

## PROPOSAL FORM

If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned.

Liability under this policy does not commence until the proposal has been accepted by us, the same has been duly conveyed to you and the premium has been realized by us

### 1. APPLICANT INFORMATION

Applicant Company Name: \_\_\_\_\_

Complete Mailing Address with Postal Code (for all correspondence): \_\_\_\_\_

Telephone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Email: \_\_\_\_\_

PAN (card number): \_\_\_\_\_ Web Site Address: \_\_\_\_\_

Company Registration No.: \_\_\_\_\_ Incorporation Date: \_\_\_\_\_

Contact Person Name & Job Title with Email address: \_\_\_\_\_

Type of Policy: ☐ Domestic only ☐ Export only ☐ Domestic & Export Combined

Source of Funds: ☐ Salary ☐ Business ☐ Inheritance ☐ Investments ☐ Other (Please specify) \_\_\_\_\_

Mandatory document of sources of fund: ☐ Annual Reports ☐ ITR ☐ Other (Please specify) \_\_\_\_\_

Type of Organization: ☐ NBFC ☐ Bank ☐ Non Governmental Bank ☐ Governmental Bank

Which of the following services does the Prospect offer (please tick): ☐ Governmental Bank

Do you have an existing credit insurance policy. **If yes, please mention the name of the Insurer.**

Insurer: \_\_\_\_\_ Expiry Date: \_\_\_\_\_

Please specify the reason for shifting to other insurance company: \_\_\_\_\_

Joint Applicants: \_\_\_\_\_

(if yes please ensure the information on all applicants is provided-using a separate sheet if necessary) \_\_\_\_\_

**GSTIN/UIN Number of Client:** \_\_\_\_\_

**Communciation Address / Address of Regisered:** \_\_\_\_\_

**place of Business to be in line with GSTIN Provided:** \_\_\_\_\_

**State / Union Territory:** \_\_\_\_\_

Invoice Discounting & Factor Credit Insurance UIN: IRDAN108CP0001V01202223

# INVOICE DISCOUNTING & FACTOR CREDIT INSURANCE

## UIN: IRDAN108CP0001V01202223



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### 2. BRIEF DESCRIPTION OF BUSINESS

Type of services provided: \_\_\_\_\_

Which of the following services does the Applicant wants to cover (please tick):

☐ Factoring ☐ Invoice Discounting ☐ Others Please specify \_\_\_\_\_

Are there any trade sectors in which the Applicant specialises? Yes ☐ No ☐

Are there any trade sectors which the applicant specifically declines to cover? Yes ☐ No ☐

If yes, please provide full details. \_\_\_\_\_

Where the Applicant acts as an Import Factor please state whether the insured buyer is always resident in their own country of domicile? Yes ☐ No ☐

### 3. TURNOVER

Please state currency for all figures in this proposal form: \_\_\_\_\_

Please shared Turnover details for last four years

Financial Year	Gross Turnover
Next 12 Months (Estimated)	

Percentage of Total Turnover by (for Next 12 Months)				
% Credit	% Cash	% L/Cs	% Inter-co	Total (%)

Please attach your most recent audited financial accounts.

Please note All information from this section onwards should pertain to insurable sales. Sales to group companies, Government Buyers and on Advance should be excluded.

Countries (Top 10)	Estimated Annual Turnover	Maximum Exposure at any one time	No of Buyers	Payment Terms & Credit Period	Any Remarks
<b>Total</b>					

Do you sell to countries not included above? Yes ☐ No ☐

(If yes, Please provide separate annexure with details as above) \_\_\_\_\_

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### SELLER INFORMATION

Please attach additional page(s), if required.

Seller Name	Complete Mailing Address with Postal Code (for all correspondence)	GSTIN No	Sector	Does seller having bill discounting / factoring Services with any financial institution, If yes please share details	No of Buyers	Years of Relationship	Last 4 year Past Trade Losses	Projected Turnover	Payment Terms

Does seller having bill discounting / factoring Services with any financial institution, If yes please share details in separate annexure

### 4. ANALYSIS OF LOSSES

In the event of trade loss (greater than INR 50 Lakhs) in any year, an explanation of circumstances must be attached

Financial Year (Please share loss details for last four years)	Total bad debt losses	Recoveries	Number of bad debts	Largest Single Loss	Remarks
Total					

### 5. PRINCIPAL LOSSES

Please share details of large losses

Financial Year	Buyer Name, Address & Country	Amount	Reason for default	Action Taken
Total				

Please attach additional page(s), if required.

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### 6. ACTIVE ACCOUNTS - DEBTOR ANALYSIS

As on: \_\_\_\_\_

Please share the number of debtors, debt outstanding and percentage of debtor balance / total debtor balance in each band.

Outstanding Debt	Number of debtors	Aggregate Amount owing (INR)	%	Outstanding Debt	Number of debtors	Aggregate Amount owing (INR)	%
Less than 250,001				INR 5,000,001-7,500,000			
INR 250,001-500,000				INR 7,500,001 to 10,000,000			
INR 500,001-1,000,000				INR 10,000,001 to 50,000,000			
INR 1,000,001-2,000,000				INR 50,000,001 to 100,000,000			
INR 2,000,001-3,000,000				Above 100,000,000			
INR 3,000,000-4,000,000				Credit balances and adjustments			
INR 4,000,001-5,000,000				<b>Total</b>			<b>%</b>

Debtor Balance as on last four quarters	Q4	Q3	Q2	Q1
Total debt outstanding				
Normal payment terms in days		Your maximum payment terms(days)		

### 7. DEBTOR AGED ANALYSIS

As on: \_\_\_\_\_

Please share the number of debtors, debt outstanding and percentage of debtor balance / total debtor balance in each band.

