

Proposal Form

Credit risk management, without the risk

1. YOUR COMPANY DETAILS

Company Names (s):
 (If more than one applicant please provide details on a separate sheet)
 Company ID(s):
 Date of Incorporation: Principal Shareholders:
 Address:

 Town/City: Post Code: Country:
 Contact Name(s): Position(s):
 Telephone Number: Fax:
 e-mail:

2. NATURE OF BUSINESS

Your business activity (manufacturing/distribution/service/other):
 Standard Industry Classification (SIC) code(s):
 Description of goods/services you supply:
 Goods/services supplied by your customer:

3. TURNOVER

Indicate preferred policy currency: GBP Euro Dollar Other (Please specify).....
 For sections 3-7 please state all figures in the proposed policy currency.

	Period	Estimated Annual Turnover	Number of Accounts
Current year to date
Previous complete year
2nd previous
3rd previous
4th previous

4. YOUR MARKETS AND SALES

Country	Sales over the last 12 months	Number of customers	Estimated sales over next 12 months	Estimated number of customers	Terms of payment if not standard
.....
.....
.....
.....
.....
.....

(If there is insufficient space please provide details on a separate sheet)

5. PREVIOUS LOSS EXPERIENCE

	Period to	Value of losses	Number of losses	Largest loss	Name of largest loss*
Current year to date
Previous complete year
2nd previous
3rd previous
4th previous

*In Appendix 3 please enter names and amounts of the five largest losses in each financial year

6. TOTAL OF DEBTOR BALANCES

As at 31 March: 30 September:
 30 June: 31 December:
 Average number of days sales outstanding over the previous year is:

7. DEBTOR PROFILE

Number of debtors		Total amount	
Up to 500	.....	25,001 - 50,000	.....
501 - 1,000	.....	50,001 - 100,000	.....
1001 - 2,500	.....	100,001 - 250,000	.....
2501 - 5,000	.....	250,001 - 500,000	.....
5001 - 10,000	.....	500,001 - 1,000,000	.....
10,001 - 25,000	.....	over 1,000,000	.....
		Total:	.....

8. TERMS OF PAYMENT

What are your normal contractual payment terms?

Are there any exceptional payment terms agreed? Yes No

If yes, please state with whom and terms agreed:

Name of customer	Agreed terms	Average size debt
.....
.....
.....
.....

9. RELATING TO CONTRACTS

	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Details
Do you act as principal on all contracts?		
Do you include Retention of Title within your Conditions of Sale?		
Do you sell in different currencies? (If yes please state which ones)		
Do you credit insure, factor, discount or otherwise assign your debts?		
Do you hold any other form of security? (Please provide copy of payment instrument, guarantee or other evidence)		
Do you offer consignment stock? (If so please provide details separately)		
Do your contracts include Work in progress?		
Are you involved in contracting?		
Do you supply on "pay-when-paid", "sold on" or "on approval"?		
Do your contracts include retention payments?		
Are there any other features materially affecting your risk?		

10. STATEMENT OF CREDIT CONTROL

a. Your Credit Control System

Is your credit control system computerised?

Is your system centrally located? If so, where?.....

How many people does your system employ?.....

b. Who has the day-to-day responsibility for credit management?

Name:.....

Position:.....

To whom do they report?.....

c. How do you investigate your customers' credit-worthiness before a debt is incurred?

Details - Above what level?

Status Reports	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If yes, which agencies?			
Bank Reports	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Trade References	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Other Sources	Yes <input type="checkbox"/>	No <input type="checkbox"/>

d. How often do you review the status of your customers?

Above what level of debt?	Information type	Frequency
.....
.....
.....

e. Is the status of the account checked before:

New orders are accepted? Yes No

Further supplies are made? Yes No

If no, why not and when are they vetted?

Do you visit your customers regularly? Yes No

If yes, please detail process

f. Debt Collection Process

How soon after delivery/supply are invoices raised?.....

Do you raise invoices for each amount due? Yes No

(If not how are debts evidenced?)

When are invoices sent out?.....

Are statements prepared? Yes No

If so, how often are they rendered?.....

What action is taken to chase overdue customers and at what point beyond due date?

(Please complete chart below)

	Number of Days Beyond Due Date	Details
Telephone
Letter
Stop Deliveries
Legal Action
Collection Agents

Please provide on Appendix 2 details of all those accounts that are overdue and/or that are giving cause for concern.

11. ADDITIONAL INFORMATION

Have you been refused cover or security by any other credit insurers, factors or similar? Yes No

If so, please give reasons:.....
.....

Please provide on Appendix I, the names and country locations of all the accounts for which insurance cover is sought. Please also state the credit limit required.

DECLARATION

1. I declare that to the best of my knowledge and belief the above statements and all other information given to the insurers, whether provided by me or others on my behalf, including any joint applicants, are true and complete and that I have not withheld any material fact.
2. I agree that this Proposal may form part of a credit insurance policy subject to the terms and conditions of that policy.
I understand that:
 - i) failure to disclose any material fact may invalidate such a policy;
 - ii) any breach of the terms and conditions of the policy, whether declared to the insurers or not, may render any claim under the policy invalid UNLESS agreed in writing by the insurers by specific endorsement;
 - iii) in the event of any conflict or ambiguity between the terms and conditions of the policy and this proposal, the terms of the policy will prevail.
3. I confirm that I have read the Legal Notice concerning the CIFS web site system and agree to be bound by the terms, as amended from time to time.

Authorised Signature: Position:

Name (in print): Date:

Company stamp

Broker/Intermediary

Company: Branch:

Contact: Telephone:

Fax: e-mail:

Appendix 1

Credit risk management, without the risk

List ALL major customer balances relating to your Proposal

1.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

2.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

3.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

4.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

5.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

6.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

7.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

8.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

9.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

10.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

Appendix 1 continued

11.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

12.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

13.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

14.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

15.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

16.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

17.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

18.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

19.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

20.

Name:
 Address:
 Country:
 Co. Reg/ID No: Credit limit required:

Appendix 2

Credit risk management, without the risk

List ALL your customer balances which are seriously overdue or giving cause for concern

1.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

2.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

3.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

4.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

5.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

6.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

7.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

8.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

9.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

10.

Name: Credit limit:
 Address: Balance outstanding:.....
 Co. Reg/ID No: Due date of earliest invoice:.....
 Comments:

Appendix 3

Credit risk management, without the risk

List the names and amounts of the five largest losses in each financial year.

1.

Current year to date largest losses

Period to:

Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:

2.

Previous complete year

Period to:

Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:

3.

Second previous complete year

Period to:

Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:

4.

Third previous complete year

Period to:

Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:

5.

Fourth previous complete year

Period to:

Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount:
Name:	Amount: