THE QUESTIONNAIRE

**SECTION 1. Business Type**

|  |  |  |  |
| --- | --- | --- | --- |
| Registered Company  Delete non-applicable | Partnership | Individual/Sole Trader | Other eg Society/Trust |

**SECTION 2 Corporate Details - Please Complete**

|  |  |
| --- | --- |
| **LEGAL NAME**:\_ | |
| **TRADING NAME**: (If different from above): | |
| **POSTAL ADDRESS**: | |
| **STREET ADDRESS**: | |
| **TELEPHONE**: | **MOBILE**: |
| **FAX**: | **HOME**: |
| **EMAIL ADDRESS** | |
| **CONTACT PERSON(S):** | |

**What do you wish your document to be called?**

Credit Application Form Terms of Engagement

Customer Credit Application Terms of Trade  **(Delete non-applicable)**

1. What is the nature of your business - i.e. what service do you provide, what is the exact nature of the goods and/or services you provide? Please provide us with a definitive list.
2. Are you currently using Terms of Trade (even brief wording on invoices) and, if so, please supply a copy to us? Yes / No
3. If you have Terms of Trade how do customers see them?
   * On the wall On a cheque stamp On credit application forms On invoice On order confirmation
4. Do you currently use a credit application form? Yes / No If yes, please supply a copy.
5. If you have a Credit Application Form, how reluctant are customers to sign it?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Never | Rarely | Sometimes | Often | Always |

1. What is the minimum sale that you would charge

out in a month (approximate only)?

1. What is the maximum sale that you would charge

out in a month (approximate only)?

1. How are the goods/services normally ordered from you?

By phone By fax Other:

1. How are orders normally accepted by you?

By confirmation of order By delivery Other:

1. Do you supply to the building industry? Yes / No
2. How is the price of your goods/services determined?
   * By RRP / Recommended price
   * By quotation By weight or quantity
   * Other (specify):
3. Do you supply to
   * Trade only Part trade/part retail
   * Exclusively to retail consumers
4. What proportion of your supplies are:
   * On cash? \_\_\_\_\_\_ %
   * By monthly account? \_\_\_\_\_\_*%*
   * By longer term credit? \_\_\_\_\_\_%
   * Independently financed? \_\_\_\_\_ %
5. What procedures do you presently have in place to assess customer credit risk?
6. Do you have a large/diverse base of frequent and infrequent customers or a select group of mostly solely repeat business? Large/Diverse / Repeat
7. Do you ever sell on consignment, hire purchase, lay-by or other (specify)?
8. Do you carry any form of product liability / professional indemnity insurance? Yes / No
9. Do you supply quotes or estimates? Yes / No
10. How long do quotes stand?
11. Are your prices quoted inclusive or exclusive of GST? Inclusive / Exclusive / Both
12. What payment terms do you wish to specify in your terms of trade?

7 days following delivery 20 days following delivery

20th of the month following delivery End of the month following delivery

1. Do you charge interest on overdue accounts and if so, what is your monthly penalty interest rate?

1% 1.5% 2% 3% Other?

1. Do you want the option of allocating payments received to any outstanding amount as you see fit? (This will help ensure that your security interest remains in all the goods supplied and if your customer defaults, you have the option of seizing any of the goods supplied by you).

Yes / No

1. Select all methods of payment that you accept?

Cheque Credit card Cash Other (specify)

1. Will the Debtor be liable for your legal costs for collecting overdue accounts? Yes / No
2. Do you want the option of adding a booking fee to cover the administration costs of giving credit? If so, please indicate the amount you charge as a booking fee. Yes / No

Amount:

