

JANUS UNDERWRITERS, LTD.

Raleigh, North Carolina • San Juan, Puerto Rico • Santo Domingo, República Dominicana
Underwriting@SuretyOne.com • TradeCreditPolicy.com

APPLICATION FOR TRADE CREDIT INSURANCE

All information provided in this Application will be treated in the strictest confidence and will be used solely to assess the risk and determine whether terms may be indicated. If a policy is issued, this Application, all attachments, and all additional information furnished (oral or written) shall form the basis of, and be incorporated into, the policy. Please state all monetary figures in U.S. Dollars; if another currency is used, indicate it clearly. If space is insufficient, please continue on a separate sheet and attach.

1. APPLICANT INFORMATION

Legal name of Applicant:
Trade name / DBA (if any):
Street address:
City / State / ZIP: Country:
Contact name: Title:
Telephone: E-mail:
Website: Federal EIN / Registration No.:
Year established: State / country of organization:

Is coverage requested for any subsidiary or affiliated company? Yes No

If yes, list each entity to be included as a named insured:

Full Name of Affiliate	Address / Country	Relationship
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Currency in which coverage is requested: Currency of figures in this Application:

2. BUSINESS PROFILE

Products or services sold (Goods Insured):

Trade sector(s) / industries to which you sell:

Nature of business:

Manufacturer Distributor / Wholesaler Trader Service Provider Other:

Years in business: Years selling on credit terms:

Standard terms of payment (e.g., net 30): Extended terms offered, if any:

Average Days Sales Outstanding (DSO): Period from contract date to shipment:

Is your business seasonal? Yes No

If yes, please provide details:

Special features of your business, if any:

Consignment stock Work in progress Made to order Long-term contracts Pay-when-paid
Contra trading Progress billings / future services Other:

Do you maintain clear proof of sale (invoice, contract, purchase order) for each transaction? Yes No
 Do you obtain proof of receipt / acceptance of goods from your customers? Yes No

3. COVERAGE REQUESTED

Insurance requirement:

Domestic only Export only Domestic and export combined

Coverage is requested for:

All credit sales (whole turnover) Key / named accounts only Single buyer

Primary reason(s) for seeking coverage:

Protection against non-payment Required by lender / financial institution Support for receivables financing
 Expansion into new markets Other:

Estimated annual credit sales for which coverage is requested:

Requested policy inception date:

Do you wish to insure sales from date of order (pre-shipment) rather than date of shipment? Yes No

Is a Loss Payee to be named on the policy? Yes No

If yes, provide Loss Payee name, address, and contact:

4. EXISTING CREDIT INSURANCE, FACTORING & SECURITY

Do you currently hold, or have you previously held, a credit insurance policy? Yes No

If yes, insurer, scope, and expiration date:

Do you factor, discount, or otherwise assign your receivables? Yes No

If yes, name of factor / bank and nature of arrangement:

Do you hold guarantees, letters of credit, liens, or other security on any buyer? Yes No

If yes, please provide details:

Has any insurer ever cancelled, declined, or refused to renew credit insurance for the Applicant? Yes No

If yes, please provide details:

5. SALES & BAD DEBT LOSS HISTORY

Provide figures for the three most recent fiscal years and the current year to date. "Losses" means bad debts arising from buyer non-payment; do not include write-offs of disputed amounts.

Fiscal Year Ending (Mo/Yr)	Total Sales	% Export	Bad Debt Losses	# of Losses	Largest Single Loss (buyer & amount)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

For each significant loss above, state the buyer, country, and cause of loss (insolvency, protracted default, dispute, etc.):

Fiscal Year	Buyer Name	Country	Cause of Loss
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

6. ACCOUNTS RECEIVABLE

a. Total accounts receivable balance as of the last four quarter-ends:

31 March	30 June	30 September	31 December

b. Current aged receivables analysis. As of (date):

Aging Category	Amount Outstanding	% of Total
Current (not yet due)		
1–30 days past due		
31–60 days past due		
61–90 days past due		
Over 90 days past due		
TOTAL		

7. BUYER PORTFOLIO PROFILE

Approximate total number of active buyers: As of (date):

Distribution of outstanding balances by size:

Outstanding Balance Range (US\$)	No. of Buyers	Total Outstanding
0 – 10,000		
10,001 – 50,000		
50,001 – 100,000		
100,001 – 250,000		
250,001 – 500,000		
500,001 – 1,000,000		
1,000,001 – 5,000,000		
Over 5,000,000		
TOTAL		

8. PRINCIPAL BUYERS — CREDIT LIMITS REQUESTED

List your ten largest buyers for which coverage is requested. Include registered legal name where known.

