

PROPOSAL FORM

TRADE CREDIT INSURANCE

Please Note

1. Please answer **ALL** questions in full. If there are insufficient spaces on the form please continue on the 6company letterhead.
2. The latest audited Financial Statements / Annual Report / Interim Report **MUST** be attached.
3. This form may be used for new applications or new renewals. In the case of renewals, the underwriters **MUST** receive a completed, signed and dated proposal form, financials/reports, and acceptance of renewal terms prior to renewal date, failing which, no cover exists after said date.
4. It is the intention of underwriters that any Contract of Insurance with the Proposer shall be based upon the information provided in this Proposal Form as well as any attachments included. If a quotation is offered, it will be the intention of the underwriters to offer cover **ONLY** in respect of the entities named under Particulars of Proposer.

NB: (No insurance is in force until the Proposal has been accepted by the Company and the premium paid, except as provided by an official Covering Note issued by the Company)

If SKYBRIDGE RE agrees to issue a trade credit insurance policy, all of the information, which the company provides, will become part of and shall form the basis of any policy issued to the Company by Skybridge Reinsurance Brokers.

1. YOUR COMPANY DETAILS

Company Name(s): _____
 Company Address: _____
 Town/City: _____ Postal Code: _____
 Country: _____
 Contact Name(s): _____
 Position(s): _____
 Telephone Number: _____ E-mail: _____

***If more than one applicant please provide details on a separate sheet**

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 (USD/ZAR/EUR/GBP)

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

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					
2 nd previous					
3 rd previous					
4 th previous					

6. TOTAL OF DEBTOR BALANCES

As at 31 March	<input type="text"/>	30 June	<input type="text"/>
30 September	<input type="text"/>	31 December	<input type="text"/>
Average number of days sales outstanding over the previous year is:	<input type="text"/>		

7. DEBTOR PROFILE

Indicate preferred policy currency (USD/ZAR/EUR/GBP)

	Number of debtors	Total amount		Number of debtors	Total amount
Up to 500			25,001-50,000		
501-1,000			50,001-100,000		
1,001-2,500			100,001-250,000		
2,501-5,000			250,001-500,000		
5,001-10,000			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	No	Details
Do you act as principal on all contracts?			
Do you include Retention of Title within your Standard 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 a payment instrument, guarantee or other evidence)			
Do you enter into any Binding Contracts? If so, what is the maximum period of these contracts? Please provide details			
Are you involved in Contracting?			
If yes, do your contracts have payment retentions?			
If yes, for how long and what percentage of contract value? (Please note that retention monies due arising from contracts entered into prior to policy inception will not be covered)			
Do you supply on “pay when paid,” “sold on” or “on approval”?			
Do your contracts include work in progress? (if yes, please complete Appendix 3)			
Do you enter into any self-billing arrangements with your customers?			
Do you have any barter or contra trading arrangements (i.e. where you exchange goods and/or services for goods and/or services rather than money?)			
Do you offer consignment stock?			
Are there any other features of the contracts you enter into that increase our risk?			

10. STATEMENT OF CREDIT CONTROL

A. Your credit control department

Is your credit control system computerised?
 Is your department centrally located? If so, where?
 How many people does your department employ?

B. Who has the day to day responsibility for credit management?

Name:
 To whom do they report?

	Position:	

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

Status Reports Yes No
 If yes, which credit reference agencies?

 Bank Reports Yes No
 Trade References Yes No
 Other Sources Yes No
 Details – Above what level?

D. Is the status of the account checked?

New orders are accepted? Yes No
 Further supplies are made? Yes No
 If no, why not and when are they vetted? Yes No

--

Do you visit your customers regularly?
 If yes, please detail process

Yes No

--

E. 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 the statements prepared?

Yes No

If so, how often are they rendered?

Do you use a debt collection company/solicitor?

Yes No

If yes, who?

What action is taken to chase overdue customers and at what point beyond due date? (Please 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 yes, please give reasons:

Please provide on Appendix 1, the names and country locations of all the accounts for which insurance cover is sought.

Please also state the credit limit required.

12. BANK DETAILS

Please supply details of the account from which instalments of premium will be collected if we have offered you the option to pay us on an instalment basis.

Name(s) of Account Holder(s)

Bank/Building Society account number

Branch Sort Code

APPENDIX – WORK IN PROGRESS

Do you manufacture? Yes No
 If yes, does this take place on your own premises or elsewhere?

Do you outsource all/some of the manufacturing process to a third party?
Yes No
 If yes, where does this take place and what percentage of the contract price does the value of the third party contract represent?

Does the process only involve raw materials or do you manufacture finished goods?

If you do have finished goods, typically how long do these remain as stock items held on your premises prior to delivery?

What is the min/max timescale involved from the purchase of raw materials to the finished goods to the point of delivery?

Can the work in progress be related to a specific contract/order?
Yes No
 Typically, what percentage of the overall contract does the work in progress element represent?

Typically what percentage of your overall ledger does work in progress relate to?

Do you receive stage payments?
Yes No
 If yes, please indicate how the payments are staged setting out the payment dates and percentage value of the contract of each stage payment.

What is the potential value that may be obtained from a forced resale of goods as a percentage of the contract price?

YOUR PERSONAL DATA

We are the data controller in respect of any personal data we collect, hold and use about you.

We collect your personal data directly from you, but we may also collect it from brokers and other intermediaries who provide information to us for the purpose of providing your policy of insurance.

We will mainly use your data for the purpose of providing and administering this policy of insurance and claims you make under it. If you decline to provide your data when requested, or you give us false or inaccurate data, we may be unable to process your enquiry, and this could give us the right to void coverage or could impact your ability to claim under your policy.

In some circumstances, we may need to collect and use particularly sensitive data, such as data about your health or ethnicity. Where this is required, we will usually seek your consent to use that data. You can withhold or withdraw your consent at any time by contacting us, but if you do, we may be unable to process your enquiry or claim or continue to provide coverage.

We will exchange data about you with other parties in order to provide our services and administer this policy and any claims. This may include insurers, claims handlers and loss adjusters and providers of emergency medical services. In some cases, this may involve a transfer of data outside African countries that have less robust data protection laws. Any such transfer will be made in accordance with data protection laws.

We will not use your data or pass it to any other party for marketing products or services to you unless you have given your consent.

Authorised Signature
Name (in print)

Position
Date (in print)

BROKER/INTERMEDIARY

Company

--

Contact

--

DECLARATION

I/We declare that the above statements are true and complete.

At the present time, other than as stated above, I / We have no reason to anticipate any claim being brought against me/s that would constitute a claim under the insurance now being renewed or applied for.

I / We declare that in the event of this being a renewal of a policy, there have been no material alterations to the risk as submitted to the underwriter originally, and if a new application that all material facts have been disclosed.

I/We agree that this declaration shall form, together with the proposal form, the basis of the contract between me/us and the Insurers, and that I/We are properly authorised to sign this declaration.

Full name:

Capacity:

Signature:

Date:
