

# GREAT AMERICAN INSURANCE COMPANY

## COMPREHENSIVE CREDIT INSURANCE POLICY (MULTIBUYER) APPLICATION

For the purpose of the Insurance Companies Act (Canada), this document was issued or made by Great American Insurance Company in the course of its insurance business in Canada.

This application can be used for all multi-buyer credit insurance products. Please indicate in Question 7 the type of coverage applied for and answer all questions that pertain to the requested coverage. All dollar amounts are considered to be stated in Canadian dollars unless the applicant specifies otherwise.

Date: .....

1. Name of Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-Mail: \_\_\_\_\_

2. Name/Address/License No. of Insurance Broker: \_\_\_\_\_

3. Primary reason for application (check one):

Risk Mitigation       Extend More Competitive Terms

Financing Name of Financing Bank: \_\_\_\_\_

Other (explain): \_\_\_\_\_

4. Coverage Requested:       Nonpayment       Other (explain)

5. Number of years selling on credit terms: \_\_\_\_\_  Domestic      \_\_\_\_\_  Export

6. Products/Services: \_\_\_\_\_

Countries from which products are sourced: \_\_\_\_\_

7. Is coverage requested for domestic sales, foreign sales, or both? \_\_\_\_\_

**PLEASE COMPLETE THE REMAINING SECTIONS THAT PERTAIN TO THE REQUESTED COVERAGE.**

8. Percent of Domestic Buyers: \_\_\_\_\_ Percent of Foreign Buyers: \_\_\_\_\_

_____	% Manufacturers	_____
_____	% Wholesalers/Distributors/Dealers	_____
_____	% Retailers	_____
_____	% End Users	_____
100%	Total	100%

9. Percent of Foreign Buyers:

\_\_\_\_\_ % Private      \_\_\_\_\_ % Government

10. Name(s) of any parent, subsidiary or majority-owned affiliate also invoicing domestic sales in its own name and the sales of which your company would like to include under this insurance policy (please include those sales when answering all questions below):

Company	City/Province or State/Country	Relationship to Applicant
_____	_____	_____
_____	_____	_____
_____	_____	_____

11. Will any shipments be made by your company or any of its subsidiaries or affiliates listed above in Question 10 from countries other than Canada?

Yes  No  If Yes, please explain \_\_\_\_\_  
 \_\_\_\_\_

12. a) Sales made during the last three years and projected for the next twelve months:

Year	Domestic		Foreign	
	Cash in Advance	All Other Credit Terms	LC & Cash in Advance	All Other Credit Terms
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Next 12 Months	\$ _____	\$ _____	\$ _____	\$ _____

b) Maximum amount of receivables expected to be outstanding at any one time during the next twelve months:

Domestic: \$ \_\_\_\_\_ Foreign: \$ \_\_\_\_\_

13. Credit Limit projections by buyer (projected for next 12 months):

<u>Number of Domestic Buyers in Range</u>	<u>Credit Limit</u>	<u>Number of Foreign Buyers in Range</u>
_____	\$ 0 - \$5,000	_____
_____	5,001 - 25,000	_____
_____	25,001 - 50,000	_____
_____	50,001 - 75,000	_____
_____	75,001 - 100,000	_____
_____	100,001 - 300,000	_____
_____	300,001 - 500,000	_____
_____	500,001 - 1,000,000	_____
_____	Over 1,000,000	_____
_____	Total	_____

14. Domestic Sales and Losses:

a) Please list your company's five largest buyers (based upon high credit limits):

<u>Buyer Name</u> <u>City/Province or State/Country</u>	<u>Prior Year</u> <u>Shipment Volume</u>	<u>Payment Term</u>	<u>Credit</u> <u>Limit Needed</u>
A) _____	\$ _____	_____	\$ _____
B) _____	\$ _____	_____	\$ _____
C) _____	\$ _____	_____	\$ _____
D) _____	\$ _____	_____	\$ _____
E) _____	\$ _____	_____	\$ _____

b) Total domestic receivables presently outstanding:

\$ \_\_\_\_\_ as of \_\_\_\_\_ (Date)

c) Total domestic receivables presently past due:

\$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_  
 1-30 Days Past Due 31-90 Days Past Due 91-180 Days Past Due 181-360 Days Past Due Over 360 Days Past Due

As an alternative to 14 b & c, an aging of receivables report may be attached to this application.

d) Total number of domestic buyers past due: \_\_\_\_\_. Please attach explanation of domestic amounts past due by more than 90 days.

e) Have any domestic obligations been rescheduled during the last 12 months? Yes  No   
 If Yes, please provide details in a separate attachment.

f) Gross domestic receivables losses during the last three years:

<u>Year</u>	<u>Amount*</u>	<u>Number of Losses</u>	<u>Largest Loss</u>	<u>Causes of Loss</u>
_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	_____	_____

\* Include any losses on which claims were paid under any other credit insurance policy issued to your company, or by a factor.

