



## Filing Claims on Exporter Held Short-Term Multi-Buyer and Single Buyer Insurance Policies

### MISTAKES TO AVOID

In FY 2017 EXIM Bank authorized over 2,000 U.S. Exporter held Short-Term Multi-Buyer and Single Buyer Export Credit Insurance Policies and insured over 90,000 individual shipments under these Policies. Your Policy provides valuable protection when some invoices go unpaid and you have to file an insurance claim with EXIM Bank. Unfortunately, some claims are either partially approved or denied because the insurance policyholder failed to do something required under the Policy. Please help us to help you avoid these mistakes. Here are six common reasons that short-term insurance claims are not paid.

- 1) LATE CLAIM FILINGS** – In order to be paid in full under the Policy, you must file your claim on time. We must receive your *Notice of Claim and Proof of Loss* (i.e., your claim form) between 3 and 8 months after the date of default (non-payment). Please file your claim from your EXIM Online (“EOL”) account or a hard copy claim form can be found at [www.exim.gov/tools/claims/claims.html](http://www.exim.gov/tools/claims/claims.html).
- 2) FAILURE TO REPORT SHIPMENTS AND PAY PREMIUM** – Report and pay premium on all qualified and eligible export credit sales amounts, including over shipments as required under the multi-buyer policy.
- 3) LACK OF PROOF OF EXPORT** – You must have shipping documents that show that the items you sold were shipped outside of the United States (and its Territories) – in some cases, you may be permitted to ship to a location in the United States, but proof of export is likely still required. Please note that some carriers delete your shipping documents from their online websites after a specific timeframe so always print out a hard copy at time of shipment.
- 4) FAILURE TO ESTABLISH A VALID BUYER OBLIGATION** – Make sure you have a well-documented buyer obligation adhering to the specific requirements of a “buyer obligation” as defined in your policy.
- 5) VIOLATING CREDIT LIMITS** – Under the multi-buyer policy when you are using a Special Buyer Credit Limit (SBCL) or Credit/Ledger Discretionary Credit Limits (DCL), you must make sure that you have met all of the requirements of the applicable SBCL or DCL endorsement.
- 6) FAILURE TO STOP SHIPPING** – Both the Short-Term Multi-Buyer and Single Buyer Policies require you, in certain situations, to stop shipping to buyers who are overdue on their payments to you. In particular, stop shipping if the buyer is more than 90 days past due to you for \$2,000 or more.

Please remember, you must read and understand your entire Policy – and especially read the endorsements! In order to get your claim paid, there are other conditions in the Policy that must be satisfied in addition to those mentioned here; these are just a few of the items that may cause denials of your claim. A prudent strategy would be to treat each shipment as if it were to end up in a claim.

When in doubt, contact your insurance broker or your EXIM Bank relationship manager for assistance. Our goal is to help you file complete and correctly documented claims so we can pay them quickly!