Proactive credit management is necessary to protect the export proceeds because going into the international arena is not without risk. Extending credit sales to the export market has to be done with careful planning as collecting the payment is even more difficult to handle when your buyers are in a foreign country.

A systematic approach to understanding the various types of risk and the mitigating factors in the export business would build the confidence of exporters to extend credit sales to grow the business. When the financial risk is minimized and the profit is protected, exporters will have a better return on investment in the credit sales.

This 2-day course will provide the techniques and tools for effective assessment of the foreign buyers and the financial instrument to consider as security to protect the sales.

**Course Objectives**

- a clear understanding of the factors that impact on export credit sales
- ability to minimize the financial cost and loss in an export credit sales
- ability to improve the credit analysis when evaluating their buyers
- ability to establish an effective collection monitoring system to minimize collection delays and credit risks
- knowledge of packaging the terms of sales and payment method in the sales agreement to protect the goods in transit
- skills in choosing the appropriate financial instrument to secure payment
- understanding of the management of foreign currency exposure.
Managing International Trade
Credit Risk

Course Outlines

1. Selling beyond domestic market – What are the critical concerns?
   • Understanding the Credit Puzzle in International Credit
   • Risk factors for the exporters
     o Commercial risks
     o Political and economic risks
     o International trade risks
   • Integrate risk factors in the sales transaction
     o Documentation requirement
     o Legal aspects of international trade financing
   • International credit policy and procedures

2. Incorporate International Credit Management into Your Company’s Credit Policy
   • Credit and Collection Policies
     o Proper documentation to protect the transaction
     o Accuracy and speed in monitoring collection minimizes risk and cost
   • Credit Investigation
     o Analysing your foreign buyer credit risk
     o Finding the best source of credit information
     o Going beyond the 5Cs of credit
       ▪ Country risk
       ▪ Currency risk
       ▪ Culture risk
   • Credit for Global Customers
     o Tightening credit terms
       ▪ Understanding payment patterns of different buyers
     o Establishing and monitoring credit limits
     o Getting security comfort for risky customers

3. Setting Payment Terms and Selecting the Collection Instrument
   • Setting the term of credit and sale
     o Determining the market risk
     o Weighing the amount of protection
   • Collection Instruments
     o Open account
       ▪ Align to country and currency risks
       ▪ Getting comfort – export credit insurance and guarantee
     o Using Trade Finance instrument
       ▪ Documentary Collection
       ▪ Commercial Letters of Credit
   • Assess the cost of investment to the export sale transaction
Managing International Trade
Credit Risk

4. Managing Transit and Transfer Risks
   • Protecting the shipment of goods
   • Understanding the INCOTERMS
     o What’s the difference between the C, F, and D term?
     o Use INCOTERMS and Payment Term appropriately to reduce cost and minimize loss

5. Managing Export Contracts
   • Fulfilling customer needs
   • Assessing international market requirements

6. Managing Foreign Currency Exposure
   • Protect your price and economic exposure
   • Internal systems and controls
   • Cash and FX Management
     o Tools for reducing FX risk

The Trainer – Ms Nancy Ong

Nancy is a certified trainer by Pembangunan Sumber Manusia Berhad (PSMB). She holds an MBA from the University of Strathclyde, United Kingdom, having initially qualified as a banker from the Chartered Institute of Bankers, United Kingdom. She is also a qualified teacher of English to Speakers of Other Languages (TESOL), awarded by Teach International, Australia.

She specializes in programmes on Foreign Currency Management in International Trade; Credit Management; Trade Financing; Developing Business Plans; Business Writing and Communication; Presentation Skills; and Complaint Management. Her expert knowledge and experience in finance and management are her assets in the development of these courses to meet the needs of the market. Her training has been well accepted and rated by her participants both in the public and in-house programmes that she conducts.

Some of the companies she has conducted training for includes Maersk Malaysia Bhd, Malaysia Smelting Corp., MITCO (Japan) Sdn. Bhd., Petronas Dagangan Berhad, Kum Printers Sdn. Bhd., OCI Bhd., and Chunghwa Picture Tubes (M) Sdn. Bhd. Prior to corporate training, Nancy was in the banking and financial industry. During her service in OCBC Bank and EON Bank, she has gathered extensive experience in International Trade Finance, Branch Operations, Treasury Management, Project and Risk Management.
## Managing International Trade

### Credit Risk

**Dun & Bradstreet (D&B) Malaysia Sdn Bhd**  
**Phone:** 03-5623 5888  
**Fax:** 03-5623 5800

**Date:** 20 – 21 May 2013  
**Duration:** 2 days

**Venue:** Furama Hotel, Bukit Bintang

**Fee:**  
- [ ] RM 1,350 for D&B Subscriber / D&B Affiliate  
- [ ] RM 1,550 for Non-subscriber  

(Include material, refreshments and lunch)

**EARLY BIRD** – Submit your registration before 20th April 2013 to receive a 10% off usual fee  
**GROUP REGISTRATION** – Send 2 or more participants to enjoy a 10% off usual fee

Completed registration form and fax to 03-5623 5800 or email to Krisna.Tjong@dnb.com.my

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### Payment Information

- [ ] D&B subscription units (Subscriber ID:_____________________)  
- [ ] “Cheque. Please made payable to: Dun & Bradstreet (D&B) Malaysia Sdn Bhd  
  
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### Registration Terms & Conditions

1. A seat will be reserved upon receipt of completed registration form, and confirmation of seat upon payment received  
2. A substitute participant is welcome at no charge should you not be able to attend. Please provide the necessary details. Only cancellation made 20 working days before commencement is entitled to full refund of seminar charges. No refund thereafter including no show during day of event. A complete set of materials will however be sent to you.  
3. For D&B subscribers opting to pay through D&B subscription units, deductions would be made upon receipt of completed registration form. In the event of any postponement/cancellation of seminar by D&B, or withdrawal from seminar by participant(s), unit deducted would not be credited. However, a replacement of seminar (of same value) would be given and to be utilized within 6 months.  
4. D&B reserves the right to postpone or cancel the seminar for reasons whatsoever. In such a case, D&B will provide full refund to registrants who have made Cheque payment towards the event and such registrants shall have no claims against the company.  
5. D&B reserves the right to change venue due to unforeseen circumstances.  
6. D&B shall not be responsible for any additional expenses incurred by any participant(s) in the course of attending the program.

I, the undersigned, have read and understood the Registration Policy and accept the terms contained therein.

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