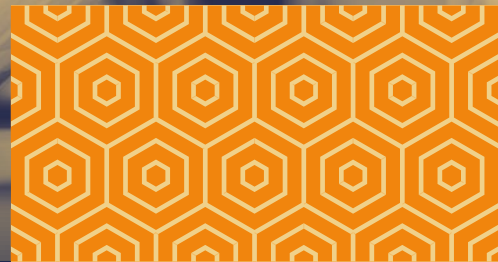


Euler Hermes North America



FILE WITH CONFIDENCE

Claims & Collections Guide

www.eulerhermes.ca

A company of **Allianz** 

 EULER HERMES

FILE WITH CONFIDENCE CLAIMS & COLLECTIONS GUIDE

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DO I HAVE THE CORRECT CUSTOMER INSURED?

When you first request coverage on a customer, one critical step is to check that your customer's name in any documentation (Purchase Orders, Invoices and Bill of Ladings) is exactly the same as on your credit limit approval. It's also a good idea to periodically double-check the accuracy of existing limits, since your customer's legal name may change.

WHY IS IT IMPORTANT?

Coverage

Sometimes the company's name on the sign outside your customer's office or on their website is not the legal name of the entity that owes you money. Making sure you have credit insurance on the legal entity that owes you money is critical when filing a successful claim.

The information you need to check is:

- Company's name
- Bill to Address

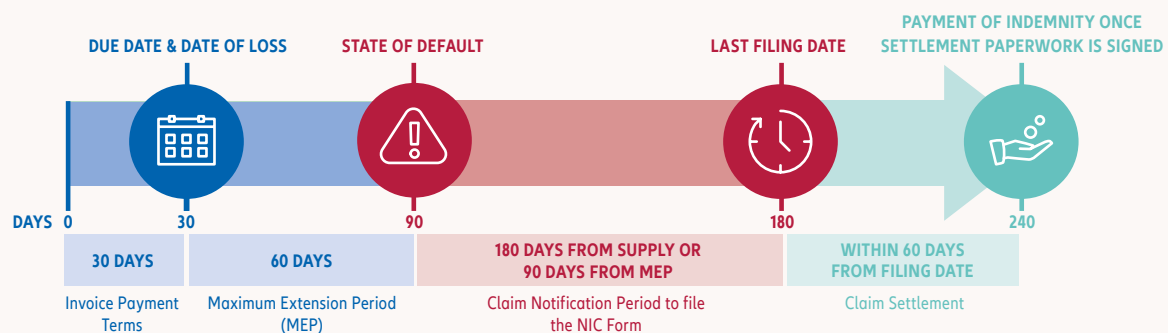
WHAT TO DO IF YOUR CUSTOMER CHANGED THEIR INFORMATION?

Email your servicing team with your policy number and the Euler ID of the customer. It may also be helpful to provide the direct contact person at your customer's company.

GLOSSARY:

Permitted Limit – Maximum amount of credit and the specific conditions extended to your customer for which EH may be liable under the policy.

PROTRACTED DEFAULT CLAIM – DOMESTIC 30-DAY TOP & 0-DAY WAITING PERIOD



Past Due Reporting assuming Jan 1 Supply date: Report for receivables outstanding beyond the expiration of the MEP would be due May 15th (MEP expires on April 1st).

WHAT IF I WANT TO CHANGE MY PAYMENT TERMS?

Euler Hermes understands your relationship with customers is critical for the success of your business. If you decide to negotiate new payment terms, it is very important that you contact us first for approval if it changes your MEP.

In the course of a normal business relationship, you may encounter special payment situations with your customers. For example, an otherwise good customer may pay late, request a terms extension, ask to send partial payment, or want to work out a payment plan. Euler Hermes can very often work with you in these situations but good communication with us is important.

PRIOR TO ACCEPTING ANY CHANGES PLEASE KEEP IN MIND...

