



**TradEnable Xtra**



# A revolution in trade credit risk management

TradEnable Xtra is a trade credit limit management facility designed to set and maintain customer credit limits using live sales ledger data.





First launched in 2007, our updated and re-branded AIG Trade Credit on-line system is a complete revolution in trade credit risk management and helps trade credit professionals more accurately assess ongoing customer credit risk.

TradEnable Xtra 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.

**TradEnable Xtra lets you assess the risk of trading with your customers more accurately...**

\*includes all middle market and strategic and multinational whole turnover policies





## How does TradEnable Xtra work?



TradEnable Xtra works by taking a regular feed of all customer details, open & closed invoices and payments & credits. It then uses this data to establish trading experience based credit limits.



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.



Providing a regular feed of data from a sales ledger system is easy and can be achieved through uploading a regular Microsoft® Excel® file of data. This will provide a view of the debtor portfolio's trading history enabling validation of all ledger customer records against a third party status agency database. It also establishes credit limits from day one of TradEnable Xtra use.



Whether reporting externally to AIG, or internally for credit management purposes, TradEnable Xtra 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

TradEnable Xtra 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, TradEnable Xtra 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, TradEnable Xtra'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? TradEnable Xtra can tell you.

The systematic inclusion of customer trading experiences in credit limit management means credit decisions are on the most up-to-date information provided.

TradEnable Xtra'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.



## TradEnable Xtra 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.

TradEnable Xtra 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 TradEnable Xtra in the same way that they do for credit limits approved and agreed by an AIG underwriter.





**The benefits of combining TradEnable Xtra 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.
- Automated overdue reporting and prompts for adverse information.
- Can create a reduction in credit limit management costs
- Ability to offer more favourable trade credit policy structures.

TradEnable Xtra 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.



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