Buyer Name & City / Country	Credit Limit Requested	Annual Sales to Buyer	Payment Terms	Overdue >30 Days in Last 12 Mo? (Y/N)

9. SALES BY COUNTRY (EXPORT APPLICANTS)

Complete only if export coverage is requested. Exclude sales to affiliates and, unless public-buyer coverage is requested, to government entities.

Country	No. of Buyers	Sales Last 12 Months	Projected Sales Next 12 Months	Max. Exposure at Any One Time	Payment Terms

10. OVERDUE & PROBLEM ACCOUNTS

List all accounts more than 60 days past due, accounts giving cause for concern, accounts where shipments have been stopped, and any obligations rescheduled in the last 12 months.

As of (date):

Buyer Name & Country	Amount Outstanding	Original Due Date	Reason & Action Taken

Aside from general country- or industry-wide conditions, are you aware of any facts or circumstances concerning any buyer that are likely to give rise to a loss?

Yes No

If yes, please provide details:

11. CREDIT MANAGEMENT PRACTICES

Do you have a dedicated credit control function or personnel responsible for assessing credit risk? Yes No

Do you set internal credit limits for each buyer? Yes No

Do you have a formal, written credit procedures manual? (If yes, please attach.) Yes No

Do you obtain financial statements on your largest buyers? Yes No

Is your accounting / receivables system computerized? Yes No

Do you check the status of an account before releasing a new shipment? Yes No

Do you refer delinquent accounts to a third party (agency or counsel) for collection? Yes No

Information used to establish credit for new buyers:

Credit agency reports Buyer financial statements Trade / bank references Internal credit application

Other:

If credit agency reports, name of agency:

Who has authority to approve a new credit limit, increase an existing limit, or change payment terms?

Name & Title	Function	Authority Limit (US\$)

At what point past due is an account placed on credit hold / shipments stopped?:

Describe your collection escalation process (reminder, demand, agency, legal):

12. REQUIRED ATTACHMENTS

Financial statements of the Applicant (and each affiliate to be insured) for the two most recent fiscal years, audited or reviewed if available.

Current aged accounts receivable listing (detail by buyer).

Written credit procedures manual, if one exists (Section 11).

Continuation sheets for any section where space was insufficient.

13. DECLARATION

The undersigned declares that the statements and information contained in this Application and all attachments are, to the best of the undersigned's knowledge and belief, true and complete, and that no material information has been withheld or misrepresented. The undersigned is not aware of any undisclosed circumstance that might influence the assessment of the risk. The Applicant agrees to advise Janus Underwriters, Ltd. and the insurer of any material change occurring prior to policy inception. The undersigned understands that submission of this Application binds neither the Applicant nor any insurer, but that if a policy is issued, this Application and all supplementary information shall form the basis of, be relied upon under, and be incorporated into the policy. The undersigned warrants that he or she is duly authorized to sign and submit this Application on behalf of the Applicant and all listed affiliates.

Name of signatory: Title:

Signature: Date:

For and on behalf of (Applicant's full legal name):

Please return this completed Application with all attachments to Underwriting@SuretyOne.com

PART II — SUPPLEMENTAL UNDERWRITING INTERROGATORY

The following questions supplement the Application and are material to the assessment of the risk. Answers should be given by the person(s) directly responsible for the Applicant's credit decisions. Where a narrative is requested, please answer specifically rather than generally; "none" or "not applicable" are acceptable answers where true. All responses form part of the Application and, if a policy is issued, the basis of the policy.

