



## Global Limits Manager






# A revolution in trade credit risk management

Global Limits Manager is a trade credit limit management facility designed to set and maintain customer credit limits using live sales ledger data. This is supplemented where necessary with status agency information.

Developed in the UK in 2007, AIG Global Limits Manager represents a complete revolution in trade credit risk management and helps trade credit professionals more accurately assess ongoing customer credit risk.

Global Limits Manager is designed to be used by insured companies in conjunction with an AIG trade credit insurance policy providing credit limit certainty, reduced administration and reduced credit limit cost.

Global Limits Manager lets you assess the risk of trading with your customers more accurately...



## How does Global Limits Manager work?

- 1** Global Limits Manager works by taking a regular feed of all customer details, open & closed invoices and payments & credits from a sales ledger system. It then uses this data to score customer trading relationships and to establish trading experience based credit limits.
- 2** Where trading experience alone cannot justify the required customer credit limit, this can be supplemented with weekly updated status agency data from Experian or D&B or can be manually overridden with internal credit decisions.
- 3** Trading experience directly influences the value of customer credit limits, so expect higher credit limits on strong customers who pay promptly and lower credit limits on more delinquent customers.
- 4** Providing a regular feed of data from a sales ledger system is easy and can either be achieved automatically through installation of a secure data extractor or manually by self-extracting the data in a specified format and sending it to us. Either way, the first data download provides a 12 month trading history enabling validation of all ledger customer records against a third party status agency database. It also establishes accurate trading experience scores and credit limits from day one of Global Limits Manager use.
- 5** Whether reporting externally to AIG, or internally for credit management purposes, Global Limits Manager helps automate the identification of overdue accounts. It will regularly prompt for updates to credit control actions on delinquent customers and will record all credit control actions for compliance purposes. Electronic overdue reports can be delivered automatically to chosen recipients.

## The benefits are compelling

### Profitability

Global Limits Manager can significantly improve bottom-line profitability for many companies by:

- Reducing the cost of credit limit management by setting a greater proportion of customer credit limits on trading experience only.
- Reducing the cost of credit delinquency by identifying those accounts that consistently pay late, and thereby allowing more targeted collections action or account contract renegotiation.
- Reducing the cost of bad debts by identifying riskier accounts, identifying over-trading accounts and by using customer risk intelligence to manage deteriorating trading relationships.
- Enabling a more focussed sales approach by revealing the less risky accounts with available credit lines.

### Vigilance

Week in, week out, Global Limits Manager monitors your customer portfolio and helps quickly identify those customers whose trading circumstances might be changing or those customers who are showing increasing signs of delinquency.

Using its impressive ability to consistently process large amounts of customer related data, Global Limits Manager's built-in system of alerts and automated reporting might just provide that vital piece of customer risk intelligence that helps you successfully manage your way out of a deteriorating trading relationship before it's too late.

### Intelligence

Who are my riskiest customers? Who are my most delinquent customers? How much does it cost me to trade on credit terms? Where am I over-trading? Which credit limits are deteriorating? Global Limits Manager will tell you.

The systematic inclusion of customer trading experiences in credit limit management means credit decisions are based on the most up-to-date information available, including easily overlooked key warning signs buried deep in ledger data.

Global Limits Manager's ability to process customer ledger data from multiple sources enables a consolidated view of aggregated customer risk across different subsidiaries, product lines or ledger systems.






## Global Limits Manager is tailored to reflect your AIG trade credit insurance policy....

Many companies use trade credit insurance to protect themselves against bad debts. However, the administration of a trade credit insurance policy can be burdensome, the management of discretionary limits can often be costly, and the effectiveness of credit insurance cover can be compromised by a lack of certainty.

Global Limits Manager is a simple yet highly effective credit limit management platform which provides policy holders with the combined benefits of credit limit certainty, simplified administration and the likelihood of reduced credit limit cost.

Through a single, centralised mechanism, policy holders can now manage and monitor all of their customer credit limits as well as fulfilling their overdue and adverse information reporting requirements. AIG trade credit policy wordings reinforce this by providing certainty for all credit limits issued by Global Limits Manager in the same way that they do for credit limits approved and agreed by an AIG underwriter.

The benefits of combining Global Limits Manager with an AIG trade credit insurance policy are substantial:

- Credit limit certainty both above and below a discretionary limit.
- Credit limit management for all customers, large or small, worldwide.
- Simplified overdue and adverse information reporting.
- Likely reduction in credit limit management costs
- Likely offer of more favourable trade credit policy structures.

Global Limits Manager removes much of the present uncertainty surrounding the operation of a trade credit insurance policy, the management of customer credit limits and compliance with policy reporting requirements.

[www.aig.co.uk](http://www.aig.co.uk)

#### BELFAST

Enterprise House  
55/59 Adelaide Street  
Belfast BT2 8FE  
Tel: 02890 726002  
Fax: 02890 726085

#### CROYDON

2-8 Altyre Road  
Croydon  
Surrey CR9 2LG  
Tel: 020 8681 2556  
Fax: 020 8680 7158

#### LEEDS

Yorkshire House  
Greek Street  
Leeds LS1 5SX  
Tel: 0113 242 1177  
Fax: 0113 242 1746

#### MANCHESTER

4th Floor,  
201 Deansgate  
Manchester M3 3NW  
Tel: 0161 832 8521  
Fax: 0161 832 0149

#### BIRMINGHAM

Embassy House  
60 Church Street  
Birmingham B3 2DJ  
Tel: 0121 236 9471  
Fax: 0121 233 3597

#### GLASGOW

4th Floor  
69 Wellington Street  
Glasgow G2 6HJ  
Tel: 0141 303 4400  
Fax: 0141 303 4440

#### LONDON

58 Fenchurch Street  
London  
EC3M 4AB  
Tel: 020 7954 7000  
Fax: 020 7954 7001

#### READING

Soane Point  
6-8 Market Place  
Reading RG1 2EF  
Tel: 0118 964 2600  
Fax: 0118 958 1263



American International Group, Inc. (AIG) is a leading global insurance organisation. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at [www.aig.com](http://www.aig.com) and [www.aig.com/strategyupdate](http://www.aig.com/strategyupdate) | YouTube: [www.youtube.com/aig](http://www.youtube.com/aig) | Twitter: @AIGinsurance | LinkedIn: <http://www.linkedin.com/company/aig>.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at [www.aig.com](http://www.aig.com). All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties.

American International Group UK Limited is registered in England: company number 10737370. Registered address: The AIG Building, 58 Fenchurch Street, London EC3M 4AB. American International Group UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN number 781109). This information can be checked by visiting the FS Register ([www.fca.org.uk/register](http://www.fca.org.uk/register)).