



Allianz Global Corporate & Specialty (AGCS) is the Allianz Group's dedicated carrier for corporate and specialty insurance business. AGCS provides insurance and risk consultancy across the whole spectrum of specialty, alternative risk transfer and corporate business. For more information please visit www.agcs.allianz.com



EULER HERMES
Our knowledge serving your success

A company of **Allianz** 

A reinsurance agreement is in place between Allianz Global Corporate & Specialty (AGCS) South Africa Limited and Euler Hermes to develop the business of credit insurance in South Africa. All trade credit insurance in South Africa will be provided by AGCS South Africa. AGCS South Africa is an authorised Financial Services Provider (FSP 16722).



In tune with worldwide business

Doing business in a competitive environment means taking certain risks. Late payments, bad debts, bankruptcies, unpaid invoices: in the short run, your company may partially recover from these events, but in the long term credit risk jeopardizes the future of your business.

On average, trade receivables represent between 20% and 40%¹ of a company's assets, so when it comes to unpaid invoices, the burden on your sales efforts is often higher than you think.

When selling on open terms, you are providing credit and running the risk that your customers may not be able to pay.

The examples below show the extra sales needed to compensate for bad debt losses, depending on your margin rate.

Extra sales needed to compensate – at the margin of	Amount of unpaid invoice			
	10.000	25.000	50.000	100.000
6%	167.000	417.000	833.000	1.667.000
4%	250.000	625.000	1.250.000	2.500.000
2%	500.000	1.250.000	2.500.000	5.000.000



What is trade credit insurance?

An instrument to mitigate credit risk

Trade credit insurance protects your company's main assets: trade receivables. It is protection against your customer's failure to pay

its trade debts. This can arise because your customer becomes insolvent or because your customer fails to pay within

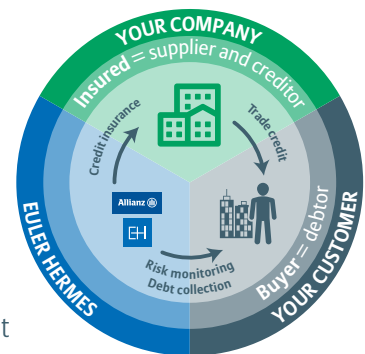
the agreed timeframe. Credit insurance enables companies of all sizes to trade safely at home or abroad.

Keeping pace with global trade

Our credit insurance solutions are based on a simple scheme ensuring that if your customer should fail to pay, we will indemnify you for your loss. In South Africa, trade credit insurance is provided by Allianz Global Corporate & Specialty ("AGCS") South Africa Limited. A reinsurance agreement is in place between AGCS SA and Euler Hermes to develop the business of trade credit insurance in South Africa.

Euler Hermes Services South Africa (Pty) Ltd will analyse the creditworthiness

of your customers and will assign them a 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, or request coverage for new customers with whom you would like to start doing business. If a loss occurs with an insured customer, we will indemnify the loss up to that customer's credit limit.



AGCS and Euler Hermes: Finely-tuned for your business

Knowledge to steer your business

The Euler Hermes and Allianz global network of risk analysts, underwriters, and economists are an extension of your internal team, working on your behalf to continuously monitor the financial stability of your customers.

Bad debt protection

Should your customer fail to pay, AGCS will compensate for the loss so you can focus on what matters most: your business.

Sales expansion

Approve better credit terms for existing customers or more safely extend credit to new accounts while reducing the time spent pursuing unreliable prospects.

Competitive advantage at home and abroad

Gain the ability to release your bad debt reserves, freeing up working capital and giving you a competitive edge while trading domestically or exporting overseas.

Better financing options

When your receivables are protected with credit insurance, banks and financing partners will be more likely to offer favorable lending conditions.



Corporate Advantage: Composed for commercial growth

A tool to protect and grow your business

Corporate Advantage is our core trade credit insurance offering, designed to address the business challenges that are unique to your company, sector, and ambitions.

Prevention from the start

Even before signing a sales contract with a new customer, having the right information is crucial to make the right choices. Corporate Advantage enables you to evaluate your prospects in order to understand the level of trading risk. Our credit risk services can also help with negotiating payment terms, allowing you to create individual terms for each customer.

Ongoing analysis of your customers' financial health

Once you have entered a commercial relationship, our risk experts gather and analyze information about your customers from a variety of sources, including visits to the customer, credit reporting agencies, public records, receipt of financial statements, and past-due reports. We monitor companies active in markets representing 92% of global GDP. If anything happens which may influence your customers' ability to pay, we will warn you.

