Swiss Re

Credit Control Procedures

Swiss Re International SE, UK Branch (BR 023875)

1 Your company

Company name

Address

Postcode

Country

National ID

Please provide full details of your trading activities

2 IT systems

2.1 Is credit control centralised across all operations to be covered by the policy? Yes No

If yes, where is it controlled from?

If no, then please explain how the various units co-ordinate

2.2 Do you utilise a credit management software package? Yes No

If yes, please state which

Is the same package used across the business and all group companies? Yes No

3 Credit department

3.1 Do you operate with a Group/Company Credit Manual? Yes No

If yes, how frequently is this manual updated? Please provide a copy

3.2 How are other departments made aware of credit management procedures?

3.3 When were your Terms and Conditions last reviewed?

Please provide a copy of them

3.4 Do all debtors agree contractual terms prior to setting a credit limit? Yes No

Are these signed agreements? Yes No

3.5 How are your customers made aware of your terms and conditions?

Is this prior to setting a credit limit? Yes No

3.6 Do you advise to a new customer your Terms and Conditions of Sale prior to goods being delivered/services rendered? Yes No

3.7 Do you ever accept a customer's terms and conditions over your own? If yes please state details in Section 9 Yes No

3.8 At what point would you consider an order accepted?

3.9 Are order acknowledgements always issued? Yes No

3.10 Are proofs of delivery always issued? Yes No

3.11 Are export customers treated any differently from domestic ones? Yes No

If exporting, do you have local representation that assists credit control? Yes No

Do you have existing relationships with overseas lawyers/collection agents? Yes No

3.12 Can decisions in the credit department be overruled? Yes No

If so, by whom?

How often has this happened in the past year?

3 Credit department (continued)

3.13 What are the maximum internal credit limits that can be approved and by whom?

Name	Title	Authority level

3.14 Are credit limits that you set inclusive of VAT? ☐ Yes ☐ No

3.15 Do you set credit limits on:

Individual debtors? ☐ Yes ☐ No

A debtor's parent company/intermediate holding company(ies)? ☐ Yes ☐ No

The group ultimate parent company to which the debtor belongs? ☐ Yes ☐ No

If the answer to any of the above is no, please explain how debtor exposures and group aggregations are monitored and controlled

3.16 How are high risk debtors flagged and monitored?

4 Setting internal credit limits

4.1 Is a new account application form completed? ☐ Yes ☐ No

If yes, please provide a sample copy.

Credit limit amount	Minimum information

4.2 What is the process to help ensure that the correct principal to contract is identified prior to setting a credit limit?

4 Setting internal credit limits (continued)

4.3 What information do you utilise to assess your debtors' creditworthiness?

4.**3a Credit agency reports?** Yes No

If yes, which agencies do you use?

Do you have a real time monitoring service with your provider? Yes No

How frequently are these updated?

Are old reports retained and if so, how are they stored?

How do you use the report to justify credit limits?

4.3b Previous trading experience? Yes No

If yes, how is it reviewed and stored?

How do you use trading experience to justify credit limits?

4.3c Financial Accounts? Yes No

How frequently are these updated?

What level of analysis is carried out on the financial accounts?

How are credit limits set?

4.3d Buyer visit? Yes No

If yes, when would a debtor require a visit?

Are meeting reports compiled and if so, where are they stored?

4.4 Do you have any existing long-term or binding contracts? Yes No

If yes, please provide details

5 Existing debtors: maintaining and increasing credit limits

5.1 How often do you review your internal credit limits? Does this vary based on level of perceived debtor risk or limit value?

5.2 Is an increased credit limit application form completed? Yes No

If yes, please provide a sample copy if different to the new account application form.

5.3 Does the information required to increase a credit limit differ from that required to open a new account? Yes No

Please explain

5.4 Do you give seasonal/temporary uplifts on credit limits? Yes No

If yes, what is the process to authorise temporary uplift?

If the information required is different to a permanent increase please state

What is the average duration of a temporary uplift?

What would the average percentage uplift of a temporary increase be?

5.5 Do you retain the credit limit and debtor history? Yes No

If yes, how and where do you store it?

5.6 Do you ever trade in excess of your set credit limits? Yes No

If yes, who has the authority to approve it and how often does this generally happen?

6 Acceptance, delivery and invoicing

6.1 Is the status of an account checked before orders are accepted? Yes No

If yes when?

6.2 Is the status of an account checked before new deliveries are made? Yes No

If yes when?

6.3 How soon are invoices raised after delivery or date services rendered?

6.4 How often do you send out statements to debtors?

6.5 Do you show ageing of the account on your statements? Yes No

7 Collection practices

7.1 To ensure prompt payment what action do you take?

Action			Days before due date	Days after due date
Telephone	Yes	No		
Writing	Yes	No		
Other	Yes	No		

7.2 Do you monitor changes in payment patterns? Yes No

If yes, do you take action as a result of deterioration? Yes No

7.3 What is the process you use to authorise repayment plans when accounts are overdue?

7.4 What is the maximum period you allow a customer to reschedule an overdue debt?

Do you have guidelines? Yes No

7 Collection practices (continued)

7.5 On overdue accounts relating to undisputed debts, how many days after due date would you: Yes No

Action	Days before due date
Place an account on stop?	
Instruct solicitors/collection agent?	
Commence legal action?	

