

HOW TO FILL OUT YOUR TURNOVER DECLARATION

Your insurance premium is based on the estimate you provide us for the value of insurable sales over 12 months.

However, at the end of the policy period it's likely that your predicted and your actual insurable sales are two different numbers. In a Turnover Declaration, you tell us the true value of your insurable sales and we use this to calculate the exact premium due for the previous year.

1 WHY IS IT IMPORTANT?

At the beginning of your Policy, we charge a premium based on your expectations for business in the coming year. But your actual sales could be more or less, depending on how the business has performed in that time.

If your sales are higher than expected, we will have covered a greater value than forecasted and we will send you an invoice for additional premium. If your sales are lower, then we will have covered less than expected and will reimburse part of your premium, capped at the minimum premium specified in your Policy Schedule (usually 90% of expected premium).

EXAMPLE

Let's say your expectations for business next year are €20 million and your premium rate is 0.2%, so your premium is €40,000. Your minimum premium would be: €40,000 x 90% = €36,000.

SCENARIO A

Sales higher than expected

You end the year with a turnover of **€25 MILLION**

$$\text{€25 MILLION} \times 0.2\% = \text{€50,000}$$

€50,000 is higher than your premium of €40,000 so you will **pay additional premium.**

SCENARIO B

Sales lower than expected and above minimum premium

You end the year with a turnover of **€19 MILLION**

$$\text{€19 MILLION} \times 0.2\% = \text{€38,000}$$

€38,000 is below your premium of €40,000 but higher than your minimum premium of €36,000 so we will reimburse
 $\text{€40,000} - \text{€38,000} = \text{€2,000}.$

SCENARIO C

Sales lower than expected and below minimum premium

You end the year with a turnover of **€15 MILLION**

$$\text{€15 MILLION} \times 0.2\% = \text{€30,000}$$

€30,000 is lower than €36,000 so we will reimburse
 $\text{€40,000} - \text{€36,000} = \text{€4,000}.$

A Turnover Declaration is important because it helps us calculate the true value of your Policy, so you pay a fair price for cover. Because of this we must receive completed declarations in order to continue providing credit limits and settling any claims.

2 WHO MUST FILL OUT A TURNOVER DECLARATION?

Your Policy will tell you if you need to complete a form and we will send a reminder when it is time to do that. Not all businesses have to complete a Turnover Declaration: For example, companies on fixed premiums don't. These are generally smaller businesses that do not trade in international territories.

3 WHAT DO I HAVE TO DO?

Towards the end of your policy period, you will be sent a notification email stating that it is time to fill your turnover declaration. Deadline for returning your turnover declaration is 60 days after your policy period has ended. Your Policy is at risk if declarations are not provided.

The form is relatively simple, but it's important to complete it properly with all required information.

You just need to enter the insured turnover you have achieved against each country you do business with. Insured turnover refers to sales covered by your premium. It's not necessary to include uninsured sales such as cleared funds on or before delivery, government contracts or business with organizations we haven't covered.

4 WHAT INFORMATION SHOULD I INCLUDE?

THE VALUE OF GOODS AND/OR SERVICES SUPPLIED

This should be for any business conducted between the dates shown on your form (inclusive). It should be the full insurable turnover of your company and joint insureds on your Policy. Please don't reduce the figure by adding credit notes or rebates as we covered the full amount when the invoice was raised.

CURRENCY

You need to write the amounts in the currency shown on the form.

COUNTRIES

You must declare turnover for every country that is endorsed to your Policy. Conversely, please don't add countries that are not covered by your Policy with us.

5 WHAT DO I LEAVE OUT?

SALES NOT COVERED BY US

That's any sales not falling under your Policy; for example non-credit transactions, sales to your subsidiary or associate companies, business with your local government and sales to other public customers (unless we have expressly covered these).

You can also leave out sales made to an insured customer after your cover has been refused or withdrawn.

VAT should not be included unless specifically covered under your Policy, and you can leave out sales secured by a Confirmed Irrevocable Letter of Credit. If your Policy does not include political risk cover, you may also omit unconfirmed Irrevocable Letter of Credit business.

6 COMMON MISTAKES

We all make mistakes, and while we have taken great pains to make our Turnover Declaration forms as simple as possible, there's always a margin for error. To help you avoid mistakes, here's a list of the most common errors we see in returned forms:

THE WRONG KIND OF TURNOVER

Probably the most regular error we see is when total turnover is quoted instead of insured turnover. Remember that your declaration should only include sales covered under your Policy.

