

## CREDIT POLICY AND MANAGEMENT PLAN

### CREDIT POLICY

#### Purpose of the Policy

The purpose of the policy is to minimise the risk of non-payment of customer debt and protect the business's cash flow.

1. Provide credit to customers who request credit, complete a credit application and are approved by management to be creditworthy as per the provisions of the **Customer Credit Policy**.
2. Advise all customers of the Company's terms of trade per the Terms of **Trade Policy** and ensure those terms have been adhered to in accordance with the **Debtor's Ledger Management Policy**.
3. Issue invoices to customers contemporaneously to the supply of goods or services.
4. Monitor and manage account customer's outstanding invoices weekly with the **Overdue Invoice Strategy** in accordance with the **Debtor's Ledger Management Policy**.
5. Deal with customer complaints expediently as per the provisions of the **Complaints Policy**.
6. Administer the company's terms of trade and provision of credit in accordance with the Privacy Act, the consumer laws and ACCC debt collection guidelines.
7. Train all personnel in the management of the debtor's ledger and the Company's Policies and Procedures.

### MANAGEMENT PLAN

#### Purpose of the Plan

The purpose of the plan is to implement the policy with the following provisions:

1. Credit will be provided to customers in accordance with the **Customer Credit Policy**.
2. Customers will be advised of the terms of trade in accordance with the **Terms of Trade Policy**.
3. Customer complaints will be dealt with in accordance with the **Complaints Policy**.
4. The outstanding invoices of the account customers will be managed in accordance with the **Debtor's Ledger Management Policy**.
5. The system of managing the debtor's ledger and associate functions will be in accordance with the **Debtor's Ledger Management Policy**.
6. Management meetings will be held weekly to monitor progress and results of debt collection activities undertaken. If required, decisions will be made regarding delinquent accounts and possible legal action.
7. Management will review the KPI's quarterly in debt recoveries, average days outstanding, bad debts, complaint resolution and other relevant issues.
8. Documents from the relevant government departments for the Privacy Act, consumer laws and the ACCC Debt Collection Guidelines will be downloaded and checked quarterly for currency.
9. All personnel will be trained in the Company's Policies and procedures.

#### Scope

This policy will apply to all company personnel involved in the processing of customer sales.