Euler Hermes will need to **review and approve**:

- Payment Plans
- Extensions

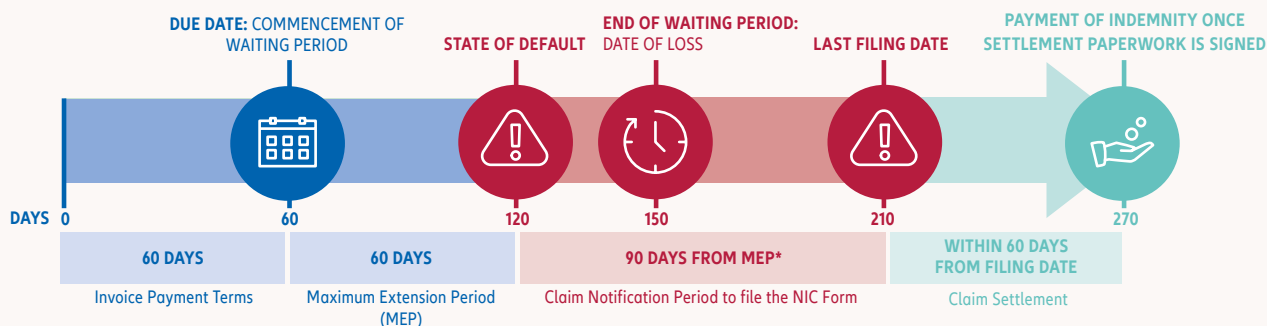


If you have questions of whom to send these requests to, please reach out to your servicing team.

GLOSSARY:

Maximum Extension Period – Maximum grace period you have to work out payment with your customer (Buyer) if they have not paid by the Due Date on your invoice. It starts on the day after the Due Date.

PROTRACTED DEFAULT CLAIM – EXPORT 60-DAY TOP & 90-DAY WAITING PERIOD



* In this example, 90 days from MEP gives you the longest possible timeframe to file.
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CAN EULER HERMES HELP ME WITH COLLECTIONS?



Euler Hermes Collections can help with non-insured cases as well as cases that are below your Non-Qualifying Loss (NQL). As a Euler Hermes credit insurance customer, you have access to these services at a preferred rate through our Synergy Collections program .

To discuss your collections options, please contact our specialists at EHCA.ClaimsService@eulerhermes.com.

WHY IS EH COLLECTIONS YOUR BEST OPTION?

1	<u>Brand Recognition</u>	As part of the Allianz group of companies, our global brand is taken seriously.
2	Competitive Rates	Competitive collection fee rates offered to current EH policyholders.
3	Unparalleled reach	Our global network combines skills, knowledge, and local expertise to find a collections solution in any market.
4	Trained specialists	Experts in professional collection and negotiation and ensure positive outcomes whilst retaining customer relationship throughout.
5	Full collection service	From pre-legal action to judgement and enforcement.

ASK OUR SYNERGY COLLECTIONS TEAM ABOUT THE FOLLOWING BENEFITS:

- Discounted Rates
- Direct Contact with Collectors

WHEN DO I HAVE TO SUBMIT MY STATE OF DEFAULT REPORT?

There are two thresholds in our standard Corporate Advantage policy terms and conditions that require you to report an insured Buyer as past due.

1. Buyer owes in excess of \$10,000.00
2. The Maximum Extension Period (MEP – typically 60 days) has expired.
You have 15 days from the end of the month to submit this report.

Please note that both thresholds need to be breached.

WHY SHOULD YOU REPORT IT?

The ultimate goal of your policy is not to simply submit claims as they arise, but more importantly to **help you avoid foreseeable losses**.

Reporting buyers in states of default is an important part of this process because the network of potentially thousands of Euler Hermes customers selling to the same company will file their reports, not just you. Sometimes late payments are isolated. Other times they can be a trend that reveals risk on the horizon – this critical, shared intelligence is analyzed by our experts to help us predict defaults and ultimately help you avoid losses.

WHERE CAN I FILE THE STATE OF DEFAULT REPORT?

Via our online policy management system, EOLIS. Check out [Chapter 6 – Overdue Management](#).

