HDFC ERGO General Insurance Company Limited

Proposal Form

Trade Credit Insurance Policy (Retail)

- Please answer all questions in full and if not applicable insert "N/A".
- This Proposal forms part of the Policy Documents and helps us to assess your insurance requirements. Each question contributes to our decision to offer you insurance and the type of insurance we can provide to you, including the pricing. We rely on the information and documents you give us to provide you with insurance cover, including any credit limit decisions. Therefore, all questions must be answered truthfully and in full. The information you give to us will be treated in complete confidence.
- 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 and the same has been duly conveyed to you
- Liability under this policy does not commence until the acceptance of premium has been realized by us.

APPLICANT INFORMATION

Insured Name	
Insured Address	• Present - • Permanent -
Insured Website Address	
Registration number	
PAN Card Number	
GSTIN Details	
Description of business	
Authorised Contact person	
Designation	
Phone	
E-Mail	
Present Credit Insurer	
Reason for shifting	

TURNOVER

Estimated insurable Credit sales T/o (Turnover) over next 12 months (excluding Secured/ Govt. body/Inter company)						
	Current Financial Year			**Next Financial Year**		
Type of Policy	**Exports**	**Domestic**	**Total**	**Exports**	**Domestic**	**Total**
Credit Sales			**0**			**0**

INDEMNITY

Indemnity Limited Desired: _____%

ANALYSIS OF DEFUALTING BUYERS

Details of Sales and Defaulting Buyers analysis	Year to date	Previous FY _____ (1)	Previous FY _____ (2)	Previous FY _____ (3)	Previous FY _____ (4)
Domestic sales					
Export sales					
Total					
Gross losses					
Recoveries					
Net losses					
Largest loss					
Number of losses					
Loss ratio					
Average loss ratio					
Note: Data Required for past 4 consecutive financial years of the business.					

PRINCIPAL LOSSES

Individual losses (Company Name)	Address	Gross loss	Recoveries	Net loss	Transaction Year
Total					

ACTIVE ACCOUNTS - DEBTOR ANALYSIS

Trade balance analysis in current month		Amount owed	%	Number of clients	%
INR 0 - INR 250,000					
INR 250,001 - INR 500,000					
INR 500,001 - INR 1,000,000					
INR 1,000,001 - INR 2,000,000					
INR 2,000,001 - INR 3,000,000					
INR 3,000,001 - INR 4,000,000					
INR 4,000,001 - INR 5,000,000					
INR 5,000,001 - INR 7,500,000					
Over INR 7,500,000					
Credit balance and adjustment					
Total		INR			
Aged debt analysis at:		Amount owed		%	
Current -not yet due for payment					
(No. of days from due date)	1 to 30 days overdue				
	31 to 60 days overdue				
	61 to 90 days overdue				
	91 & Above				

Total			INR		
Quarterly debtor balance figures	Q4	Q3	Q2	Q1	
Total balance outstanding					
Normal payment terms in days			Your maximum payment terms (days)		
Average payment terms in days (DSO)			Number of clients		

OVERDUE ACCOUNTS DETAILS

Name	Amount O/S	No of days overdue (after due date)	Reason(s) for overdue	Action taken

COUNTRY SALES ANALYSIS

The key buyer countries Please note: do not include turnover with public buyers, private individuals and associated companies	Estimated sales for next 12 months	%	Regular payment terms (days)	Currency of invoicing
Total		100%		

MAJOR CUSTOMERS

Buyer (full legal company name)	Registered company address	Country	VAT ID / register number	Annual sales (last year)	Payment terms	Applied amount /requested credit limit (Max amt of exposure with buyer at any point)

CREDIT MANAGEMENT CONTROLS

Who is responsible for the company's Credit Management System.?	**Name :**	
	Designation :	
On What basis is the Credit Limit Established?	**Please specify**	
What is the Name of the Bank/ Agency that you use reports from?		
If there is no payment received then when do you.....	**a) Stop Further Supplies b) Take Collection Action c) Take Legal Action**	

DESCRIPTION OF THE CREDIT MANAGEMENT DEPARTMENT

Name of the Credit Manager / Controller		
Date of creation		**DD/MM/YYYY**
Number of staff		
Authority Levels		
Who within the Credit Department can		
	Approve a credit limit for a new Buyer ?	
	Approve an increase in an existing credit limit ?	
	Approve a change in payment terms ?	
Decide on the course of action to take in an overdue situation ?		
Can anyone within your company overrule a decision by the Credit Department ?		☐ **Yes** ☐ **No**
If Yes, Who?		
How is credit worthiness of new customers assessed?		
Agency Reports		
Trade Reference		
Bank Report		
	Audited financial statements	
Others pls specify		
How often are credit limits reviewed?		
Are regular visits made to the Buyers?		☐ **Yes** ☐ **No**
If yes, who makes such visits?		
Are terms of payment mentioned on all invoices		
If no, how is it captured		

