



The information contained in this form is for the use of SLECIC Domestic Credit Insurance and shall be treated with complete confidentiality

PROPOSAL FOR A DOMESTIC CREDIT RISK POLICY

We, M/s of
 hereby apply for a DOMESTIC CREDIT RISK POLICY to indemnify us against Commercial Risks associated in dispatching or acceptance of goods or rendering services to our buyers in Sri Lanka commencing from under Contracts of Sale.
 (Date)

We declare as under

1. SELLER'S INFORMATION

Company Name			
Address (for all correspondence)			
Contact Person			
Position			
Status of the Seller	Individual <input type="checkbox"/>	Partnership <input type="checkbox"/>	Private Limited Company <input type="checkbox"/>
	Public Limited Company <input type="checkbox"/>	Statutory Corporation <input type="checkbox"/>	
Name & Address of the Proprietor/Partners/Directors (attach a copy of the Form 20)			
Tele/Fax/Email			
Company Registration No. (attach a copy)			

2. DESCRIPTION OF BUSINESS

Category of goods / service to be insured				
Main Commodity/Service				
Nature of business (state which)	Manufacturer <input type="checkbox"/>	Distributor /Trader <input type="checkbox"/>	Agent <input type="checkbox"/>	Others <input type="checkbox"/>
Specify				
Commencement of the domestic business (Date)				

Bankers (Particulars)	
-----------------------	--

3. PRINCIPAL LOSSES & INSURANCE

Buyer defaults during the Last 3 years (Yes/No)				
Name of the defaulted buyers in last 3 years				
Largest single default	<table border="1" style="width: 100%;"> <tr> <td style="width: 30%;">Amount</td> <td style="width: 40%;"></td> <td style="width: 30%;">Year</td> </tr> </table>	Amount		Year
Amount		Year		
Factoring arrangements current or past (if any)				
If discontinued reasons for discontinuation				

4. TURNOVER

Details of the domestic business in LKR. (Please enter "NONE" in appropriate columns if not applicable) (Please attach your most recent audited financial accounts)		
Terms of payment	Turnover for last 12 months	Projected turnover for the next 12 months
Advance		
DP/CAD		
DA		
Open term		
Associate companies		
Total Domestic Turnover		

5. AFFILIATED COMPANIES

Name & address of associated and subsidiary companies (ie. Buyers in whose business you have financial interest and your percentage of interest)	
Sale on consignment basis (ie. to your associate company or to your agents to be held in stocks) Name & Address of consignee	

6. CREDIT MANAGEMENT

Who is responsible for the company's credit management?	Name	
	Position	
a. Are credit sales established on individual customers?		
b. On what basis is a specific credit sale established, financial or otherwise?		
	Yes	No
Bank Reports		
Audited / Management Accounts		
Regular personal visits made to the customer		
Other services used (eg : trading experience)		
If Yes, Please Specify		
c. How often is credit sales Reviewed and on what basis?		
d. How many days after due dates do you normally		
	No. of days	
Stop further supplies		
Take collection action		
Take legal action		

7. DECLARATION

01.(i) We undertake to submit applications for *Credit Limits* on all our buyers (except L/Cs, Sight Payments and Advance Payments) in terms of the conditions of the Policy, and we understand that you may at your discretion approve or reject or approve a lower limit.

(ii) We declare and undertake that in the event of this *Proposal* being accepted and a Policy is issued, we shall at all times during the currency of the Policy forthwith notify you of any circumstances which might adversely affect the risks insured under this policy.

(iii) We declare that we shall not assign any rights to any party under this policy without your prior consent in writing.

(iv) We undertake that unless otherwise you agreed in writing, this policy shall not cover;

The goods dispatched or services rendered to any buyer after we have received adverse information that may give rise to a loss. (which we undertake to keep you informed)

(v) We undertake that we exercise due diligence, all reasonable care and prudence in providing credit to our buyers and continue to exercise such diligence, care and prudence until such credit is repaid.

02. We undertake that in the event of you paying us a claim in respect of the goods dispatched or accepted or services rendered in terms of the policy we shall, upon request by you, assign and transfer to you our right to receive any monies payable under such contract or all right of recovery that may be available to us against the buyer.

03. We hereby declare and certify that all the representations made and facts stated by us in the Proposal and in any other application are true and that we have not misrepresented or omitted any material fact which might have a bearing on the policy, and we agree that such representations and facts and due performance of each and every undertaking contained herein in the policy shall be a condition precedent to any liability of you under the policy.

Signature		Date	
Name and Capacity of Signatory			
Company stamp			
If there is no company stamp, please write "duly authorised to sign for and on behalf of (company name)			
Telephone No.			
Note 1. In the case of incorporated companies this proposal should be signed by an authorised officer for and on behalf of the company, with the company seal. 2. In the case of partnerships, the Proposal should be signed by partners of the firm.			