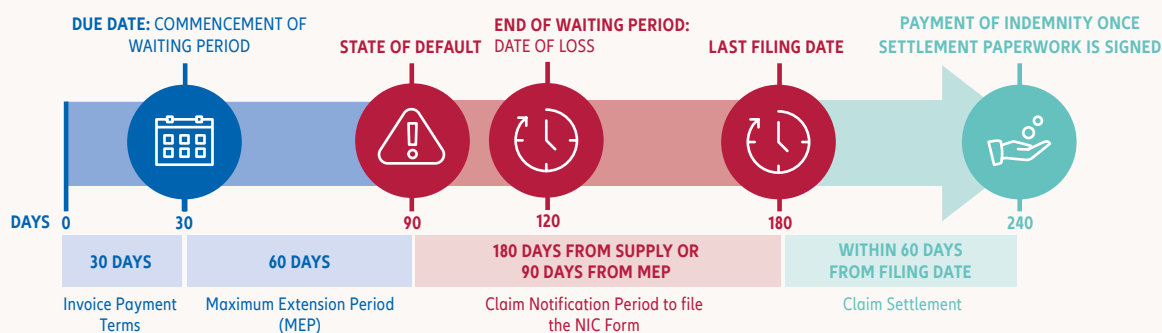
Please check the Special Terms of your policy for the exact threshold.

GLOSSARY:

Special Terms – The portion of the policy document that outlines your company's specific policy terms and conditions.

State of Default – A situation in which (a) your customer has become insolvent; or (b) a receivable due to you is outstanding beyond the expiration of the MEP.

PROTRACTED DEFAULT CLAIM – EXPORT 30-DAY TOP & 90-DAY WAITING PERIOD



Past Due Reporting assuming Jan 1 Supply date: Report for receivables outstanding beyond the expiration of the MEP would be due May 15th (MEP expires on April 1st).

WHEN DO I NEED TO FILE A CLAIM?

Did you know that the number one reason why a claim is denied is because it was filed too late? We don't want this to happen to any of our customers so be sure to file your claim by the filing deadline specified in your policy documentation. If you have any doubt about how to find your filing deadline, don't hesitate to contact your servicing team as soon as the non-payment occurs. You can also [download our Key Date Calculator](#) (Macro-enabled Excel workbook) to help you determine your claim filing deadlines.

CLAIM FILING PERIODS

Your claim filing periods will depend upon which situation you are encountering – protracted default, i.e., when your buyer is still operating but has not paid, or Insolvency, i.e. when your buyer has become financially insolvent and has not paid.

Protracted Default: 180 days from Supply, or 90 days from expiration of the MEP, whichever is later.

Insolvency: 10 days after you learn of the insolvency or 90 days after the date of insolvency, whichever is earlier. (See section “What is the process if my customer filed for Bankruptcy?” below for more detail)

HOW CAN I FILE MY CLAIM?

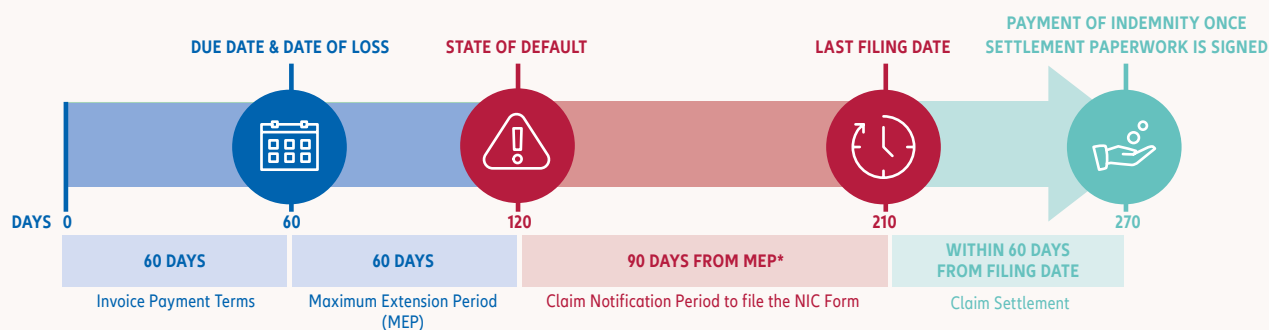
Via our online policy management system, EOLIS. Check out [Chapter 6 – Overdue Management](#)

Please check the Policy Terms Section of your policy for the exact maximum claim filing period.

