

Runners Credit Company - Credit Policy

Credit Policy Document

Purpose and Objectives

The purpose of this credit policy is to standardize credit granting processes, manage credit risk, and maintain financial stability while supporting sales.

Scope

This policy applies to all credit transactions across all departments and subsidiaries of Runners Credit Company.

Credit Evaluation and Approval Process

Includes credit application requirements, assessment process using third-party agencies, and an approval hierarchy.

Credit Limits

Credit limits are based on financial analysis and risk categorization, regularly reviewed and adjusted.

Terms of Sale

Standard terms are Net 30 days with incentives for early payment and penalties for late payments.

Security and Risk Mitigation Measures

Includes collateral and guarantees for high-risk categories and credit insurance.

Monitoring and Reporting

Involves continuous monitoring of receivables and monthly risk assessment reports to management.

Roles and Responsibilities

Details the authority and responsibilities related to credit management.

Review and Amendment

The policy is reviewed annually or as market conditions change.