



**ALL INFORMATION PROVIDED WILL BE HELD IN STRICT CONFIDENCE**

**1 INSURANCE COVERAGE REQUESTED** (Please circle)

Domestic (United States, Canada & Puerto Rico Only)      Multi-Markets (Domestic and Export)

**2 APPLICATION INFORMATION**

Company Legal Name

Company President Name

Company Address

City

State/Province

Zip/Postal Code

Policy Contact Name

Policy Contact Title

Phone

Fax

E-mail

Other entities/trade styles to be covered

**3 BUSINESS DESCRIPTION**

Your Business (denote with an "X")

Distributor    Manufacturer    Wholesaler    Retailer    Service Provider    Other

Your Sales to Customers (provide % of sales for applicable choices)

Distributor\_\_\_% Manufacturer\_\_\_% Wholesaler\_\_\_% Retailer\_\_\_% Service Provider\_\_\_% Other\_\_\_%

Products and/or services to be covered

Does your company sell to countries other than the U.S. and Canada? Yes or No

Is your most recent financial statement attached? Yes or No

**4 ACCOUNTS RECEIVABLE SUMMARY**

|   | Domestic | Export* |
|---|----------|---------|
| Estimated Total number of active accounts                       |          |         |
| Total amount of sales   | \$       | \$      |
| Total outstanding receivables in peak months                    |          |         |
| Provide dates for the four prior quarters & ending A/R balance: |          |         |
| First Quarter ( / / )   | \$       | \$      |
| Second Quarter ( / / )  | \$       | \$      |
| Third Quarter ( / / )   | \$       | \$      |
| Fourth Quarter ( / / )  | \$       | \$      |

\* If your company does not export outside of the U.S. and Canada, you do not need to fill out the export sections.

## 5 TERMS OF SALE

|   | Domestic | Export* |
|---|----------|---------|
| Normal open account terms of sale           | Days     | Days    |
| Days sales outstanding (DSO)                | Days     | Days    |
| Percentage of sales under normal terms      | %        | %       |
| Longest terms of sale (include dating)      | Days     | Days    |
| Percentage of sales under longest terms     | %        | %       |
| Percentage of sales using letters of credit | %        | %       |

## 6 SALES AND LOSS HISTORY

### DOMESTIC

| <b>Gross profit margin</b> % Forecasted <b>net domestic sales</b> (next 12 months) \$ |             |   |             |             |                                       |
|---|-------------|---|-------------|-------------|---------------------------------------|
|   | Current YTD | Three most recent full year's results<br>(In thousands) |             |             | Worst loss<br>over last<br>five years |
|   |             | (date / / )   | (date / / ) | (date / / ) | (date / / )                           |
| Net sales   | \$          | \$  | \$          | \$          | \$                                    |
| Bad debts   | \$          | \$  | \$          | \$          | \$                                    |
| Number of bad debt write-offs   | #           | #   | #           | #           | #                                     |
| Largest single loss:  | \$          | \$  | \$          | \$          | \$                                    |
| Name of company   |             |   |             |             |                                       |
| City/State or Province  |             |   |             |             |                                       |
| Second largest single loss:   | \$          | \$  | \$          | \$          | \$                                    |
| Name of company   |             |   |             |             |                                       |
| City/State or Province  |             |   |             |             |                                       |

### EXPORT\*

Number of years exporting:

| <b>Gross profit margin</b> % Forecasted <b>net export sales</b> for next 12 months \$ |             |   |             |             |                                       |
|---|-------------|---|-------------|-------------|---------------------------------------|
|   | Current YTD | Three most recent full year's results<br>(In thousands) |             |             | Worst loss<br>over last<br>five years |
|   |             | (date / / )   | (date / / ) | (date / / ) | (date / / )                           |
| Net sales   | \$          | \$  | \$          | \$          | \$                                    |
| Bad debts   | \$          | \$  | \$          | \$          | \$                                    |
| Number of bad debt write-offs   | #           | #   | #           | #           | #                                     |
| Largest single loss:  | \$          | \$  | \$          | \$          | \$                                    |
| Name of company   |             |   |             |             |                                       |
| City/State or Province/Country  |             |   |             |             |                                       |
| Second largest single loss:   | \$          | \$  | \$          | \$          | \$                                    |
| Name of company   |             |   |             |             |                                       |
| City/State or Province/Country  |             |   |             |             |                                       |

\* If your company does not export outside of the U.S. and Canada, you do not need to fill out the export sections.

## 7 EXPORT COUNTRY SALES DISTRIBUTION & TERMS OF SALE

| List top 10 countries by sales | Terms of sale (Days) |   |               |   | Total Sales |
|--------------------------------|----------------------|---|---------------|---|-------------|
|                                | Normal terms         | % | Longest terms | % |             |
| 1.                             |                      |   |               |   | \$          |
| 2.                             |                      |   |               |   | \$          |
| 3.                             |                      |   |               |   | \$          |
| 4.                             |                      |   |               |   | \$          |
| 5.                             |                      |   |               |   | \$          |
| 6.                             |                      |   |               |   | \$          |
| 7.                             |                      |   |               |   | \$          |
| 8.                             |                      |   |               |   | \$          |
| 9.                             |                      |   |               |   | \$          |
| 10.                            |                      |   |               |   | \$          |

