit claims online and access updates on claims activity at any time
- View buyer information and collection files in progress
- Create reports to monitor and optimize your accounts receivable

Online Policy Management

As a customer you'll have access to our online policy management portal that empowers you with instant, secure online access to policy information, including the ability to obtain coverage decisions in real-time. Our portal enables you to:

- Fulfill new orders without delay by getting requests for coverage answered quickly
- Access your current policy coverage and decisions report

Claims Services

When you insure your accounts receivable with Allianz Trade, you can count on being paid for what you sell, even if one of your covered accounts suddenly faces insolvency or is otherwise unable to pay. Our claims department handles all pre-claim activity, and is dedicated to providing world-class customer service. The claims team also provides special assistance to all first-time filers to ensure a smooth transaction.

95% of issues raised to our customer service team are answered **within one call**

Allianz Trade indemnifies **1,000 claims** per week



ACCOUNTS RECEIVABLE MANAGEMENT SOLUTIONS

To schedule a meeting with an Allianz Trade representative, please call 877-909-3224 or visit us at allianz-trade.us for a free, no-obligation quote.

Allianz Trade North America Headquarters

800 Red Brook Boulevard
Owings Mills, MD 21117

Phone: +1 877-909-3224
Fax: 410-753-0952

allianz-trade.us

Allianz Trade Regional Offices

Eastern Region

New York office
One Penn Plaza - Suite 3325
New York, NY 10119
Phone: +1 877-905-3224

Central Region

Chicago office
3333 Warrenville Road, Suite 160
Lisle, IL 60532
Phone: +1 877-904-3224

Southeast Region

Miami office
10451 NW 117th Avenue
Miami, FL 33178
Phone: +1 305-269-1804

Southwest Region

Dallas office
15301 Dallas Parkway, Suite 1060
Addison, TX 75001
Phone: +1 800-527-0346

Houston office
2000 West Loop South
Houston, TX 77027
Phone: +1 832-209-4686

Western Region

Anaheim office
222 S. Harbor Boulevard, Suite 430
Anaheim, CA 92805
Phone: +1 805-341-8089

Allianz Trade is the trademark used to designate a range of services provided by Euler Hermes. This Allianz Trade material is published for information purposes only and should not be regarded as providing any specific advice. Recipients should make their own independent evaluation of this information and no action should be taken, solely relying on it. This material should not be used, hosted, run, copied reproduced, processed, adapted, translated, published, transmitted, displayed and disclosed, either in whole or in part, without our consent. It is not intended for distribution in any jurisdiction in which this would be prohibited. Whilst this information is believed to be reliable, it has not been independently verified by us and we makes no representation or warranty (express or implied) of any kind, as regards to the accuracy of completeness of this information, nor does it accept any responsibility or liability for any loss or damage arising in any way from any use made of or reliance placed in, this information. Unless otherwise stated, any views, forecasts, or estimates are subject to change without notice. Euler Hermes Services, is a French Simplified Joint stock Company (société par actions simplifiée) registered with the Nanterre Trade and Companies Registry under the number 414 960 377, having its registered office 1 place des Saisons – 92048 Paris-La-Défense Cedex. © Copyright 2022 Allianz Trade All rights reserved.