DEBT COLLECTION PROCEDURES

Reminders	1st reminder	2nd reminder	3rd reminder	Further reminder
Days overdue (In Days)	**0**	**0**	**0**	**0**
Deliveries are stopped when the account receivable is	**0**		**days is overdue**	
Collection agents / legal actions are taken after	**0**		**days is overdue**	

ADDITIONAL INFORMATION

Is retention of title included in your conditions of sale?	
Special features of your business if any	
Customised products?	
Do you have securities such as bank guaranties?	
Bill of exchange?	
Consignment stock?	
Do you require Policy Hard Copy	
Are you a MSME as per latest MSME Udyam Registration?	☐ **Yes** ☐ **No**
If the answer of above question is Yes please share registration no.	

TABLE -1: NOMINATION DETAILS

Nominee Name	Nominee Relation	Nominee DOB	Age	Nomination %	Appointee Name if in case of Minor Nominee	Nominee Bank details (Bank Name, Acc. No. & IFSC Code)	Appointee Relationship, if Nominee is minor

TABLE 2: EXISTING/ PREVIOUS INSURANCE POLICY DETAILS

Please provide details of your existing Insurance policies (if any):

Policy No. / Application No.	Insurer Name	Period of Insurance	Sum Insured	Claims lodged during the preceding years
		From: DD/MM/YYYY	**To:** DD/MM/YYYY	

Note: Please use additional sheets if space is not sufficient to complete details

DECLARATION BY INSURANCE COMPANY

ANTI - FRAUD WARNING:

This policy shall be voidable at the option of the HDFC ERGO in the event of mis-representation, mis-description or non-disclosure of any material particulars by the Applicant. Any person who, knowingly and with intent to defraud the insurance company or any other person, files a proposal for insurance containing any false information, or conceals for the purpose of misleading, Information concerning any fact material thereto, commits a fraudulent insurance act, which will render the policy voidable at the sole discretion of the insurance company and result in a denial of insurance benefits.

DATA PROTECTION REQUIREMENT:

"I/We hereby understand, declare, consent and authorize the Company that all details of the policy and financial information, as provided to the Company may be utilized for processing the claim made under the Policy. I/We hereby also understand, declare and consent that the Company shall have right to retain and disseminate the same to any service provider for providing services related to insurance."

ANTI - MONEY LAUNDERING:

The Company believes in adherence to Anti Money Laundering (AML) guidelines/rules as it aids in ensuring that financial institution like ours are not used as vehicle for money laundering. The

policyholder/ nominee are thus bound to provide such information as may be required by the Company for ensuring the adherence of AML guidelines/rules.

SHARING OF INFORMATION CLAUSE:

The information sought from the insured is strictly for the purpose of policy issuance and policy servicing. This information sought and the details of policy are kept confidential and will not be shared with any external party in any circumstances whatsoever. However, in instances when such information/ details is sought by any governmental bodies / regulatory authorities or when the Company is directed to share such information in accordance with any law/ regulations or direction from any such governmental bodies / regulatory authorities, the Company will be bound to abide to such directions.

A. Premium Details

PREMIUM DETAILS:

Amount (INR) _____ GST (INR) _____

Premium including tax (INR) _____ Rupees in words _____

PAYMENT DETAILS:

Cheque NEFT

Instrument No. _____ Instrument Date: _____

Bank Account No. _____

Account Type: Savings / Current / Other. If others, please specify _____

Branch Name & Address: _____

IFSC Code _____ MICR Code _____

Bank details for refund of premium in case of cancellation to be considered as above - ☐Yes/ ☐ No

If NO, please provide additional bank details in below provided space:

Bank Account No. _____

Account Type: Savings / Current / Other. If others, please specify _____

Branch Name & Address: _____

IFSC Code _____ MICR Code _____

Nationality: ☐ Indian ☐ Non – Indian If Non-Indian, please specify Country: _____

Are you a Political Exposed Person or related to Political Exposed Person: ☐Yes/ ☐ No

(appropriate tick) If Yes, give details _____

Note: Politically Exposed Persons" (PEPs) are individuals who are or have been entrusted with prominent public functions domestically/in an international organization in a foreign country. This would include individuals who have or had positions of Heads of States or Government, Senior Politicians, Senior Government or Judicial or Military officers, Senior Executives of State-Owned Corporations and important Political Party Officials.

Type of Organization

Corporation: _____ Governments: _____ Society: _____

Private Organizations: _____ International Organization: _____ Partnership: _____

Trust: _____ Others: _____

Sources of Fund:

Salary _____ Business _____ Other _____

Any refund due on the premium payment / any payment / claims will be directly credited to my aforesaid Bank Account*.