7.6 Where are notes relating to the collections process recorded?

7.7 Do you make any exceptions as to when you place an account on stop and cease delivery? Yes No

If yes, under what circumstances?

7.8 Who has the authority to place an account on stop?

7.9 When an account is placed on stop are other departments including associated credit departments made aware of this? Yes No

7.10 How are overdue accounts monitored and reviewed?

7.11 What attitude do you take towards further deliveries under a contract where there are payment delays?

7.12 How are disputes and queries identified as such on your system?

7.13 Do you operate with any consignment or self billing stock agreements? Yes No

If yes, on average how many accounts does this affect? Please supply agreement wordings

7.14 Do you have retention of title within your terms and conditions? Yes No

7.15 What securities or recourse do you have in the event of non-payment?

8 Information to attach

Credit manual	Yes	No
Terms and conditions of sale	Yes	No
New account application form	Yes	No
Details of any long-term/binding contracts	Yes	No

9 Additional Information

Please use the space provided below for any additional information

10 Your duty of fair presentation

10.1 The insured must make a fair presentation of the risk (as set out in the Insurance Act 2015 or successor or amending legislation) in proposing for, or proposing to vary, this insurance.

Remedies for breach of the duty of fair presentation – proposing for this insurance

If the insured or anyone acting on its behalf breaches the insured's duty of fair presentation then the insurer's remedies shall be as follows:

a) if such breach is deliberate or reckless, the insurer may:
i) treat this policy as having been terminated from its inception; and
ii) retain the premium;

b) if such breach is not deliberate or reckless and the insurer would not have entered into this policy but for the breach, the insurer may by notice to the insured treat this policy as having been terminated from its inception in which case the insurer shall return the premium; and

c) in all other cases if, but for the said breach, the insurer would have entered into this policy but:
i) on different terms (other than terms relating to the premium), the insurer may require that this policy is treated as if it had been entered into on those different terms from the outset; or
ii) would have charged a higher premium, the insurer may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the insurer shall pay only X% of what it would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

Material changes during the policy period

The insured must notify the insurer within thirty (30) days of any material change to the insured, its business or the risks insured if indemnity under this insurance is sought in relation to any such change.

The insurer shall not indemnify the insured for any liability arising out of a material change for which indemnity would otherwise have been available under this insurance unless the insurer has provided valid confirmation of cover, whether by an express term of this policy, endorsement, written confirmation or otherwise.

10.2 Co-insurance

Under the terms of your policy, you will be your own insurer for:
a)an agreed percentage of any loss you may suffer;
b)so much of any indebtedness owing to you as exceeds the permitted limit; and
c) any deductibles applicable to your policy.

11 Declaration

I/we declare that this proposal contains every material circumstance of which I/we are aware following a reasonable search and that the information contained in this proposal (including all attachments, if applicable) is substantially correct.

I/we undertake to inform the insurer of any material alteration to the information contained in this proposal as may be necessary to comply with my/our duty of fair presentation as set out in the Insurance Act 2015.

If this proposal has been completed on my/our behalf, I/we agree the person is deemed to be my/our agent and not an agent for Swiss Re International SE, UK Branch and that I/we have read the information provided before signing the form.

I/we confirm that I/we have read and understood the above Declaration and the Important Notes overleaf.

Company stamp or full name of company(s)

Signature

Date (DD/MM/YYYY)

Name of signatory

Position in company

Email

12 Broker/Agent

Company stamp name

Address

Contact name

Email

13 Important notes

13.1 Choice of contract law

This contract shall be governed by and construed in accordance with the laws of England and Wales. You agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising in connection with this contract.

13.2 Data Privacy Notice

Swiss Re International SE ("SRI") processes personal data in connection with the underwriting, administration and servicing of insurance policies, as well as to comply with legal and regulatory obligations. Information regarding how SRI collects, uses, shares and protects personal data, together with details of data subject rights, is available in our Privacy Notice: Swiss Re Global Privacy Notice | Swiss Re

13.3 Fraud Act 2006

If you provide an answer or information which you know is untrue, or deliberately fail to provide information that we have requested (e.g. previous accidents) you may be committing a criminal offence.

13.4 Records

The insurer may hold documents relating to this insurance and any claims under it in electronic form and may destroy the originals. It is hereby agreed that an electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

13.5 Your insurer

Swiss Re International SE, UK Branch

Swiss Re International SE, UK Branch is registered in England under company number FC038780 with UK establishment number BR023875. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority; registration number 476737.