GLOSSARY:

Supply – The goods have been passed to the first independent carrier for transport to the place where the Buyer is obliged to accept them; or the goods have been deposited into the possession of the Buyer or a third party agent who agrees to hold the goods to the order of the Buyer; or the services have been completed as contracted.

PROTRACTED DEFAULT CLAIM – DOMESTIC 60-DAY TOP & 0-DAY WAITING PERIOD



* In this example, 90 days from MEP gives you the longest possible timeframe to file.
Past Due Reporting assuming Jan 1 Supply date: Report for receivables outstanding beyond the expiration of the MEP would be due June 15th (MEP expires on May 1st).

WHAT INFORMATION WILL I NEED TO FILE A CLAIM?

Filing a claim is a simple process when you have the right paperwork.

We strongly recommend that before you begin your claim filing in EOLIS, you gather the following documents and have them saved to your computer in an electronic format, ready to upload because your EOLIS session can time out after extended periods of inactivity and progress could be lost. Uploading all required documents as quickly as possible is critical, as Euler Hermes cannot begin processing your claim until we receive the complete claim package.

The basic documents we require are:

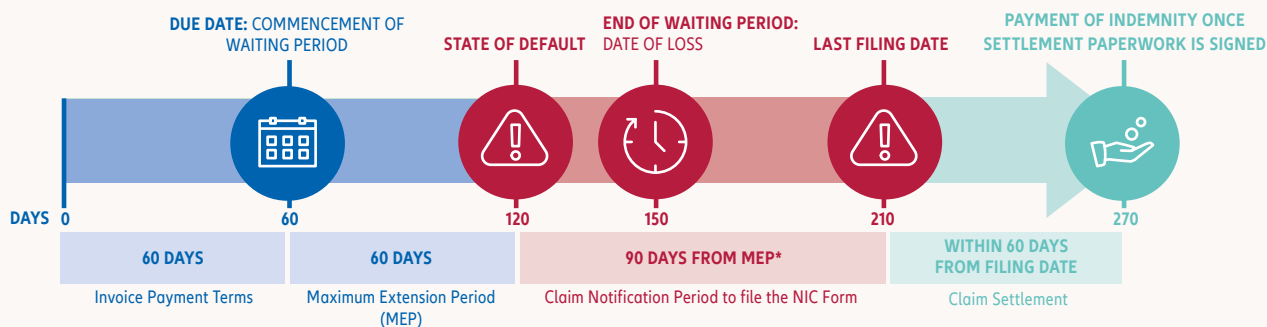
- Statement of Account / AR Aging
- Proofs of Delivery
- Invoices
- Purchase Orders

Any additional documents or communication can also be included if you feel it may be helpful. If any additional information is required, we will reach out to you.



For step-by-step instructions on how to file a claim in EOLIS, check [Chapter 6.b – Filing and Updating a Claim](#).

PROTRACTED DEFAULT CLAIM – EXPORT 60-DAY TOP & 90-DAY WAITING PERIOD



* In this example, 90 days from MEP gives you the longest possible timeframe to file.

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WHAT HAPPENS IF I NEED TO FILE A CLAIM UNDER \$10,000?

Euler Hermes wants to make your claim filing process as easy as possible! So if you have a claim below \$10,000.00 we require fewer documents.

We strongly recommend that before you begin your claim filing in EOLIS, you gather the following documents and have them saved to your computer in an electronic format, ready to upload because your EOLIS session can time out after extended periods of inactivity and progress could be lost. Uploading all required documents as quickly as possible is critical, as Euler Hermes cannot begin processing your claim until we receive the complete claim package.