15. Foreign Sales and Losses:

a) Please list your company's five largest buyers (based upon high credit limits):

	<u>Buyer Name City/Province or State/Country</u>	<u>Prior Year Shipment Volume</u>	<u>Payment Term</u>	<u>Credit Limit Needed</u>
A)	_____	\$ _____	_____	\$ _____
B)	_____	\$ _____	_____	\$ _____
C)	_____	\$ _____	_____	\$ _____
D)	_____	\$ _____	_____	\$ _____
E)	_____	\$ _____	_____	\$ _____

b) Total foreign receivables presently outstanding:

\$ \_\_\_\_\_ as of \_\_\_\_\_ (Date)

c) Amounts past due from total foreign outstandings shown in 16b:

\$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_  
 1-30 Days Past Due 31-90 Days Past Due 91-180 Days Past Due 181-360 Days Past Due Over 360 Days Past Due

As an alternative to 15 b & c, an aging of receivables report may be attached to this application.

d) Total number of foreign buyers past due: \_\_\_\_\_. Please attach explanation of foreign amounts past due by more than 90 days.

e) Have any foreign obligations been rescheduled during the last 12 months? Yes  No

If Yes, please provide details in a separate attachment.

f) Gross foreign receivables losses during the last three years:

<u>Year</u>	<u>Amount*</u>	<u>Number of Losses</u>	<u>Largest Loss</u>	<u>Causes of Loss</u>
_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	_____	_____

\_\_\_\_\_ \$ \_\_\_\_\_

\* Include any losses on which claims were paid under any other credit insurance policy, or by a factor.

16. Please complete the information in Appendix A for foreign sales.

17. Is your company currently insuring its receivables?

Domestic receivables    Yes  No     Name of insurer, if Yes \_\_\_\_\_

Foreign receivables    Yes  No     Name of insurer, if Yes \_\_\_\_\_

18. a) **PLEASE ATTACH THE FOLLOWING APPLICANT INFORMATION:**

- Two most recent fiscal year financial statements.
- Completed Credit and Collection Procedures Questionnaire, which is attached to this application.

b) If available, please also attach descriptive product brochures which will assist in the processing of your company's application.

**NOTICE TO APPLICANTS:**

This document will be a material basis of any insurance policy that may be issued by Great American, and it will be attached to and made a part of any such policy, if a quotation is made and accepted. Information submitted will be treated as confidential.

**INSURANCE FRAUD WARNING STATEMENT:** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer or any other person, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

**CERTIFICATION OF APPLICANT TO GREAT AMERICAN INSURANCE COMPANY:**

OTHER INSURANCE: The applicant will not enter into or maintain any contract of insurance or indemnity with respect to any cause of loss covered by this policy or with respect to any loss chargeable to any deductible under this policy, without the insurer's consent in writing.

REPRESENTATIONS: The undersigned officer of the applicant certifies that the warranties and representations made in this application and any appendices are true and correct, to the best of his/her knowledge and belief, and that he/she has not misrepresented or omitted any material facts. It is also agreed that this application, whether as respects anything contained herein or omitted therefrom, has been made, prepared and written by the applicant or his/her own proper designee. In case there may occur any changes regarding information provided in this form between its submission and the issuance of the respective insurance policy, the applicant will, without undue delay, notify Great American.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name (Print): \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

**GREAT AMERICAN INSURANCE COMPANY**

**APPENDIX “A” TO APPLICATION FOR MULTI-BUYER CREDIT INSURANCE POLICY**

Please complete this appendix for all export sales. Use additional sheets as necessary.

<u>COUNTRY</u>	<u>PREVIOUS YEAR</u>			<u>Estimated Peak</u>	<u>NEXT YEAR</u>
	# of Buyers	Sales	Payment Terms*	Country Outstandings	Note Changes**
EXAMPLE United Kingdom	10	\$2,500,000	80% CILC 20% 60 day O/A	\$750,000	\$10,000,000 O/A sales
<b>TOTALS</b>					

**PAYMENT TERMS INDEX**

- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>▪ Cash in Advance (CIA)</li> <li>▪ Term Unconfirmed L/C (Term L/C)</li> <li>▪ 60 Day Drafts</li> <li>▪ 30 Day Open Account (O/A)</li> <li>▪ 121-180 Day Open Account (O/A)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Confirmed L/C (CILC)</li> <li>▪ SDDP-CAD - see below***</li> <li>▪ 61-120 Day Drafts</li> <li>▪ 60 Day Open Account (O/A)</li> <li>▪ Other Terms</li> </ul> | <ul style="list-style-type: none"> <li>▪ Sight Unconfirmed L/C (Sight L/C)</li> <li>▪ 30 Day Drafts</li> <li>▪ 121-180 Day Drafts</li> <li>▪ 61-120 Day Open Account (O/A)</li> </ul> |
|--|--|---|

\* If more than two payment term categories apply to a country, please fill in the two most prevalent terms. Also, feel free to round off to nearest 10%.

\*\* Please show significant changes in sales volume or payment terms you expect during the coming year if change is more than +/- 10%.

\*\*\* CAD/SDDP-CAD means Cash Against Documents. SDDP means Sight Draft Documents Against Payment. For both CAD and SDDP terms it is expected that product and documents are not released to overseas customers prior to receiving payment from customers.