1. Do you deliver your goods yourself or engage couriers? We deliver / Engage Couriers
2. Do you sell ex factory/warehouse? Yes / No
3. Who pays the cost of delivery? Customer / We Do / Varies (out of town?)
4. Is there any reason why we should not insert the following provision, regarding when title passes, in your terms of trade? (previously known as Romalpa Clause) Yes / No
5. *It is the intention of the Company and is agreed by the Customer that all goods remain the property of the Company until –*
   * 1. *Payment is made in full by the Customer; and*
     2. *The Customer has met all other obligations due by the Customer to the Company in respect of all contracts between the Company and the Customer, and that the goods, or proceeds of the sale of the goods, shall be kept separate until the Company shall have received payment and all other obligations are met.*
6. *The Customer authorises the Company and its agents to enter any premises or property and uplift the goods in the event of a default in payment.*
7. *The Customer will hold the goods or any of them on trust for the Company as bailee of the Company until property in the goods has passed to the Customer.*
8. *The Customer shall insure and keep insured the goods to the full price against all risks until title in the goods has passed to the Customer.*
9. Where you install goods on behalf of a customer, who bears the risk of damage during installation? We do / Customer does
10. Are your goods perishable? Yes / No
11. Are your goods inherently dangerous? Yes / No
12. Are any of the goods you supply, second hand? Yes / No
13. Are there any intellectual property rights attaching to your goods or services e.g. patent/copyright? Yes / No
14. Do your customers supply you with designs and instructions for the construction, presentation or packaging of goods? Yes / No
15. Do you ever have to perform special tests on the goods on behalf of your customers?

Yes / No

1. Is a Personal Guarantee required if you are giving credit? (Recommended when dealing with a company.) Yes / No
2. Do you wish to make provision for after sales services or warranties in your terms of trade? If so, we will insert the following standard clause into your terms of trade. If you require any modification to this clause, please attach the modifications.

*Warranty*

*The Company agrees to remedy at the Company’s expense (for a period of 30 days from the date of notification by the Company that the goods are available for delivery or return to the Customer) any defects in workmanship or in materials manufactured by the Company provided the Company is not obliged to take any action unless all conditions on the part of the Customer as to payment have been met and the defect has arisen under use and service actually specified, but if none specified, then under normal use and service and –*

1. *No warranties shall be applied in respect of any parts or components not actually manufactured by the Company; and*
2. *The Company’s warranty does not extend to wear and tear, defects resulting from accident, negligence, or misuse and shall extend to replacement materials and labour but not to transport to and from the Company’s premises, damage to other equipment or plant, or any other losses, loss of profits, damages or injuries, or consequential loss, and*
3. *The Company’s liability in contract and tort or otherwise shall in no case exceed the Contract price.*
4. Do you wish to make provision for your returns policy in your terms of trade? If so, we will insert the following standard clause into your terms of trade. If you require any modification to this clause, please attach the modifications.

*Returns*

*The Company will issue a credit note to the Customer for any products authorised by the Company to be returned to the Company as faulty.*

1. Do you want to put a time limit on disputes? Yes / No - How long?
2. Do you need authority to obtain information under the Privacy Act 1993 from the customer or any third party in the course of, but not limited to, credit enquiries? Yes / No
3. Do you want the right to take security over the goods supplied to your customer to ensure that your interest in the goods is protected until title passes, by registering the security interest as a financing statement on the Personal Properties Securities Register? Yes / No
4. Can your goods be incorporated in other goods/affixed to land and buildings after sale (co-mingled)? Yes / No
5. Do you want to save hassle and administration costs by including a term whereby your customer waives its right to receive a copy of the verification statement, which is a record of the registration of the security interest on the Personal Property Securities Register? Yes / No
6. Do you need the right to appoint a receiver if it becomes necessary to repossess your goods (not covered under the PPSA)? Yes / No
7. Where your customer is a trust, do you agree to limit the liability of any independent trustee? Yes / No
8. Do you supply to consumers as well as trade? Yes / No
9. Are there any other specific aspects of your business which you believe are pertinent to your Terms of Trade?
10. Are there any trading terms specific to your business or usual method of operation which you would want to be included in a Terms of Trade document?
11. There are certain provisions of the PPSA that can be contracted out of in your terms of trade relating to the enforceability of your security interest. Where you do not contract out of some of these provisions, you will have fewer rights to deal with goods and more onerous obligations to your customer. We will include a standard clause in your terms of trade whereby you contract out of some of these provisions as recommended by our legal advisors. A detailed explanation of these will be supplied with new Terms of Trade but are also available on request.

**Thank you for completing this questionnaire.**

Using your answers we will establish your needs and return a quotation to prepare your documentation. There is no charge if you do not proceed

Any information provided to us is for the purposes of compiling Terms of Trade and other debtor documentation and will not be used for any other purpose nor disclosed to any third party other than our legal advisors on your behalf, without express permission.