For step-by-step instructions on how to file a claim in EOLIS, check [Chapter 6.b – Filing and Updating a Claim](#).

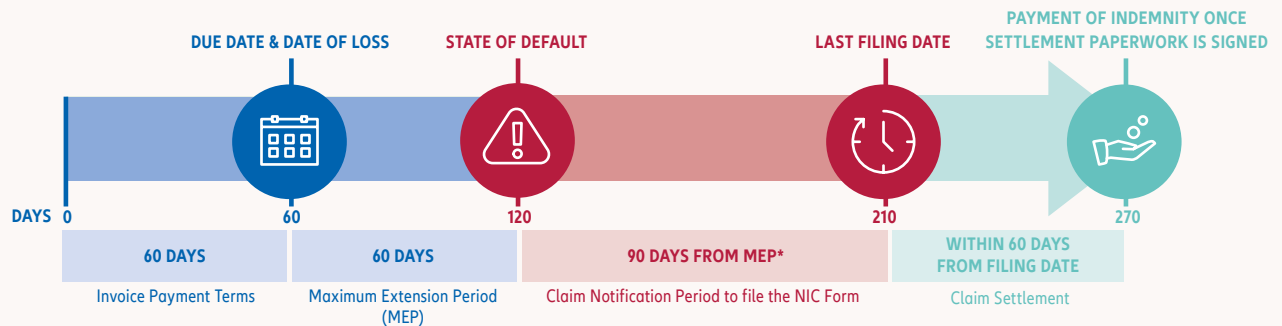
THE ONLY DOCUMENTS REQUIRED FOR CLAIMS BELOW \$10,000 ARE:*

- Statement of Account / AR Aging
- Oldest Open Invoice

*The claim must be submitted via EOLIS in order to be eligible

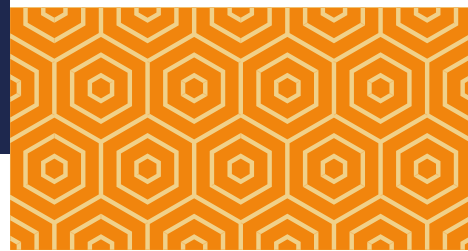
If any additional information is required, we will reach out to you.

PROTRACTED DEFAULT CLAIM – DOMESTIC 60-DAY TOP & 0-DAY WAITING PERIOD



* In this example, 90 days from MEP gives you the longest possible timeframe to file. Past Due Reporting assuming Jan 1 Supply date: Report for receivables outstanding beyond the expiration of the MEP would be due June 15th (MEP expires on May 1st).

WHAT IS THE PROCESS IF MY CUSTOMER FILED FOR BANKRUPTCY?



When a customer of yours files for bankruptcy, the process of filing a claim is the same as that of a Protracted Default explained above. However there are two main differences:

Claim Filing Period: 10 days after you learn of the insolvency or 90 days after the date of insolvency, whichever is earlier.

Date for payment of your claim: the debt must be correctly scheduled with the courts before a loss payment can be made

Insolvency claims under \$10K are subject to the small claims process.

The basic documents we require are:

- Statement of Account / AR Aging
- Proofs of Delivery
- Invoices
- Purchase Orders

Any additional documents or communication can also be included if you feel it may be helpful. If any additional information is required, we will reach out to you.

DO I HAVE TO DO ANYTHING AFTER I FILE MY BANKRUPTCY/INSOLVENCY CLAIM?

Once properly filed, there's no need for you to do anything further unless we reach out to you for more information. Our insolvency specialist will file the Proof of Claim on your behalf at Trustee/Administrator/Receivership court.

If you receive any communication from the insolvency attorneys, please forward it to us and we will gladly provide you with our advice.

If you have questions of whom to send these requests to, please reach out to your servicing team.



For step-by-step instructions on how to file a claim in EOLIS, check [Chapter 6.b – Filing and Updating a Claim](#).