ICICI Lombard General Insurance Company Ltd.
ICICI LOMBARD HOUSE, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

UIN IRDAN115RP0004V02201112

PROSPECTUS

TRADE CREDIT INSURANCE

The Credit Insurance Policy is designed for entities which sell their goods and/or services on credit to domestic and or overseas buyers. Credit Insurance provides the insured with coverage for outstanding receivables that are within approved credit terms, protecting the Insured against risk of non-payment by its buyers. Credit Insurance is a whole turnover policy covering all the buyers of the insured. Policyholder can choose to take credit insurance for a particular segment/country/product but has to cover all the buyers being dealt on credit basis within such segment/country or for the product chosen. The insured shall not have more than one policy for the same risk.

What does it cover?

The Policy covers losses due to any or all of the following risks:

1. Insolvency of a buyer
2. Non-payment or protracted default by a private (i.e. not a Government-owned) buyer
3. Political risks (Only In case of Overseas Buyers)
   - Military or civil war, revolution, riot or insurrection
   - General moratorium on outward remittances decreed by the government of the buyer's country or by any third country covered under the contract, through which payment must be made
   - Any measure or decision of the government in the buyer's country, which in whole or in part prevents performance of contractual obligations
   - Political events, economic difficulties, legislative or administrative measures occurring in the buyer's country, which prevent or delay the transfer of the sums paid by the buyer or its guarantor
   - Cancellation of import license
   - Default by a government-owned buyer

What is not covered?

Significant exclusions are:

1. Non-payment arising due to genuine trade disputes
2. Sales to a private individual who intends to use the goods or service for non-professional purposes
3. Sales to an associate company (Political risk can be covered in case of overseas buyers)
4. Sales contracts where payment is received in advance
5. Sales under irrevocable and confirmed Letter of Credit

6. Loss due to foreign currency fluctuations
7. Nuclear risks
8. A war between two or more of the following countries: France, China, Russia, the United Kingdom and the United States of America

You may need a credit insurance policy if:

1. You want to extend better credit terms to your existing customers to increase sales to them.
2. You want to expand your business by offering better credit terms to your new or prospective buyers. – not all the buyers agree to LCs or advance payment terms.
3. You are exposed to the risk of frequent default which may affect your profitability.
4. You want to get better price for your goods – buyers generally factor price of confirmed LC if it is insisted upon and LC generally is costlier than credit insurance.

How is ICICI Lombard different from others?

- Reinsurance support from global reinsurers who are specialists in trade credit insurance
- Simple and quick web-based technological process for approving credit-limit
- Recovery assistance services provided in more than 100 countries across the world
- Exemplary track record in customer services
- Simple and quick logical process for approving credit-limit How is the premium calculated?

The premium is expressed as a percentage of the insurable turnover. The premium is determined by the underwriting team and takes into account the countries in which exports are made, level of trade losses in the portfolio, risk factors of the sector, and spread of buyers.

Are there any other costs involved in the deal?

A credit limit and monitoring fee is charged per buyer per annum for setting up a credit limit and monitoring the financial position of every buyer covered under the policy throughout the policy period. An intervention fee for each notification admitted as claim would also be charged per claim.

What is the maximum coverage available?

Coverage is provided for XXX% (as approved by IRDAI) of the invoice value. Total number of invoices covered for a particular buyer would be limited to credit limit assigned to that buyer. A maximum liability is fixed under each policy. It is the limit up to which the ICICI Lombard would settle the claims under the policy.

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This prospectus contains only brief details of the policy. For further details please refer to the policy document before conducting the sale:

Insurance is the subject matter of solicitation.

Grievance Redressal :

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no.1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal - https://bimabharosa.irdai.gov.in/ or IRDAI Grievance Call Centre (IGCC) at their toll free no. 1800 4254 732 / 155255.
You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. Details of Insurance Ombudsman offices are available at IRDAI website: www.irdai.gov.in, or on the Company's website at www.icicilombard.com

STATUTORY WARNING

PROHIBITION OF REBATES.

(Under Section 41 of Insurance Act 1938)

1. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to [take out or renew or continue] an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing [or continuing] a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

   Provided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by himself in relation to risks associated with his own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.