

Insolvency Liability Risk Insurance Policy

Overview:

Raheja QBE's Insolvency Liability Risk Insurance Policy is an insurance product designed to protect the Insured for potential loss arising from "Insolvency events"

"Insolvency" shall mean the situation where a Buyer is declared insolvent, bankrupt, or placed under liquidation, administration, receivership, or any analogous legal proceeding under the applicable law of its country of domicile, resulting in the buyer's inability to pay its debts as and when they fall due.

The policy provides cover across the whole of the debtors' ledger and can be structured with varying levels of excesses and indemnity, to suit the specific requirements of particular trades and sizes of business.

What is covered

INSOLVENCY

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For the purpose of this Policy, the Insured Peril is limited to loss arising solely and directly from the insolvency of the Buyer as defined above. No other cause or form of default shall constitute an insured peril under this Policy.

Insured:

Named entity in the policy schedule

Why Insolvency Liability Risk Insurance Policy?

- Protect your liquidity and cash flow.
- Preserve your profit and allow you to grow sales with confidence in your domestic market and in overseas markets. New markets may be attracted by offering better credit terms.

- Manage your credit policy and enhance your management information base.
- Enhance your credit or trade finance facilities and provide options to look at alternative financing structures with your bankers.
- Allow you to consider alternatives to seeking letter of credit term

What is not Covered

- Material Default by the Insured
- Contract disputes
- Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause

Information required to obtain quotations

- Name: Company
- Location: Head office
- Business sector:
- Limit of cover sought
- List of Overdue accounts
- Debtors profile of active customers
- Confirmation of no threats or incidents