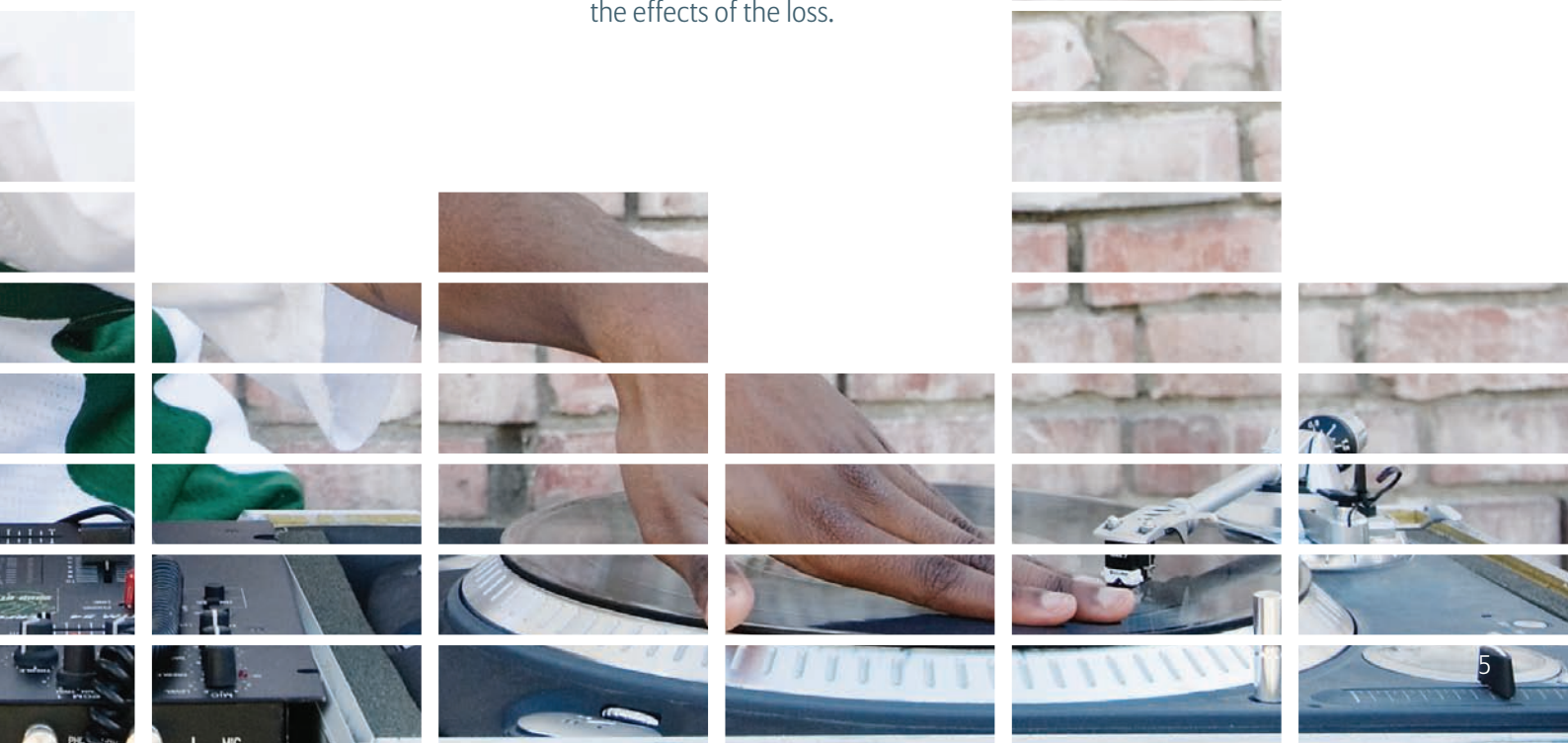
Efficient indemnification

Should a loss occur, the indemnification process will allow you to protect your company from the effects of the loss.

The AGCS claims team is committed to handling claims quickly and efficiently to take the worry out of managing unexpected insolvencies and past-due situations.

International debt collection

Collecting an unpaid invoice from a debtor requires time, money and expertise. We offer debt collection services as an integrated part of our Corporate Advantage policy. Through our global network of Euler Hermes debt collection offices, we can help you collect your debts in more than 90 countries, taking the local legislation, practices and procedures for recovery into account.



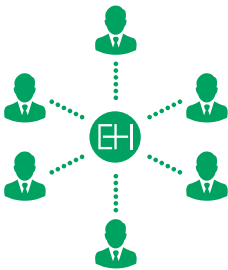
Corporate Advantage: In rhythm with your needs

Whether your priority is to protect against bad debt losses, to expand sales, or to boost your company's customer and market knowledge, Corporate Advantage lets you customize your protection according to the needs of your business. Providing efficient solutions to the priorities faced by today's businesses is central to our mission. Corporate Advantage has been designed in response to feedback from our clients and partners across the world.



Straightforward

Straightforward policy structure and wording. Each subject is clearly identified within a specific section so you can find the information you need quickly.



Optimized management

Designed to optimize each step of credit insurance policy management. A special emphasis is put on manageability in order to limit time spent on administration.



Customizable solutions

Trading abroad? At home? With third parties? Corporate Advantage offers a choice of options, ensuring we will deliver a solution tailored to your needs.



Online services

With EOLIS, our online tool designed to provide you with instant, secure access to policy information, you can access and manage your policy anytime and receive real-time coverage decisions with the click of a button.

Corporate Advantage at a glance: Music to your ears



Work in harmony with the global leader in trade credit

Experience

With more than 100 years of experience helping clients in more than 200 countries, Euler Hermes Group, a company of Allianz, is proud to be the world's leading provider of trade related insurance solutions.

AGCS is the Allianz Group's dedicated carrier for corporate and specialty insurance business. AGCS provides insurance and risk consultancy across the whole spectrum of specialty, alternative risk transfer and corporate business: Marine, Aviation, Energy, Engineering, Entertainment, Financial Lines, Liability, Mid-Corporate and Property insurance.

Risk capacity

We have developed a comprehensive capacity for risk analysis thanks to our global information network.

- €890 billion business transactions protected worldwide
- Tracking companies representing 92% of global GDP

Financial strength

Partnering with AGCS and Euler Hermes comes with the peace of mind backed by unrivalled financial solidity.

- AGCS is rated AA by Standard & Poor's and A+ by A.M.Best.
- Euler Hermes is rated AA- by Standard & Poor's and Dagong Europe

Knowledge

In-depth knowledge about companies, markets and sectors is at the core of what we do.

- Innovative macro-economic and country risk research
- Top-notch analysis of industry risks worldwide
- Exclusive business insolvency forecasts



Contact us if you would like to learn more about Euler Hermes by visiting
www.agcs.allianz.com
www.eulerhermes.co.za

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