

## CREDIT INSURANCE CASE STUDY

# Steel Freight Carrier

Credit Insurance Required by Bank  
to Confirm Margining  
Accounts Receivable at 90%



## BACKGROUND

**Company specializing in rolled steel transportation from mills to stamping companies to auto assembly plants.**

Largest customer (US Steel Canada) made up 40% of sales.

Credit insurance required by bank to confirm lending.

Annual Premium \$25K

## BENEFITS

- Bank confirmed lending facility allowing for growth of the business. Margining of A/R increased from 75% to 90%
- Personal guarantees were released

### US Steel Canada files for CCAA

- \$900k was owed to freight company
- 90% was paid on the claim within three months

## RESULT OF COVERAGE

The Policyholder would have filed for bankruptcy if not for Credit Insurance policy.

The Owner never questioned why he needed Credit Insurance again.

On retirement owner profitably sold the business to a National Trucking and Logistics firm.



**ELEVATE  
YOUR BUSINESS**

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