

TRADE CREDIT INSURANCE APPLICATION

BUSINESS INFORMATION

(ATTACH A LIST OF JOINT APPLICANTS IF REQUIRED)

| | | | |
|--|--|------------|--|
| Applicant name (correct legal entity) | | | |
| ACN number | | ABN number | |
| Trading Style | | | |
| Registered address | | | |
| Phone | | Fax | |
| Contact Name | | Email | |

CONNECTION WITH FOREIGN COMPANY

| | | | |
|-----------------------------------|---|---------|--|
| Connection with a foreign company | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| Company Name | | Country | |
| Foreign company is | <input type="checkbox"/> Parent <input type="checkbox"/> Subsidiary <input type="checkbox"/> Other (please specify) | | |

NATURE OF BUSINESS

| | |
|--|--|
| Your type of business (e.g. wholesaler of electronics) | |
| Country of origin of goods | |
| Your buyer's type of business | |
| How long have You been in Your present line of business? | |

TURNOVER

PLEASE PROVIDE DETAILS OF YOUR ESTIMATED ANNUAL TURNOVER BY BUYER LOCATION (STATE/TERRITORY)
 N.B. PLEASE EXCLUDE TURNOVER TO ASSOCIATED/SUBSIDIARY COMPANIES, CASH SALES, SALES TO PUBLIC AUTHORITIES/GOVERNMENT DEPARTMENTS AND GST.

| Domestic | | | |
|-----------------|----------|-------------------------|------------------------|
| State/Territory | Turnover | Normal terms of payment | No. of active accounts |
| NSW | | | |
| VIC | | | |
| QLD | | | |
| SA | | | |
| WA | | | |
| TAS | | | |
| ACT | | | |
| NT | | | |
| Total | | | |

| | | |
|--|----------|-------------------------|
| <u>Export</u> (if further countries need to be shown, please attach a separate list) | | |
| Country (if USA, show state) | Turnover | Normal terms of payment |
| | | |
| | | |
| | | |

| COVER REQUIRED (PLEASE INDICATE YOUR PREFERRED TYPE OF COVER) | |
|--|---|
| Cover required | <input type="checkbox"/> Domestic <input type="checkbox"/> Export (Commercial Risk) <input type="checkbox"/> Export (Commercial & Political Risk) |
| If policy is required in currency other than AUD, please specify | |

| TERMS OF PAYMENT (PLEASE ATTACH COPY OF YOUR TERMS & CONDITIONS OF SALE) | | | |
|--|--|---------------------------------|--|
| Normal terms of payment | | Maximum terms of payment | |
| Do any of the following apply to your business? (If you answer YES to any of these, please provide/attach full details) | | | |
| Forward dating of invoices | <input type="checkbox"/> Yes <input type="checkbox"/> No | Consignment stock trading | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Personal Property Securities Register (PPSR) | <input type="checkbox"/> Yes <input type="checkbox"/> No | Work in progress | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Early close-off | <input type="checkbox"/> Yes <input type="checkbox"/> No | Sale or return | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| BUYER ANALYSIS | | | | | |
|--|---------------|---------------|--|---------------|---------------|
| Total outstanding debt at any one time | No. of buyers | % of turnover | Total outstanding debt at any one time | No. of buyers | % of turnover |
| Up to \$5,000 | | | \$50,001 to \$100,000 | | |
| \$5,001 to \$15,000 | | | \$100,001 to \$250,000 | | |
| \$15,001 to \$25,000 | | | \$250,001 to \$500,000 | | |
| \$25,001 to \$50,000 | | | Above \$500,000 | | |
| Total of Debtors balances as at | | | | | |
| 31 March last | \$ | | 30 th June last | \$ | |
| 30 th September last | \$ | | 31 st December last | \$ | |

| PRINCIPAL BUYERS | | | | | |
|-------------------------|------------|-----------------------------------|--------------|------------------|-----------------|
| Company Name | ACN number | Country (if other than Australia) | Credit limit | Terms of payment | Annual turnover |
| | | | | | |
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| | | | | | |
| TOTAL | | | | | |

BAD DEBT HISTORY

| Financial Year Ending | Turnover | Gross bad debts | Net bad debts | Number of bad debts | Name the two buyers with the largest debts | Amount |
|-----------------------|----------|-----------------|---------------|---------------------|--|--------|
| / / | | | | | | |
| / / | | | | | | |
| / / | | | | | | |

DELINQUENT BUYERS/OVERDUE ACCOUNTS

PLEASE PROVIDE DETAILS OF ALL BUYERS WHO CURRENTLY HAVE ACCOUNTS OWING MORE THAN 90 DAYS FROM END OF MONTH OF SUPPLY OR WHO YOU BELIEVE TO BE IN FINANCIAL DIFFICULTY OR IN RESPECT OF WHOM YOU HAVE ADVERSE INFORMATION.

| Company Name | ABN/ACN number | Country (if other than Australia) | Total amount overdue | Delivery date | Due date | Comments |
|--------------|----------------|-----------------------------------|----------------------|---------------|----------|----------|
| | | | | | | |
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| | | | | | | |

