

# Trade Credit Insurance

Policy ID: UIN: IRDAN134CP00XX | Category: Financial - Credit Risk

Provider: Universal Sampo General Insurance

## 1. Policy Period & Validity

Standard Duration: 1 Year  
Validity Basis: Covers Sales during period

## 2. Policy Overview

Protects businesses selling goods/services on credit against the risk of non-payment by buyers (insolvency or protracted default). Covers both domestic and export trade.

**Ideal For:** *B2B Companies, Exporters, Manufacturers selling on credit terms.*

## 3. Eligibility Criteria

- **Trade:** B2B sales only (B2C excluded).
- **Terms:** Credit terms must be defined.

## 4. Sum Insured Eligibility

- **Turnover:** Estimated Annual Credit Sales.

## 5. Scope of Coverage

- **Commercial Risks:** Buyer Insolvency, Protracted Default (Non-payment).
- **Political Risks (Export):** War, Import ban, Currency transfer restrictions.

## 7. Major Exclusions

- x Disputes: Genuine trade disputes regarding quality/delivery.
- x Associates: Sales to subsidiary/associate companies.
- x Advance Payment: Sales made against advance.

## 8. Claims & Administration

### Claims Procedure:

- **Waiting Period:** Claim payable after defined waiting period (e.g., 5 months from due date).
- **Debt Collection:** Insurer often assists in recovery.

### Policy Terms:

- **Credit Limit:** Specific limit assigned to each buyer.
- **Indemnity:** Usually 80-90% of the loss.