As per the IRDAI, it's mandatory that all payments made to the insured are only through electronic mode.

Note:

1. Please provide a cancelled copy of cheque of your bank account.
2. The Company will not be responsible in case of non-credit or delay in processing of payout due to incomplete/incorrect information provided by the customer. Please ensure that you provide accurate details to the Company.

If you require physical copy of your policy in future, please visit "Help" section on www.hdfcergo.com or contact our customer care.

Note: The liability of the company does not commence until the acceptance of the proposal has been formally intimated by the Proposer and full premium has been realized by the company. We are under no obligation to accept any proposal for insurance. The Applicant agrees that the receipt of the Proposal Form by HDFC ERGO General Insurance Company Limited along with the premium payment does not tantamount to the acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited and does not result in a concluded contract of insurance. The acceptance of the Proposal for insurance shall be at the Company's sole and absolute discretion and upon full realization of the premium payment. In the event of acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited, such acceptance shall be specifically intimated to the Applicant by HDFC ERGO General Insurance Company Limited along with the date from which the insurance Cover shall become effective. HDFC ERGO General Insurance Company Limited shall not be liable for any claim in respect of an event giving rise to a claim covered under the Policy of Insurance that has occurred prior to policy issuance is not covered under this Policy (Your proposal form will be considered after HDFCERGO General Insurance Company Limited receives premium payment.

Insurance is the subject matter of the solicitation

B. Declaration by Proposer/ Insured/ Representative (in case proposer is disabled)

I/We, the undersigned, declare and acknowledge:

- I/We hereby declare that the information given is, to the best of our knowledge and belief, correct and that we are not aware of any circumstances that we have not disclosed to you which might influence your assessment of and willingness to accept the risk.
- I/We hereby agree that, if you issue a policy to us, this proposal shall form the basis of, and be incorporated in, such policy.
- I/We agree that this declaration and the answers given above shall be the basis of the contract between me/us and the Company and shall be deemed to be incorporated in such contract. And that if any untrue statement be contained therein the said contract shall be absolutely null and void.
- I/We undertake to exercise all reasonable and ordinary precaution for the safety as desired and I/We agree to accept the policy in the form issued by the Company subject to the terms exceptions and conditions prescribed therein or endorsed on the policy.
- "I/We hereby understand, declare, consent and authorize HDFC ERGO General Insurance Company Ltd. that financial information, as provided to the Company may be utilized for processing the claim made under the Policy.
- I/We hereby also understand, declare and consent that the Company shall have right to retain and disseminate the same to any service provider for providing services related to insurance"

- I/We hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offence as listed in Prevention of Money Laundering Act, 2002 & its subsequent amendments thereof. I understand that the Company has the right to call for documents to establish sources of funds.
- I, hereby grant consent to Agent/Broker/Corporate Agent or any other licensed intermediary to share my KYC (Know your Customer) and customer due diligence information with HDFC ERGO General Insurance Company Limited for the purpose of my insurance proposal.
- I hereby authorize the Company to notify me through email, SMS, or any other electronic mode any information pertaining to my proposal, policy document, claim servicing etc.
- I/ We authorize the Company to process my/ our Personal as well as Sensitive information for profiling purposes and to contact me/ us for renewal of my/our policy. I/We also authorize the Company to contact me/us (including overriding my/our registration on NDNC under the extant TRAI Regulations) to promote products and to notify me/us about the services being rendered by the Company.
- that I/We will abide by the provisions of IRDAI Guidelines on Group Insurance Policies dated July 14, 2005 and subsequent amendment made to it and/ or any other regulations/ guidelines issued by the IRDAI for Group Insurance Policies.
- We hereby authorize the Company to share/ verify the information provided by me/us pertaining to my proposal with third party, rating agencies or service provider for the purpose of underwriting the proposal, issuance of a policy or settling of a claim under the policy.

Date: _____ Place: _____ Signature of the Proposer/Representative
(in case proposer is disabled)

VERNACULAR DECLARATION

Declaration in case the proposal is filled other than the Proposer / the proposer sign in vernacular language / proposer is not familiar with the language printed here/ proposer is illiterate (to be certified by someone other than agent/employee of the company)

(The content of this form and its particulars have been explained by me in vernacular to the Proposer who has understood and confirmed the same.)

Name of the Translator
Place
Date **Signature of the Translator**

Name of the Proposer
Place
Date **Signature of the Proposer**

INTERMEDIARY DECLARATION

I, _____ (Full Name) in my capacity as an Insurance Advisor/ Specified Person of the Corporate Agent/Intermediary/ 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 here in 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.

Date: _____ Time: _____ Place: _____ Signature of Intermediary

INSURANCE ACT 1938 SECTION 41 - PROHIBITION OF REBATES

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 the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.