

EXPORT INSURANCE

Export Development Canada (EDC) is Canada's export credit agency. EDC's job is to support and develop Canada's export trade by helping Canadian companies respond to international business opportunities. EDC is a self-financing, Crown corporation that operates at arm's length from the government.

EDC provides insurance and financial services, bonding products and small business solutions to Canadian exporters and investors and their international buyers. EDC also supports Canadian direct investment abroad and investment into Canada. Much of EDC's business is done in partnership with other financial institutions and through collaboration with the government of Canada.

Insuring your exports not only protects your assets but can serve as security if you need to access working capital.

Accounts Receivable Insurance (ARI) is a trade credit insurance option for Canadian companies looking to insure all of their U.S. and international sales against non-payment. ARI can be used to help free up funds to promote your business in new markets, pursue new customers, keep your operations and sales cycles running smoothly, and provide favourable payment terms to your customers. ARI protects you for up to 90 per cent of your losses resulting from non-payment due to a wide range of risks.

- A customer declares bankruptcy
- A customer has cash flow issues and defaults
- A customer refuses to accept the goods
- Issues with currency conversion or transfer
- Hostilities in a customer's country
- Cancellation of export/import permits

For more information visit: <http://www.edc.ca/EN/Our-Solutions/Insurance/Credit-Insurance/Pages/comprehensive-credit-insurance-accounts-receivable-insurance.asp>

Contract Frustration Insurance (CFI) insures you for up to 90 per cent of your eligible losses resulting from political and commercial risks. CFI protects you from:

- A customer's bankruptcy or default
- Contract cancellation
- Payment delays caused by blocked funds or transfer difficulties
- Hostilities in a customer's country
- Cancellation of export /import permits
- Moratorium on debt

For more information visit: <http://www.edc.ca/EN/Our-Solutions/Insurance/Pages/contract-frustration-insurance.aspx>

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Performance Security Insurance can cover up to 95 per cent of your losses if your foreign customer demands payment on a bank-issued guarantee without a valid reason.

For more information visit: <http://www.edc.ca/EN/Our-Solutions/Insurance/Pages/performance-security-insurance.aspx>

Political Risk Insurance (PRI) covers against a broad range of risks resulting from unpredictable events that could threaten overseas investment. PRI can cover up to 90 per cent of losses from political threats. Losses can result from the following risks:

- Expropriation
- Political violence
- Currency inconvertibility and non-transfer
- Non-payment by a government

For more information visit: <http://www.edc.ca/EN/Our-Solutions/Insurance/Pages/political-risk-insurance.aspx>

Surety Bond Insurance – a surety company can issue a contractual or performance bond on your behalf. EDC's Surety Bond Insurance protects your surety company from losses if your customer demands payment against that bond. This encourages the surety company to provide you with the bonding capacity you need to sell to the U.S. or internationally.

For more information visit: <http://www.edc.ca/EN/Our-Solutions/Bonding-and-Guarantees/Pages/surety-bond-insurance.aspx#sthash.J1xv1Sd0.dpuf>

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