



CORPORATE
BUSINESS
SERVICES

A Subsidiary of **The Corporate Group**

Credit Limit Facility

Credit Limit Facility

Objectives / Purpose



The purpose of this procedure is to control the process of credit facility given to clients/business partners and to set criteria's and limits and to minimize the risk of bad debts and increase collections. Some of the benefits of having credit facility are as below:-

- flexible payment option to clients
- Establishing better trust/relationship with clients
- Enhancing your reputation
- Increase sales

Objectives

- 1.To decide and qualify clients for credit facility
- 2.To approve any extended credit limit request for clients
- 3.To specify the amount of credit applicable to each client
- 4.To approve any exceptions for all clients
- 5.To disqualify defaulted customer
- 6.To approve for taking legal actions
- 7.To resolve disputes

Members

- 1.Client Relations Manager
- 2.Team Leader Finance
- 3.Group Managing Director
- 4.Quality Assurance Officer

Committee Meeting

- Quarterly

How it Works

Credit Limit Rating Criteria

Based on the below Credit Limit Rating Criteria in CRM, each client will be assigned a score and based on the score the client will be given certain credit limit as per the below table.

Criteria Name	Criteria Score Points	Score
Sponsorship Scheme	TCG Subsidiaries/ Owners Sponsorship	1
	Non-Sponsor	0

Contracted Services With CBS	PRO service	1
	Office Leasing	1
	None	0

Trade License Volume	Multi	1
	Single	0

Foreign Share Holder Type	Corporate	1
	Individual	0

	Score	Credit Limit
Diamond	5	AED 50,000
Platinum	4	AED 40,000
Gold	3	AED 30,000
Silver	2	AED 20,000
Bronze	1	AED 10,000
Standard	0	AED 0

How it Works

Steps to follow



Step 1: Get the credit limit facility form filled by the clients

Step 2: Call for credit limit committee meeting, assign credit to client based on credit limit criteria and to be approved by all committee members

Step 3: Send back one copy of the form to the client with approved credit limit and request for undated security cheque . One form to be archived under company original documents

Step 4: Receive undated Security cheque from client

Step 5: CRO to enter details of credit limit under Account name in CRM and submit for Client Relations Manager Approval

Step 6: Client Relations Manager to approve the credit limit in CRM in order to activate the functionality of credit limit in CRM

Once all above steps are completed, the engagement of credit limit with client is considered officially active and CRM functionality starts working automatically. Explanation on the process and functionality in CRM explained in next slide

Note: all communications with client to be made by CRO, and if any doubt, clarification or concern raised by the client, Team leader or Client Relations Manager to communicate and clarify it with client

▼ Customer Credit Limit Details

	Score	Credit Limit
Diamond	5	AED 50,000
Platinum	4	AED 40,000
Gold	3	AED 30,000
Silver	2	AED 20,000
Bronze	1	AED 10,000
Standard	0	AED 0

▼ Account Information

Account Name	Pharmaprom International General Trading LLC [View Hierarchy]	Account Record Type	[Change]
Company Code	PPI	Account Owner	 Anwar Al Bastaki [Change]
Sponsor Name	Corporate Business Services	Active	<input checked="" type="checkbox"/>
Parent Account		Credit Limit Score	2
Category Name	Customer	Credit Limit Category	Silver
Phone	971 50 462 73 44	Credit Limit Amount	AED 20,000.00
Fax	971-4-3831526	Approved Extended Limit Amount	AED 0.00
Industry	Trading	Total Approved Limit Amount	AED 20,000.00
Business Description		SOA Balance (AED)	0.00
Type	Corporate	Total Inprocess JO Value	AED 15,327.00
Website	http://pharmaprom-international.com/en/	Available Limit	4,673.00
Email	test@test.ae		
Discount Instructions			
Total Partners/Employees	6		
Total Dependents	0		

How it Works

Fuctionality in CRM if credit Limit Exceeded

[Calendar](#)

[Unresolved Items](#)

[Recent Items](#)

[JO-17-00595](#)

[Pharmaprom International
General Trading LLC](#)

[JO-17-00594](#)

[JO-15-01330](#)

[Swiss Property Development
LLC](#)

[JO-17-00593](#)

[JO-17-00360](#)

[Adel Al Awadhi](#)

[JO-16-00767](#)

My Job Order Edit

Save

Save & New

Cancel

Error: Invalid Data.
Review all error messages below to correct your data.
Customer don't have sufficient credit limit. Please inform clients

Basic Information

Account Name

Pharmaprom International Ge

J.O. Name

Tourist Visa

J.O Number

JO-17-00595

Special Instructions

Test only2

Status

Job Order Currency

AED

Job Order Owner

Michelle Calma Magno

Close Date

25/05/2017 [30/04/2017]

Stage

Execution Approval ▼

Probability (%)

20

Amount

AED 850.00

Required Information



Terms and Conditions

1. When customer reaches their 100% credit limit, the services will be stopped automatically and Job Orders cannot be launched until the client clears full outstanding
2. If the customer fails to clear outstanding as per the terms and conditions mentioned on credit limit facility form, CBS has the right to clear the security cheque against the outstanding.
3. Referring to point no.2. the client has the choice to issue one more security cheque to replace the cleared security cheque to re avail the credit limit facility upon the approval of Credit Facility committee (CFC). This option shall not be misused by the client by following such practice every single time.
4. On the occasion that client's security cheque has bounced, CBS has the right to seek for legal actions against the clients to compensate its losses, subject to CFC approval
5. If client approached us for higher credit limit against higher security cheque, it can be entertained subject to CFC approval.



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Thank you

Corporate Business Services

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