



PRODUCT DESCRIPTION

Financial institutions are insured against the financial losses incurred as a result of non-payment by the Foreign Buyer or its bank, which has a payment obligation under the contract, for supplied goods/services. Reasons for non-payment can be either **commercial** or **political**.

Commercial risks are connected directly with the Foreign Buyer and take a form of general inability of the Foreign Buyer to pay for own due obligations (insolvency/bankruptcy) or refusal of the payment without any legal reason.

Political risks stand for the default of payment by the Foreign Buyer as a result of events in the Foreign Buyer's country such as administrative decisions or legislative measures preventing the Foreign Buyer from payment, or restrictions in conversion of payments as a result of political occurrences in the country of the Foreign Buyer as well as other events as war, revolution, civil disorders and natural catastrophes. The insurance contract is co-signed by the resident exporter who guarantees the fulfillment of all his obligations under the export contract.