14. COVERAGE SELECTION & MOTIVATION

a. List any buyers you do NOT wish to insure, and state specifically why each is excluded (e.g., cash-in-advance, secured, credit concern):

b. What specific event or change prompted this application at this time (new account, lender requirement, buyer slow-down, prior loss, other)?

c. Who initiated the purchase of this insurance? Applicant Lender / bank Other

d. Will the policy, or its proceeds, be assigned or pledged to a lender or factor? Yes No

If yes, name of lender / assignee and nature of financing:

15. DILUTION & TERMS INTEGRITY

a. Gross invoiced sales, last 12 months: b. Credit memos / chargebacks / returns, last 12 months:

c. Describe the principal causes of credit memos and chargebacks (pricing adjustments, shortages, promotional allowances, quality disputes, etc.):

d. Do actual payment practices differ from stated contractual terms? State your contractual terms, your effective average terms, and explain any gap:

e. Do you ever grant extensions of the original due date without written amendment? Yes No

If yes, describe the circumstances and typical length of extension:

16. CREDIT DISCIPLINE IN PRACTICE

a. Identify the last three accounts placed on credit hold or stop-shipment, with approximate dates and resolution:

Buyer	Date of Hold	Reason	Resolution

b. Identify one account relationship you exited or declined to renew in the last two years for credit reasons, and why:

c. Sales compensation is earned upon: Shipment / booking Collection Mixed / other

d. Can sales personnel override or influence a credit decision? Yes No

If yes, describe the circumstances and who has final authority:

17. TRADING THROUGH & BUYER DEPENDENCY

a. Have you continued shipping to a materially overdue buyer within the last three years? Describe the situation, your reasoning, and the outcome:

b. For your three largest buyers, estimate the share of that buyer's total purchases of your product category that you supply:

Buyer	Your Estimated Share of Buyer's Purchases (%)	Sole / Primary / Secondary Supplier?
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

c. Do any of your buyers also act as suppliers or service providers to you (contra / set-off exposure)? Yes No

If yes, identify the relationships and approximate offsetting balances:

d. Does any single buyer account for more than 20% of your total revenue? Yes No

If yes, identify the buyer(s) and percentage(s):

18. PRIOR INSURER EXPERIENCE

a. Did any prior credit insurer reduce, restrict, or withdraw a credit limit on any buyer during the policy period? Yes No

If yes, identify each buyer, the action taken, and the insurer's stated reason if known:

Buyer	Action (reduced / withdrawn / restricted)	Approx. Date	Stated Reason
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

b. Were any credit limit requests declined in full by a prior insurer? Yes No

If yes, identify the buyer(s):

c. Have you ever had a claim denied or reduced under a credit insurance policy? Yes No

If yes, describe the claim and the basis for denial or reduction:

19. OBLIGOR IDENTITY & DOCUMENTATION

a. For your five largest buyers, is the entity you invoice the operating company, a purchasing subsidiary, or a holding entity? Identify any instance where the invoiced entity differs from the entity whose credit strength you rely upon:

b. Where you rely on a parent's strength, do you hold a written parent guarantee or cross-corporate undertaking? Yes No

If yes, for which buyers:

c. For each major account, could you today produce a signed order or master agreement, evidence of delivery, and an undisputed invoice sufficient to prove the debt in the buyer's home jurisdiction? Yes No

If no or uncertain, explain:

d. Export applicants: state your governing Incoterms, invoice currency versus payment currency, and whether payment is remitted from the buyer's country or from an offshore affiliate or treasury entity:

20. DISCRETIONARY CREDIT LIMIT FILES

If a discretionary credit limit (DCL) is requested, identify three buyers approved under your own credit authority within the last 12 months. Attach the corresponding credit file for each (agency report, financials or references relied upon, approval record).

Buyer	Internal Limit Approved	Date Approved	Basis (agency report / financials / references / trading experience)
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Credit files for the three buyers identified above are attached.

21. SUPPLEMENTAL DECLARATION

The undersigned, being directly responsible for the credit decisions of the Applicant, declares that the answers given in this Part II are true and complete to the best of his or her knowledge and belief, are given after due inquiry, and form part of the Application for Trade Credit Insurance together with Part I and all attachments.

Name of signatory: Title:

Signature: Date: