

## Trade Credit Insurance

### Prospectus

The Trade Credit Insurance Policy is designed for companies that are selling their goods and/or services on credit to domestic as well as to overseas buyers. Trade Credit Insurance provides coverage for outstanding receivables within approved credit terms, thus protecting the Insured against risk of non-payment by the buyers.

#### **The Policy covers loss due to any or all of the following risks:**

1. Insolvency of a buyer
2. Non-payment or protracted default by a private (i.e. not a State-owned) buyer
3. Political risks (applicable only to exports)
  - Military or civil war, revolution, riot or insurrection
  - General moratorium on outward remittances decreed by the government of the buyer's country or by any third country covered under the contract, through which payment must be made
  - Any measure or decision of the government in the buyer's country, which in whole or in part prevents performance of contractual obligations
  - Political events, economic difficulties, legislative or administrative measures occurring in the buyer's country, which prevent or delay the transfer of the sums paid by the buyer or its guarantor
  - Cancellation of import license

#### **Significant exclusions are:**

1. Genuine trade disputes
2. Sale to subsidiary & associates
3. Sales made against irrevocable confirmed letters of credit
4. Sales against advance payments
5. Sales to individuals or for non-commercial use
6. Pre-shipment risk
7. Consequential losses & Interest on late payment
8. Loss in excess of Credit Limits
9. Nuclear Risk
10. Loss due to Foreign currency fluctuations
11. Dishonesty/ Fraud of insured
12. Violation of credit management procedures
13. Arrangements without our approval

#### **Who can avail TCI policy**

- Sellers or suppliers of goods or services,
- Factoring companies as defined in the Factoring Regulation Act, 2011 and
- Banks and financial institutions

## **Extent of insurance cover offered under the policy –**

**Sum Insured** - Insured's insurable Turnover will be the sum insured for the Policy.

Further separate credit limit will be decided by insurer for each and every counterparty, Counterparty to the pooling agreement and pool.

**Credit Limit:** The credit limit is the maximum exposure (outstanding debt) of the insured against that particular buyer at any given point of time.

### **Indemnity:**

- Maximum Limit of Liability (MLL) will be guaranteed by the policy.
- MLL represents the maximum sum total of claims that can be paid in a single policy period
- Standard MLL is MP (Minimum Premium) x 30; 40 / 50 / 60 times MP also available at higher premium rates
- Indemnity is generally offered upto 85-90% (coverage can be provided upto 100% of the trade receivables from each buyer depending upon merits of the risk)

**Eligible Discounts:** Insured will be eligible for maximum discounts on premium. Criteria for such discount may include but not limited to the following:

- Trade Sector/ Industry of the Buyer;
- Insurable Turnover;
- Debtors Turnover/ Terms of Payment offered to the Buyer;
- Quality of Buyer Base and spread of Risk;
- Bad Debts History of the Prospect;
- Internal Credit Management of the Prospect
- Type of industry Insured is involved in
- Turnover of the company to be insured
- Countries of the Insured's trade
- Number of customers of the Insured
- Reinsurance considerations
- Credit Management Practices of the Insured entity.

### **Claim / Loss Procedures:**

**1.** Notification of Occurrence of an Insured Event: Policyholder shall provide written notification thereof to USGICL and reinsurer involved.

**2.** Reinsurer shall obtain all necessary information and claim documents from policyholder for scrutiny and assessment.

**3.** Reinsurer after claim assessment shall advise and share USGICL Loss amount / assessment and all relevant Claim documents as below:

1. Written claim / loss notification.
2. Claim Form Duly Signed and Stamped by policyholder

3. Proof of delivery – Lorry receipt (LR) / Bill of Lading (Export)/AWB-Airway Bill.
4. Correspondence exchanged with Debtor for recovery including evidence of debt.
5. List of Invoices to claim and Debtor's ledger for the 12 months prior to the oldest outstanding invoice.
6. Buyer's Agreement
7. Letter of Subrogation on 500 Rs Non Judicial Stamp Paper (Duly Notarised)

4. USGICL based on reinsurer's claim assessment shall send the claim recovery advice mentioning bank account details and Reinsurer share of Indemnification/claim amount.

**Note:** Whilst the claim is established and assessed by Reinsurer, Reinsurer will endeavor to obtain all the above listed Claim documents, however in the absence of some of these documents then USGICL is requested to obtain the same directly from the Insured.

#### Contact Details:

In case you need further assistance regarding the query resolution, kindly follow the grievance process as mentioned below

- **Website :** [www.universalsompo.com](http://www.universalsompo.com)
- **24\* & Toll free :** Toll Free Numbers: 1800 200 4030/1800 22 4030
- **Crop toll free no:** 1800 200 5142      **Senior Citizen: Toll free:** 1800 267 4030
- **E-mail :** [contactus@universalsompo.com](mailto:contactus@universalsompo.com)
- **Courier :** Universal Sampo General Insurance Co. Ltd, Unit No- 601 & 602 A Wing, 6th Floor, Reliable Tech Park, Cloud City Campus; Thane- Belapur Road, Airoli- 400708

In case you need further assistance regarding the query resolution, kindly follow the grievance process as mentioned below

#### Grievances:

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the Claim, You can address Your grievance as follows:

#### Our Grievance Redressal Officer

You can send Your grievance in writing by post or email to Our Grievance Redressal Officer at the following address:

#### Grievances

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address Your grievance as follows:

- **Step 1**
  - a. **Contact Us**

1-800-224030/1-800-2004030

b. **E-mail Address:** [Contactus@universalsompo.com](mailto:Contactus@universalsompo.com)

c. **Write to us Customer Service Universal Sampo General Insurance Company Limited**

Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708

d. **Senior Citizen Number:** 1800 267 4030

➤ **Step 2**

If the resolution you received, does not meet your expectations, you can directly write to our Grievance Id. After examining the matter, the final response would be conveyed within two weeks from the date of receipt of your complaint on this email id.

Email Us- [grievance@universalsompo.com](mailto:grievance@universalsompo.com)

Drop in Your concern

Grievance Cell: Universal Sampo General Insurance Co. Ltd, Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708

Visit Branch Grievance Redressal Officer (GRO)

Walk into any of our nearest branches and request to meet the GRO

- We will acknowledge receipt of your concern immediately
- Within 2 weeks of receiving your grievance, we will respond to you with the best solution.
- We shall regard the complaint as closed if we do not receive a reply within 8 weeks from the date of our response

➤ **Step 3:**

In case, You are not satisfied with the decision/resolution of the above office or have not received any response within 15 working days, You may write or email to:

Chief Grievance Redressal Officer

**Universal Sampo General Insurance Company Limited**

Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708

Email: [gro@universalsompo.com](mailto:gro@universalsompo.com)

For updated details of grievance officer, kindly refer the link

<https://www.universalsompo.com/resourse-grievance-redressal>

➤ **Step 4.**

**Bima Bharosa Portal link :** <https://bimabharosa.irdai.gov.in/>

**Insurance Ombudsman**

You can approach the Insurance Ombudsman depending on the nature of grievance and financial implication, if any. Information about Insurance Ombudsmen, their jurisdiction and powers is available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at [www.irdai.gov.in](http://www.irdai.gov.in), or of the General Insurance Council at <https://www.gicouncil.in/>, the Consumer Education Website of the IRDAI at <http://www.policyholder.gov.in>, or from any of Our Offices.

The updated contact details of the Insurance Ombudsman offices can be referred by clicking on the Insurance ombudsman official site: <https://www.cioins.co.in/Ombudsman>

**Note:** Grievance may also be lodged at IRDAI <https://bimabharosa.irdai.gov.in/>

Note: The above are only the salient features of the Policy, for complete terms and conditions please refer to Policy Wordings

#### INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the the Company.

Any person making Default in complying with the provisions of this section shall be punishable with fine which may extend to Ten Lakhs Rupees.

**Registered & Corp Office:** Universal Sampo General Insurance Company Ltd. 8th Floor & 9th Floor (South Side), Commerz International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon East, Mumbai 400063, Toll free no: 1800-22-4030/1800-200-4030, IRDAI Reg no: 134, CIN# U66010MH2007PLC166770 E-mail: [contactus@universalsompo.com](mailto:contactus@universalsompo.com), website link [www.universalsompo.com](http://www.universalsompo.com)