

# WHAT COULD YOU DO IF YOUR ACCOUNTS RECEIVABLE WERE INSURED?

You take a risk **each time you grant credit** to your customers



**CONCERNING FACTS AHEAD**

**38,773**

BUSINESSES FAILED IN NORTH AMERICA IN 2013



**1 IN 10**

INVOICES IS DELINQUENT



**80%**

TRADE ON OPEN TERMS

**40%**

OF A COMPANY'S ASSETS: UNINSURED UNPAID INVOICES



**IF** Your customer defaults on debt of **\$100,000**

**AND** Your customer's profit margin = **5%**

**THEN** Your company will need to produce additional sales of **\$2,000,000**

A DEVASTATING LOSS OF CASH FLOW  
**HOW MUCH OF A LOSS COULD YOU HANDLE?**

## SOLUTION:

More than 15,000 companies in North America use credit insurance to gain



KNOWLEDGE TO PICK & KEEP THE RIGHT CUSTOMERS

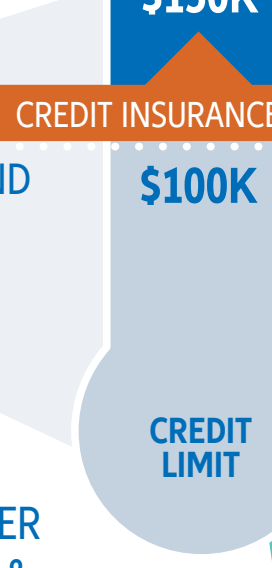


COVERAGE & RISK MONITORING FOR DEFAULT OR SLOW PAY

**CLEAR ROAD AHEAD**



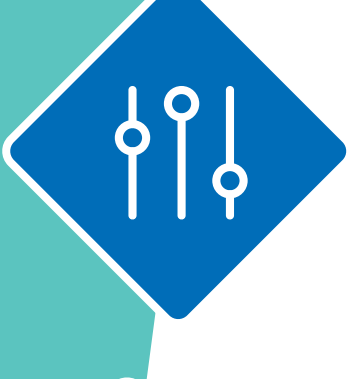
SAFELY EXPAND YOUR SALES



**\$60K**

Annual Gross profit on one account\*

\* Eight shipments per year / DSO 45 days / 15% profit margin



SECURE BETTER BORROWING & FINANCING OPTIONS



GET PAID FOR WHAT YOU SELL



REDUCE BAD DEBT RESERVES & FREE UP WORKING CAPITAL

BAD DEBT RESERVE CAN AMOUNT TO

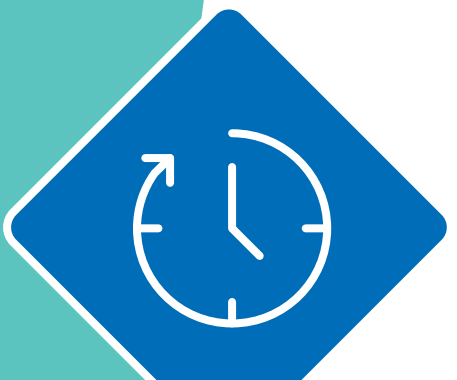
**2.2%**

OF YEARLY SALES.<sup>1</sup>

The typical credit insurance policy costs a fraction of that and is tax-deductible.



GAIN THOROUGH CUSTOMER INSIGHTS & RISK INFORMATION



INCREASE EFFICIENCY IN YOUR CREDIT MANAGEMENT PROCESSES



EXPAND EXPORT MARKETS & SELL ON OPEN TERMS

FOREIGN COMPANIES BUY AN AVERAGE OF

**40% MORE**

WHEN THEY ARE OFFERED OPEN TERMS.<sup>2</sup>

**INTERSTATE**



Learn more at [www.eulerhermes.ca](http://www.eulerhermes.ca)

<sup>1</sup> Average bad debt reserve varies by industry. Source: <http://www.irs.gov/pub/irs-soi/08ccocr.pdf>

<sup>2</sup> According to the World Trade Organization. Source: [http://www.wto.org/english/res\\_e/reser\\_e/ersd201218\\_e.pdf](http://www.wto.org/english/res_e/reser_e/ersd201218_e.pdf)