SURETY INSURANCE
IN THE EUROPEAN UNION

EUROBOND | INTERNATIONAL

- BOND -

- GUARANTEE -





Surety insurance is a form of collateral and a possible alternative of bank guarantees that is broadly used in the EU and the rest of the World as well.

Through a surety bond the insurance company reimburses all financial loss of the beneficiary, which may result from not fulfilling an obligation based on contract or by law to the beneficiary.

Beneficiaries evaluate insurance bonds similar to bank guarantees due to the fact that insurers have the same financial strength, legal background and professionalism as banks.

The advantages of the surety bond

- *In many cases, enterprises, by way of their connections in banks, can make banks to provide them with a credit limit. The significant advantage of the surety insurance is that it does not place a burden on the credit line of the enterprise, since the Bond facility leaves the client's bank credit lines available for working capital and other funding requirements and allows in general a more cost efficient management of corporate debt. It is an additional source of finance, complementary to bank finance.*

- *For the enterprises, it is important to make a diversification of the resources in order to be able to avoid the inconvenient situation of depending on a single financial institution. For reasons mentioned in the point above, the real advantage of the surety insurance is not the more favorable price - which could of course also be an important factor for enterprises - but the real advantage of the possibility provided by the supplementary and complementary financial resources.*

- *The surety insurance could also be available for lower level of collateral provision and sometimes for more favorable prices, thus it is able to support the operation of the enterprises much more effectively. (Released cash flow, stronger liquidity).*

- *Financial strength (rating) of the guarantee provider is often a key to the success of your business. We have direct access to top rated (S&P "AA-") insurance companies that meets all requirement of wide range of beneficiaries.*

- *In some markets the legal environment (for instance public procurement act) enables you to use suretyship instead of abstract guarantees. The legal nature of suretyship provides an additional security for your company in case of a legal dispute with your partner (beneficiary).*

- *We have been operating as an insurance multiple agent, specialized in surety bonds. Our branch is active on the Polish market since 2010.*

- *As one of the largest "surety only" agent in the region, we can give you access to the top surety companies in the world. This enables us to match you with the surety company that best fits your needs.*

- *We are able to serve your guarantee needs both in Poland and in all other countries within the EU in multiple languages, providing full service including all necessary risk assessment, bond issuance and other tasks for your convenience.*

What do you need to get a surety bond?

Bond prices are quoted as basis points in respect of the issued bond volume on a p. a. basis. The main condition precedent to an offer made by the insurer is the financial information requirement about the corporate customer:

- *last two annual reports of the Client/ resp. of the Group to which he belongs*
- *details of credit and guarantee/bond facilities in place*
- *management accounts/review of the current performance/ financial projections if available*
- *confirmation of no material adverse change since publication of last audited annual report*

Type of bonds

EuroBond issues all types of Bonds and guarantees for clients operating in many different industries.

Bid Bond
A guarantee to the prospective employer that the tenderer is making a responsible bid and will be bound if the bid is accepted.

Performance Bond
A guarantee, which protects the employer against contractual default. In the event of default of our client regarding his contractual obligations, EuroBond guarantees to bear the residual costs in order to fulfill the contract up to the bond limit.

Advance Payment Bond
A guarantee given where monies are advanced on account of goods or services.

Retention Bond/ Maintenance Bond
A guarantee issued in substitution for retention monies, which would otherwise be withheld.

Customs Bonds
VAT/Duty Deferment Guarantees Guarantees to Customs & Excise for the payment of VAT and duty. Warehouse Bonds Guarantees required by Customs & Excise for bonded warehouses.

Market Regulation Bonds
Bonds required as a condition of obtaining a statutory license or approval from regulatory bodies.

Travel Bonds
Bonds required insuring clients from Travel Companies against loss of advance payments in the event of default of the travel company.

Our Bond Is Your Security!

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Contacts:

POLAND

ul. Cybernetyki 7B,
Warsaw (02-677)

Tel: +48 799 926 114

HUNGARY

1126 Budapest, Tartsay Vilmos u. 14.

Tel: + 36 1 796 3508
Fax: + 36 1 202 0674

www.eurobondint.com

info@eurobondint.com