MISSING FIGURES

When you complete the form, check that you haven't added a zero off your insurable turnover, for example, or forgot to write the total sales figure on the final page of the form.

MULTIPLE SECTIONS

You may need to complete a Turnover Declaration that is composed of more than one part. For example, in cases where you have declared establishments in other countries. Don't copy the information of the first part into the second or leave the second part blank (see above 'What information should I include').

UNENDORSED COUNTRIES

Only include countries that are endorsed to your Policy.

HOW TO USE OUR ONLINE DECLARATION TOOL

Your declaration is important because we use it to calculate the exact amount of premium due from the previous policy period. We must receive your completed declaration in order to continue providing credit limits and settling any claims.

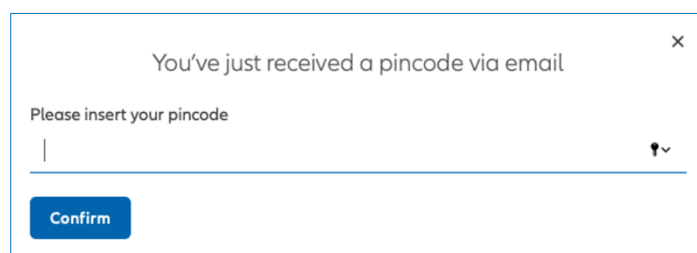
To help you do this seamlessly, we have developed an online tool that makes it easy for you to share your declaration details with us.

1 HOW DO I ACCESS THE TOOL?

You will receive an email from PA.no@eulerhermes.com.

Tip: if you receive this e-mail in your spam folder, please mark it as "safe sender" to avoid the emails being automatically routed into your spam folder in the future.

After clicking on the "My Declaration" link in the email you received, you will be taken to the tool. To confirm that you are the intended recipient, the tool will automatically send a PIN code to you via email. Simply enter the PIN code and click "Confirm".



The screenshot shows a modal dialog box with a white background and a blue border. At the top, it says "You've just received a pincode via email" with a close button (X) on the right. Below this, it says "Please insert your pincode" followed by a text input field with a vertical cursor. To the right of the input field is a small icon of a key with a checkmark. At the bottom of the dialog is a blue button with the text "Confirm".

After logging in you will see all policies on which a declaration is required.

If your policy includes co-insured, you will see an option to declare your total declaration in the first section and any co-insured policies on which you are required to declare separately.

Tip: our declaration online tool has been designed to work with all modern browsers and Internet Explorer is not supported.

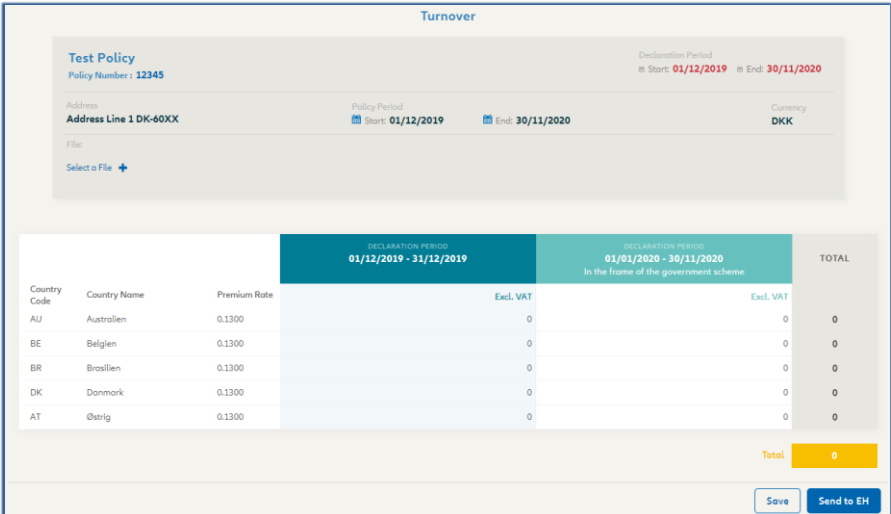
2 CAN I ASSIGN THE DECLARATION TO A COLLEAGUE?

Should you wish anyone else to have access to the tool to view and edit your declaration, simply click on the “Share” button and enter their email address. The tool will send them an email to allow them to login



3 WHAT DO I HAVE TO DO?

When you want to start your declaration click on the “Input” button. This will take you to the “Declaration” screen.



