



Sales Literature for Photovoltaic Sales & Buyer Policy

- The Photovoltaic Sales & Buyer Cover covers the Manufactures and Buyers (if required) against underperformance of Photovoltaic Modules produced by a manufacturer & sold in large sales contracts or single contract (by Buyers) within a specified period which generally is one year.
- In case of a loss, the manufacturer/Insured is indemnified under Photovoltaic Sales Policy. However, if the manufacturer becomes insolvent, the Buyers of the photovoltaic modules are indemnified under Photovoltaic Buyers Policy. A Loss can only be paid out under one of the two entities. The insolvency of the manufacturer/Insured makes it impossible to satisfy obligations to indemnification under Photovoltaic Sales Policy & only permits recovery under Photovoltaic Buyers endorsement.
- Under both scenarios, the Insured Interest is the same Product Warranty & Performance Warranty of these photovoltaic modules produced by the Manufacturer.
- Any loss under the Photovoltaic Sales Policy erodes the limit under Photovoltaic Policy.
- Loss is determined after the agreed period and subjected to deductible and sublimits agreed between parties under contract.
- Underwriting/Pricing Implications: The insured interest as well as the insurance structure (deductible, quota-share retention, limit) under both policies are the same & a Loss can only be paid out under one policy while also eroding the limits of other policy. Therefore, the Combined Expected Loss of the Sales & Buyers Cover is independent of the probability of the manufacturer's insolvency.