	Amount	%		Amount	%
Current - not yet due			91-120 days overdue		
1 - 30 days overdue			121-180 days overdue		
31 - 60 days overdue			> 181 days overdue		
61 - 90 days overdue			TOTAL		

### 8. OVERDUE ACCOUNTS

If there are any accounts which are overdue more than 90 days, please share details as below. If not applicable please state none.

Name & Address	GST Number	Amount O/S	Original due date	Reason (s) for overdue	Action taken

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### 9. LIST OF TOP TEN BUYERS

If there are any accounts which are overdue more than 90 days, please share details as below. If not applicable please state none.

Name	Address	GST Number	Projected Sales (next year)	Credit Limit Required	Security Held (BG,PDC etc)	Payment Terms (Days)	No of years relationship
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							

### 10. COVERAGE

Coverage Required: ☐ Protracted Default ☐ Insolvency ☐ Political Risk (Applicable only for Export Sales)

Additional Coverages Required ( Please Specify) \_\_\_\_\_

### 11. CREDIT MANAGEMENT

Who is responsible for the company's credit management? Name: \_\_\_\_\_ Position: \_\_\_\_\_

a) Are credit limits established on individual customers? Yes ☐ No ☐

b) On what basis is a specific credit limit established? (financial or otherwise)

Status Reports Yes ☐ No ☐ Agency Name: \_\_\_\_\_

Bank Reports Yes ☐ No ☐

Audited / management accounts Yes ☐ No ☐

Trading experience Yes ☐ No ☐

Personal visits made to the customer? Yes ☐ No ☐ Please state frequency of visits: \_\_\_\_\_

Any other sources Yes ☐ No ☐

c) How often is credit information updated? \_\_\_\_\_

d) How often is a credit limit reviewed and on what basis? \_\_\_\_\_

e) What information do you use when reviewing the credit limit? \_\_\_\_\_

f) How many days after due date do you normally...?

	No. of days	Who has the authority to take action?
... Stop Purchase		
... take collection action		
... take legal action		

**12. DECLARATION**

We, including any joint applicants, declare and warrant that the information given by us on this form and any attachments, is in all respects true and accurate and that we have disclosed to you all information which might influence underwriters in calculating the premium and accepting the risk.

The content of this form along with product benefits, terms/conditions and exclusions have been clearly explained to me. I/we have understood these and confirm to abide by the policy terms & conditions.

Signature of the Proposer/Applicant: \_\_\_\_\_

Name & Signature of agent/intermediary: \_\_\_\_\_

Code: \_\_\_\_\_

Vernacular Declaration (Certification in case the proposer has signed in vernacular/thumb print):

The content of this form along with product benefits, terms/conditions and exclusions have been clearly explained by me in vernacular to the proposer who has understood and confirmed the same.

Signature/Thumb impression of the Proposer/Applicant: \_\_\_\_\_

Name & Signature of agent/intermediary: \_\_\_\_\_

**AML declaration**

1. I/we hereby confirm that all premiums paid / payable in future will be from bonafide sources and not paid out of proceeds of crime and that such premiums are not disproportionate to my/our income. I / we understand that the Company has the right to call for documents to establish sources of funds and to cancel the insurance policy in case I / we are found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering law in India.
2. I / we are not Politically Exposed Persons \* nor are their close relatives / family members / associates. I / we shall keep the company informed if we subsequently become a Politically Exposed Person / close relative / family member / associate of Politically Exposed Persons.

"Politically Exposed Persons" shall have the meaning assigned to it under Prevention of Money-Laundering (Maintenance of Records) Amendment Rules, 2023 as amended from time to time.

**Section 64 VB of the Insurance Act 1938**

Commencement of risk cover under the policy is subject to receipt of payable premium by Tata AIG General Insurance Company Limited.

**Section 41 of Insurance Act 1938 (Prohibition of rebates)**

1. No person shall allow or offer to allow either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer."
2. Any person making default in complying with the provisions of this section shall be punished with a fine which may extend to ten lakh rupees.

Our disclosure and warranty does not limit any legal obligation or duty upon us, at common law or otherwise, to disclose to you all material facts and circumstances and to act with utmost good faith at all times. We agree that this proposal shall be accepted as being the basis of the contract between us and will form part of any Policy issued to us

Authorised Signature of Applicant(s): \_\_\_\_\_

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

Name of Signatory: \_\_\_\_\_

Position in Company: \_\_\_\_\_

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

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### To be completed by Broker / Agent/ Intermediary

Applicant Company Name: \_\_\_\_\_

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

Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

### Intermediary Declaration:

I, \_\_\_\_\_ (Full Name) in my capacity as an Insurance Advisor/ Specified Person of the Corporate Agent/Authorized employee of the Broker/Relationship Officer, do hereby declare that I have explained all the contents of this Proposal Form, including the nature of the questions contained in this Proposal Form to the Proposer including statement(s), information and response(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought herein will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/ information/response(s) is/are contained in this Proposal Form/including addendum(s), affidavits, statements, submissions, furnished/to be furnished, the Company shall have the right to vary the benefits which may be payable and further more if there has been a non-disclosure of any material fact, the policy issued to his/her favor pursuant to this Proposal may be treated by the Company as null and void and all premiums paid under the Policy may be forfeited to the company.

License No.(Intermediary/Corporate Agent/Broker/Relationship Officer) \_\_\_\_\_

Name of the specified Person and code \_\_\_\_\_

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

Signature of Agent: \_\_\_\_\_

### Annexure 1

Any additional information to be disclosed here

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