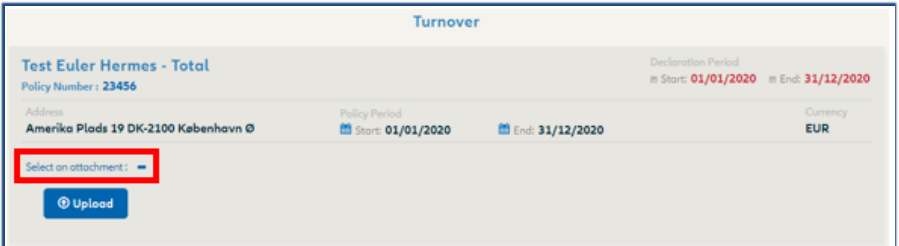
The screenshot shows the 'Turnover' declaration screen for 'Test Policy' (Policy Number: 12345). The declaration period is from 01/12/2019 to 30/11/2020. The address is 'Address Line 1 DK-60XX' and the currency is DKK. A table below shows the turnover data for various countries, split into two declaration periods: 01/12/2019 - 31/12/2019 and 01/01/2020 - 30/11/2020. The total turnover is 0.

Country Code	Country Name	Premium Rate	DECLARATION PERIOD 01/12/2019 - 31/12/2019		DECLARATION PERIOD 01/01/2020 - 30/11/2020 In the frame of the government scheme		TOTAL
				Excl. VAT		Excl. VAT	
AU	Australien	0.1300		0		0	0
BE	Belgien	0.1300		0		0	0
BR	Brasilien	0.1300		0		0	0
DK	Danmark	0.1300		0		0	0
AT	Østrik	0.1300		0		0	0
Total							0

On this screen, you can see some basic details of your policy including the declaration period for which you are required to declare.

In this example, a government scheme is in place and so the tool has automatically split the declaration into two date ranges - inside the scheme and outside the scheme. This is so we can comply with our obligations to the government. The tool also knows if you are required to declare inclusive or exclusive of VAT.

If you wish to add supplementary documentation for your declaration, you can do so by clicking on “Select a file”, browse, and then attach the file.



The screenshot shows the 'Turnover' declaration screen for 'Test Euler Hermes - Total' (Policy Number: 23456). The declaration period is from 01/01/2020 to 31/12/2020. The address is 'Amerika Plads 19 DK-2100 København Ø' and the currency is EUR. A red box highlights the 'Select an attachment:' button, and an 'Upload' button is visible below it.

Once you are ready, simply enter your amount into the required fields splitting your amount between periods if required.

The tool has a “Save” function. By clicking on it, anything that you have entered will be saved. There is an “auto save” function too so even if you forget to click “save”, the tool will automatically save what you have entered already periodically.

Test Policy	Underway
Policy Number 12345	Start date : 01/12/2019 End date : 30/11/2020
Shared with:	
<input type="button" value="Share"/>	<input type="button" value="Input"/>

On the home screen, you can see that the status of your declaration has changed to “underway”. To continue simply click the “Input” button again to continue where you left off.

When you have finished click on the “Send to EH” button. You will receive a prompt to confirm that you have completed your declaration. Click “Proceed” if you wish to continue.

Once you have done this you will no longer be able to edit your data however you will still have access to view your declaration. If you need to amend your declaration after this stage, please contact us using the details below.

4 How do I declare Co-insured that is part of my policy?

If you have advised us of Co-insured in EU countries under this policy, you will see that the final declaration is split into different forms.

There is a form to record the total Turnover by country, including the Turnover of all co-insured. **(NOTE: It is important that you include the turnover from all co-insured in the declaration called “Total”).**

Then there are separate forms to record the Turnover of your co-insured within the EU and UK countries where IPT (insurance Premium Tax) is mandatory. These separate declarations are needed to make sure IPT is calculated and charged correctly.

Test Euler Hermes - Total	Underway
Policy Number 23456	Start date : 01/01/2020 End date : 31/12/2020
Shared with:	
<input type="button" value="Share"/>	<input type="button" value="Input"/>

Test Euler Hermes - co-insured - ** EH France (FR) **	Awaiting Input
Policy Number 23456	Start date : 01/01/2020 End date : 31/12/2020
Shared with:	
<input type="button" value="Share"/>	<input type="button" value="Input"/>

If there is a difference between the total declared Turnover and the sum of declared Turnover for all the co-insured, this may be because you have establishments with zero IPT.

Any questions?



Please contact us at:
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