

TOP TIPS

Reaching your company's full potential

Your company has great ambitions to develop beyond its current boundaries, to access greater funding for its expansion and to get ahead of competition? This can all be possible with the help of several useful tips around how your company goes about securing the payment from its customers. Everyone including your bank wants you to avoid unpaid invoices!

SIMPLE TIPS ON DOING SUCH BUSINESS SECURELY OUTSIDE OF YOUR USUAL COMFORT ZONE...

Most trading risks can be mitigated by thorough preparation, prudent credit management and the support of credit insurance experts. Here are a few tips to bring you some quick relief:

1. Don't be convinced by a company's website or its entry in a telephone directory, as unscrupulous traders can 'buy' visibility in order to defraud suppliers. Instead, check the ID of a company via a third party information source.
2. Be precise on the shipping conditions and retain proof that goods have been received and that the customer has no concerns so this cannot be used later as a reason for withholding payment.



3. Be cautious when selling on credit limits. Be precise on the payment terms and stick with them, even if your customer seems to be paying on time in the early stages.

**SOME SIMPLE
TIPS ON HOW TO
ENCOURAGE YOUR
BANK MANAGER TO
PROVIDE YOU WITH
MORE FUNDS...**

Your bank manager knows your company can be affected by unpaid invoices from your clients, however he knows your clients less well than you! How can you provide him/her with the necessary reassurance in order to extend you further financing facilities?:

1. Firstly you could sign up for trade credit insurance to reduce the risk to your company from unpaid invoices. This will reassure the bank that you are managing your business responsibly.

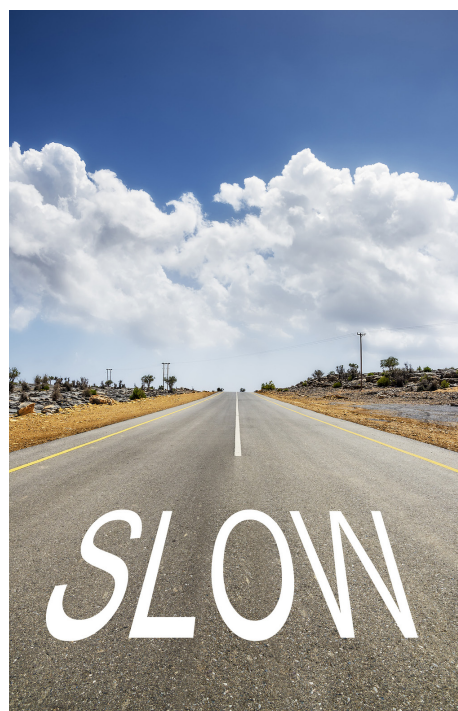


2. You can go a step further via the 'Loss-Payee' principle/ clause within your credit insurance contract, whereby the indemnities are paid directly to the financing party / your bank in the place of the insured / your company.

**SOME SIMPLE TIPS
ON HOW TO LEAVE
THE BAD PAYERS
TO YOUR
COMPETITORS...**

Avoid bad payers by doing some important homework first:

1. Don't be satisfied with trade or bank references, as no company will point a supplier towards someone who will give them a bad reference.
2. Be cautious when a prospect you have been hunting for ages, suddenly turns to your company. Maybe your competition knows something you don't?
3. Don't be afraid to ask awkward questions, look at the latest company accounts and check for evidence that the company is trading profitably.
4. Don't rely on your instincts that a new customer is trustworthy; obtain an objective assessment of risk through



a reputable ratings agency/
credit insurance company
with international reach.