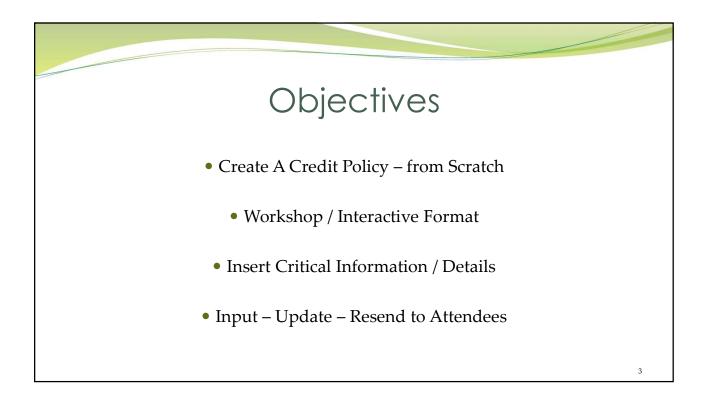


NACM Credit Congress June 2024 Speakers: Brett M Hanft, CBA & Tawnya Marsh, CCE







Credit Policy Template – Starting Point Mission / Vision Statement

*The extension of credit is the most important decision of the company's responsibilities to effectively manage risk and exposure of our Accounts Receivables portfolio. Credit decisions will take a comprehensive approach and be determined using:

*Credit investigation that relates to degree of risk & dollar amount of sale
*Avoid excessive high-risk accounts that do not meet acceptable policy requirements & standards determined by investigation and knowledge
*Avoid slow pay accounts and those who require extended terms beyond their related industry normal terms.

*Communication with sales, Controller, President & Corporate

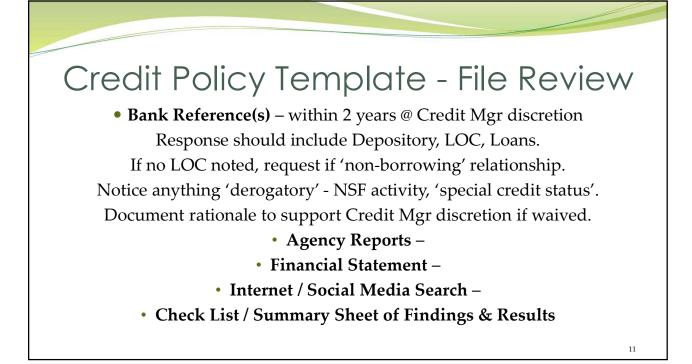














13

Credit Policy Template "Hard Stops" – On Hold

• NO orders are to be released to customers with consolidated company balances more than 10 days past the invoice due date except nonpayment due to an unresolved claim or payments 'in the mail' previously backed by customer discount history and integrity.

• Account 'Flags' –

- Red Flag (R) Do Not Sell
- Special Handling (SH) Corporate will determine C/L
 - Cash in Advance (C) –
 - Warning (W) Monitor Closely

