

Credit Insurance - Policy Application

1. a. APPLICANT FOR POLICY

Full Name: _____

Address / Country: _____

Mailing Address / Country (*show only if different*): _____

Contact Name: _____ Contact Title: _____

Telephone: _____ Fax: _____

E-mail: _____ Web Address: _____

b. AFFILIATES TO BE INCLUDED IN POLICY

List below any of your subsidiaries or other affiliates applying to be an additional named insured under the policy:

<u>Full Name of Affiliate</u>	<u>Address/Country</u>	<u>Relationship to Applicant in Item 1.a</u>
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c. Specify the currency in which you are requesting that the policy coverage be issued: _____

d. Specify the currency in which the figures in this application will be expressed: _____

Answers to remaining questions in this application should reflect the business of all entities in this Item 1. The word "domestic", as used throughout this application, means the countries of all entities in this Item 1.

2. BROKER (broker through whom this application is being submitted)

Name of Broker: **ASSURCO inc.**

Address / Country of Broker: **4281 Bannantyne Montreal (Quebec) Canada H4G 1C6**

3. Contact Name: **Gontran Latour cib fcip frm** Contact Title: **president**

Telephone: **(514) 990 3138** Fax : **(514) 766 44 77** E-mail: **info@assurco.ca**

4. APPLICANT'S BUSINESS

a. Products or Services Sold: _____

b. Years in Business: _____ yrs. Years selling on credit terms: Domestic _____ yrs. Non-domestic _____ yrs.

c. Annual Sales (approx.)
current fiscal year (# months: _____): Domestic _____ Non-Domestic _____
prior fiscal year (yr: _____): Domestic _____ Non-Domestic _____
prior fiscal year (yr: _____): Domestic _____ Non-Domestic _____

d. Accounts Receivable Balance (approx.)
most recent quarter-end: Domestic _____ Non-Domestic _____
previous quarter-end: Domestic _____ Non-Domestic _____

4. REASON FOR APPLICATION (check if applicable)

- a. Coverage is requested for: Risk Protection Financing Other: _____
- b. Coverage is requested for credit sales to: Domestic customers Non-Domestic customers
- c. For sales in Item 4.b, coverage is requested for: All credit customers Only largest credit customers (attach details)
- d. Are you requesting that the policy include coverage for your sales made on terms of Letter of Credit? Yes No
- e. Are you requesting coverage for credit sales to the U.S.? Yes No

Answers to remaining application questions should reflect only the activity of Items 4.c, 4.d. & 4.e.

- f. Estimated annual credit sales for which coverage is requested: _____
- g. Do you presently credit-insure or factor your sales: No Yes *if yes, indicate the following:*
 Scope of business credit-insured or factored: _____
 Name of credit insurer or factor: _____
 Expiration date of arrangement with credit insurer or factor: _____

5. CUSTOMER PROFILE

a. CATEGORY	Approx. % OF SALES	b. CATEGORY	Approx. % OF SALES	c. CATEGORY	Approx. % OF SALES
Manufacturers	%	Private sector	%	Sold under long	
Wholesalers/Distributors	%	Gov't sector	%	term contracts	%
Retailers	%		100%		
End Users	%			Sold order-by-order	%
Other	%				100%
	100%				

d. SIZE & DISTRIBUTION OF CREDIT LIMITS

CREDIT LIMIT RANGE	APPROX. NUMBER OF CUSTOMERS IN RANGE		APPROX. TOTAL AMOUNTS OUTSTANDING WITH CUSTOMERS IN RANGE	
	Domestic	Non-Domestic	Domestic	Non-Domestic
Under \$25,000				
\$25,001 to \$50,000				
\$50,001 to \$100,000				
\$100,001 to \$200,000				
\$200,001 to \$300,000				
\$300,001 to \$500,000				
\$500,001 to \$1,000,000				
\$1,000,001 to \$5,000,000				
\$5,000,001 to \$20,000,000				
\$20,000,001 to \$40,000,000				
Over \$40,000,001				
Total				

e. LARGEST CREDIT LIMITS

Five Largest Credit Limits For Domestic Customers

NAME, CITY, PROVINCE & COUNTRY OF DEBTOR	CREDIT LIMIT	ANNUAL SALES	PAYMENT TERMS

Five Largest Credit Limits For Non-Domestic Customers

NAME, CITY, STATE & COUNTRY OF DEBTOR	CREDIT LIMIT	ANNUAL SALES	PAYMENT TERMS

6. HISTORY OF CREDIT LOSSES Provide details of credit losses in the current year and prior three years.

SHOW YEAR BELOW	SHOW CREDIT LOSS INFORMATION BELOW
Current Year: _____	TOTAL AMOUNT OF LOSSES: # OF BAD DEBTS: TOTAL RECOVERIES: LARGEST SINGLE LOSS (NAME, COUNTRY, AMOUNT):
Prior Year: _____	TOTAL AMOUNT OF LOSSES: # OF BAD DEBTS: TOTAL RECOVERIES: LARGEST SINGLE LOSS (NAME, COUNTRY, AMOUNT):
Prior Year: _____	TOTAL AMOUNT OF LOSSES: # OF BAD DEBTS: TOTAL RECOVERIES: LARGEST SINGLE LOSS (NAME, COUNTRY, AMOUNT):
Prior Year: _____	TOTAL AMOUNT OF LOSSES: # OF BAD DEBTS: TOTAL RECOVERIES: LARGEST SINGLE LOSS (NAME, COUNTRY, AMOUNT):

7. AGING OF ACCOUNTS RECEIVABLE

a. TOTAL AMOUNTS PRESENTLY OUTSTANDING:

Total Outstandings to Domestic Customers: _____ as of _____.
of which:

_____	_____	_____	_____	_____
Current, not past due.	Past Due 1-30 days beyond the due date.	Past Due 31-60 days beyond the due date.	Past Due 61-120 days beyond the due date.	Past Due more than 120 days beyond the due date.

Total Outstandings to Non-Domestic Customers: _____ as of _____.
of which:

_____	_____	_____	_____	_____
Current, not past due.	Past Due 1-30 days beyond the due date.	Past Due 31-60 days beyond the due date.	Past Due 61-120 days beyond the due date.	Past Due more than 120 days beyond the due date.

b. SIGNIFICANT PAST DUE CUSTOMERS

Provide details of customers who presently have undisputed amounts owing to you that fall into the categories in Item 7.a. above labeled: “ **Past Due 61-120 days beyond the due date** ” and “ **Past Due more than 120 days beyond the due date** ”.

NAME OF DEBTOR & COUNTRY	AMOUNT MORE THAN 60 DAYS PAST DUE	ORIGINAL DUE DATE OF INVOICE(S)	REASON FOR OVERDUE & ACTION BEING TAKEN

c. Have any obligations with customers been rescheduled during the last 12 months? Yes No
 If yes, please provide details:

d. Aside from any possible country-wide or industry-wide issues, are you aware of any current facts or circumstances of any of your customers that are likely to give rise to a loss? Yes No If yes, please provide details:

9. CREDIT CONTROL QUESTIONNAIRE (continue on a separate sheet, if necessary)

a. Does your company have a separate credit control function that is responsible for assessing credit risk?

_____ Yes _____ No

If so, how many employees are employed on either a part-time or full-time basis within the department?

_____ Full-time _____ Part-time

b. For the above referenced credit control personnel, please provide their respective authority level for approving credit on new or existing accounts:

<u>Name & Title</u>	<u>Years of Experience</u>	<u>Amount of Authority Level</u>	
		<u>New Customer</u>	<u>Existing Customer</u>

c. Who can overrule the decisions made by the above listed personnel? Under what circumstances would this occur and how often does this occur in practice?

d. Are credit limits established for customers for a set period of time, or do the above employees approve each order?

If fixed for a period of time, how long is that period of time?

e. How often are customer accounts receivable reports generated and by whom are they reviewed?

f. When a customer balance becomes past due, what action is taken and at what point in time?

g. What event triggers the credit to a customer to be suspended for future shipments?

h. Are there formal, written credit procedures for the company? _____ Yes _____ No
If yes, please attach a copy to this application.

i. If you do not have formal, written credit control procedures, then please complete the following:

For **new** customers, what information is required to establish the credit limit, what general guidelines are used to evaluate this information and how is this information and evaluation preserved?

For **existing** customers, what information is required to:

- renew the credit limit:
- maintain or amend the credit limit:

What general guidelines are used to evaluate this information and how is this information and evaluation preserved?

j. Do you have current financial statements on your largest five customers? ____Yes ____No

10. Please attach the following information to this application:

- Two most recent fiscal financial statements on the applicant and any applicant applying to be additional named insured.
- Formal, written credit procedures indicated in Item 9.h. above, if applicable.
- Descriptive brochures of your company, if they might be useful in evaluating this application.

You declare that, to the best of your knowledge, the statements contained in this application are true and complete and that no material information has been withheld or misrepresented.

The signing of this application does not bind the applicant or the Insurance Company to enter into an insurance contract, but it is agreed that this application has been and will continue to be relied upon should a policy be issued, and this application will be incorporated into and constitute a part of the policy.

DATED : _____

NAME OF PREPARER : _____

AUTHORIZED SIGNATURE : _____

TEL. NO. OF PREPARER : _____

Notice : Please send this application to the broker indicated in item 2 above,

Source : Appls Chubb modified nov 27, 2006 info : refer to the broker