Atradius
Dutch State Business

How to calculate a premium indication for Exporter risk

Introduction:
With this module you can calculate a premium indication for the following variants:
- The exporter risk in combination with a buyer's credit (only the manufacturing risk);
- The exporter risk in combination with a supplier credit (both manufacturing and credit risk);
- The exporter risk in combination with a cash payment (both manufacturing and credit risk)

For all variants, the following fields must be filled in:

Country buyer and/or guarantor
Select the country in which the buyer is located. If there is a guarantor, you choose the country where the guarantor is located.

Status of buyer and/or guarantor
Select the letter rating for the buyer or guarantor to whom the export contract relates. Use the Standard & Poor's letter rating if the buyer and/or guarantor does not have an external letter rating.

- AAA
- AA+
- AA
- AA-
- A+
- A
- A-
- BBB+
- BBB
- BBB-
- BB+
- BB
- BB-
- B+
- B
- B-
- Sovereign
- Sovereign

If a payment guarantee or irrevocable letter of credit applies, the status of the guarantor or the crediting bank opening or confirming applies.

Currency
Select the currency of the export transaction. If this is the euro, you don't have to do anything.

Principal in currency
Fill in the contract sum in currency here.

Exchange rate
Fill in the exchange rate you will use to convert the currency you use to the euro. Only fill this in if the contract amount is not in euros. Use the most up-to-date rate and the indicated currency convention (USD 1 = EUR..)

Payment by contract
Fill in the percentage of the contract sum that will be paid when the export contract comes into effect.

Pre-delivery payments
Fill in the percentage of the contract sum that will be paid when the export contract comes into force, but before delivery.

Option 1: The exporter risk in combination with a buyer's credit;

Payments from a buyer's credit
Fill in the percentage of the contract sum that is paid by means of a loan from a bank to the buyer. There are separate coverage options for the financing risk resulting from this bank loan that fall under the Financing Risk. You can calculate the premium for this in the Financing Policy.

Pre credit period
The number of months between the entry into force of the export contract and the (last partial) delivery.

Option 2: The exporter risk in combination with a supplier credit

Payments based on supplier credit
Fill in here what the percentage of the contract sum will be paid after delivery, in equal periodic instalments. As a rule, this is the case with exchange or promissory note financing.

Pre credit period
The number of months between the entry into force of the export contract and the (last partial) delivery.

Pre credit period included in cover
Indicate here whether you want to co-insure the risk during the period between the entry into force of the export contract and delivery (the manufacturing risk) in addition to the credit risk

Periodicity
This is the periodicity in months between two refunds. In most cases, the periodicity is six months.

Number of repayments
This is the number of equal installments in which the supplier credit is repaid.

Option 3: The exporter risk in combination with a cash payment

Cash payments after delivery
Fill in the percentage of the contract sum that will be paid in cash after delivery, but not in equal periodic instalments. The buyer/purchaser does not have to pay interest on these payments.

Pre credit period
The number of months between the entry into force of the export contract and the (last partial) delivery.

Pre credit included in cover
Indicate here whether you want to include the pre credit risk during the period between the entry into force of the export contract and delivery (the manufacturing risk) in addition to the credit risk

Credit term in months
For each cash payment, indicate the period (in months) to be paid

Percentage of contract
What percentage of the contract sum relates to the specified credit term?

Local currency indicator
If the cash payment is payable in local currency, you can tick the indicator.

As a final step, the following fields must be filled in:

Premium included in cover
Premium included in cover is only possible if the exchange or promissory note amounts are increased by (part of) the premium. In general, a maximum of 85% of the premium can be co-insured.

Covered Percentage (Political)
The percentage covered is usually 98. The Country Policy provides more information on this.

Covered Percentage (Commercial)
The percentage covered is usually 95. The Country Policy provides more information on this.

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