## 8 DISTRIBUTION OF ACCOUNTS

Please provide us with a current accounts receivable aging. Date of accounts receivable aging \_\_\_\_\_

| DOMESTIC      |                     |            | EXPORT*                  |               |                     |            |
|---------------|---------------------|------------|--------------------------|---------------|---------------------|------------|
| # of Accounts | Dollars Outstanding | % of Total | Range                    | # of Accounts | Dollars Outstanding | % of Total |
| #             | \$                  | %          | \$0 to \$2,500           |               | \$                  | %          |
| #             | \$                  | %          | \$2,501 to \$5,000       |               | \$                  | %          |
| #             | \$                  | %          | \$5,001 to \$10,000      |               | \$                  | %          |
| #             | \$                  | %          | \$10,001 to \$25,000     |               | \$                  | %          |
| #             | \$                  | %          | \$25,001 to \$50,000     |               | \$                  | %          |
| #             | \$                  | %          | \$50,001 to \$100,000    |               | \$                  | %          |
| #             | \$                  | %          | \$100,001 to \$250,000   |               | \$                  | %          |
| #             | \$                  | %          | \$250,001 to \$500,000   |               | \$                  | %          |
| #             | \$                  | %          | \$500,001 to \$1,000,000 |               | \$                  | %          |
| #             | \$                  | %          | Over \$1,000,000         |               | \$                  | %          |
| #             | \$                  | %          | Totals                   |               | \$                  | %          |

## 9 PAST DUE TABLE

List all customers on which coverage is being requested with undisputed amounts more than 60 days past due under original terms of sale, or that you have reason to believe will become 60 days past due. If there are none, please indicate by writing "none." If larger than five names, please provide information on a separate piece of paper.

| Customer Name/Country | Shipment dates | Account balance<br>(in thousands) | Amount 60 days + | Orig. terms of sale (net) | Reason for past due |
|-----------------------|----------------|-----------------------------------|------------------|---------------------------|---------------------|
| 1.                    |                | \$                                | \$               |                           |                     |
| 2.                    |                | \$                                | \$               |                           |                     |
| 3.                    |                | \$                                | \$               |                           |                     |
| 4.                    |                | \$                                | \$               |                           |                     |
| 5.                    |                | \$                                | \$               |                           |                     |

## 10 CREDIT MANAGEMENT PROCESS

**For DCL requests in excess of \$50,000, please skip this Section and complete the Euler Hermes ACI Credit Management Questionnaire or furnish us with your written credit procedures manual.**

Do you have formal written credit procedures? **Yes or No**

Who in your company manages the credit management process and who assists in that effort?

| Name | Title | Full-time or Part-time |
|------|-------|------------------------|
|      |       |                        |

| Name | Title | Full-time or Part-time |
|------|-------|------------------------|
|      |       |                        |

Do you establish credit limits? **Yes or No** If yes, on what basis is a specific limit established?

Delete non-applicable choices:

|                            |                |
|----------------------------|----------------|
| Mercantile Report (Agency) | Bank Reference |
|----------------------------|----------------|

|                     |  |
|---------------------|--|
| Financial Statement | Other sources (e.g., trading experience) |
|---------------------|--|

At what credit limit are financial statements normally required? \$

Are regular personal visits made to see clients? **Yes, by whom? or No**

How often are credit and/or financial information updated?

How often is a credit limit reviewed and on what basis?

What information do you use when reviewing the credit limit?

Do you use security instruments in establishing credit limits? **Yes, what kind? or No**

Do you refer to the status of the account before authorizing? **Yes or No**

Acceptance of order? **Yes or No**

Dispatch/Delivery? **Yes or No**

Are orders received in writing? **Yes or No** Approximate time from order acceptance to delivery?

Under what circumstances have you stopped shipping an account (e.g., past due condition)?

Please provide details.

Do you currently insure or factor your receivables? **Yes, by whom? or No**

Do you have formal collections procedures? **Yes or No** If yes, what in-house resources do you use?

Under what circumstances do you place accounts for collections with outside agencies?

How do you manage your international collections?

## 11 KEY ACCOUNT INFORMATION

Please use this table to provide information on your most important customers

| Customer Name | Street Address | City | State | Phone Number | Country | Coverage Amount |
|---------------|----------------|------|-------|--------------|---------|-----------------|
| 1.            |                |      |       |              |         | \$              |
| 2.            |                |      |       |              |         | \$              |
| 3.            |                |      |       |              |         | \$              |
| 4.            |                |      |       |              |         | \$              |
| 5.            |                |      |       |              |         | \$              |
| 6.            |                |      |       |              |         | \$              |
| 7.            |                |      |       |              |         | \$              |
| 8.            |                |      |       |              |         | \$              |
| 9.            |                |      |       |              |         | \$              |
| 10.           |                |      |       |              |         | \$              |
| 11.           |                |      |       |              |         | \$              |
| 12.           |                |      |       |              |         | \$              |
| 13.           |                |      |       |              |         | \$              |
| 14.           |                |      |       |              |         | \$              |
| 15.           |                |      |       |              |         | \$              |

## 12 PERMISSION TO USE NAME

Our efforts to provide maximum coverage on your customers are dependent on our ability to obtain financial information. Euler Hermes ACI may need to contact your customers to request the information needed for these coverage decisions. Do we have your permission to use your company name when contacting your customers?  Yes or  No

We will rely on the representations provided by you in, and in connection with, this application when making decisions regarding any policy we may issue. This application, the policy, and the declarations shall constitute the entire insurance agreement between you and Euler Hermes ACI. No loss which occurs prior to the payment of the premium will be covered even if the policy has been delivered. No sales representative is authorized to delete, modify, or waive any policy provisions, either verbally or in writing.

**For your protection, State Law (in many states) requires the following to appear on this form:**

“Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and punishable by law.” (New York statutes further state that fraudulent acts “shall be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.”)

Name/Title

Signature

Date

Submitted by

Name of organization

Location