CREDIT PROCEDURES

| | | | |
|--|--|--|--|
| Do you have a credit procedures manual? If yes, please attach | | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Do you obtain the following when establishing a new account? | | | |
| Credit application form | <input type="checkbox"/> Yes <input type="checkbox"/> No | Trade references | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Financial information | <input type="checkbox"/> Yes <input type="checkbox"/> No | Bureau information | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Mercantile report | <input type="checkbox"/> Yes <input type="checkbox"/> No | Sources (e.g. Dun & Bradstreet) | |
| Other (please explain) | | | |
| What is Your average Days Sales Outstanding (DSO)? | | Are credit limits established from trading experience? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Who in your company is responsible for compliance with the credit management procedures (name and position)? | | | |
| If credit management is not centralized at the address on page 1, please give further details | | | |
| How often do you update credit data on your buyers? | | | |
| Are the following procedures used for overdue accounts? | | | |
| Reminder by telephone or fax | <input type="checkbox"/> Yes <input type="checkbox"/> No | How many days after due date | |
| Reminder(s) in writing | <input type="checkbox"/> Yes <input type="checkbox"/> No | How many days after due date | |
| Stop Credit | <input type="checkbox"/> Yes <input type="checkbox"/> No | How many days after due date | |
| Legal action | <input type="checkbox"/> Yes <input type="checkbox"/> No | How many days after due date | |
| Which collection agency or legal firm do you use? | | | |

CREDIT INSURANCE OR FACTORING CONTRACTS

| | | | |
|---|--|--------------------------|--|
| Do you currently insure your buyers | <input type="checkbox"/> Yes <input type="checkbox"/> No | If so, with whom? | |
| Do you factor your buyers or discount your invoices | <input type="checkbox"/> Yes <input type="checkbox"/> No | If so, with whom? | |
| What style of facility (ie. Recourse/non-recourse)? | | Disclosed/Non-Disclosed? | |

SECURITIES

| | | | |
|---|--|---------------|--|
| Do you obtain directors or shareholders guarantees? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Please detail | |
| Do you obtain other securities or sureties? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Please detail | |

YOUR DUTY OF DISCLOSURE

Before **You** enter into a contract of general insurance with the insurers, **You** have a duty, under the Insurance Contracts Act 1984, to disclose to them every matter that **You** know, or could reasonably be expected to know, is relevant to their decision whether to accept the insurance risk and, if so, on what terms.

You have the same duty to disclose those matters to them before **You** renew, extend, vary or reinstate a contract of general insurance.

Your duty however, does not require the disclosure of a matter:

- That diminishes the risk to be undertaken by them;
- That is common knowledge;
- That they know or, in the ordinary course of business as insurers, ought to know;
- As to which compliance with **Your** duty is waived by them.

NON-DISCLOSURE

If **You** fail to comply with **Your** duty of disclosure, the insurers may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If **Your** non-disclosure is fraudulent, the insurers may also have the option of avoiding the contract from its inception.

PRIVACY STATEMENT & AUTHORITY

We always value Your privacy. We are bound by the Privacy Act 1988 and the General Insurance Information Privacy Code when We collect and handle Your personal information. We authorize us to disclose the information You give us to Insurers for the purpose of obtaining terms for Insurance. If You wish to request access or correction to the information We hold about You, opt out of receiving materials We send or request a copy of our **Privacy Policy** then contact the Privacy Manager.

DECLARATION AND SIGNATURE

We the undersigned, after inquiry, declare as follows:

- (1) **We** are authorised in our own right or by the entity referred to at the foot hereof to complete this questionnaire.
- (2) **We** have read and understood the section of this form relating to our duty of disclosure and the implications of non-disclosure.
- (3) **We** have read, understood and agree to the section of this form relating to privacy.
- (4) **We** have read this questionnaire and the accompanying documents and acknowledge the contents of the same to be true and complete.
- (5) **We** understand that, up until a contract of insurance is entered into, **We** are under a continuing obligation to immediately inform the insurers of any change in the particulars or statements contained in this questionnaire or in the accompanying documents.
- (6) Neither **We** nor the entity referred to at the foot hereof have an interest, either directly or indirectly, in any of the buyers.

Although the signing of this questionnaire does not bind the applicant to effect insurance, **We** acknowledge that the particulars and statements contained in this questionnaire and in the accompanying documents shall be the basis of the Contract if a Contract is issued. **We** also acknowledge that the questionnaire and the accompanying documents will be incorporated in the contract of insurance.

| | | | |
|-------------------------------------|--|-------------------|--|
| Company name (correct legal entity) | | | |
| Signature | | Name of signatory | |
| Date | | Position | |

**PLEASE INCLUDE AN AGED DEBTOR TRIAL BALANCE WITH THIS APPLICATION and
SUBMIT INFORMATION VIA EMAIL TO:**

service@tradecredit.austbrokers.com