

CUSTOMER PROTECTION GUIDE

This guide is to assist you in the management of Customer Protection. The customer protection online platform allows you to manage all aspects of your customer protection; from applying for limits, reporting overdues, and completing claims.

Customer protection is a service we offer to our invoice finance clients. By obtaining the benefit of customer protection, you can protect your business from losses caused by insolvency or protracted default of your customers, thus protecting your cashflow and giving you peace of mind.

This guide is not intended to be a full summary of the terms which apply to Customer Protection, please refer to your Customer Protection Credit Limit and your Invoice Finance Agreement for further details.

Key responsibilities – you will need to:

- Promptly issue invoices for delivered goods or services where terms of payment do not exceed the maximum terms of payment stated within your Invoice Finance Agreement
- Obtain an approved Customer Protection Limit
- Adhere to the Minimum Credit Control Procedures
- Complete monthly reporting requirements
- Not to despatch any goods or complete further services when invoicing is overdue by more than 60 days or when you suspect the customer is experiencing financial difficulties

Key exclusions:

Certain sales to customers will not be eligible for Customer Protection. Your Invoice Finance Agreement will provide further detail, but these include:

- Disputed debts;
- Any amounts above the relevant Customer Protection Credit Limit or where no Customer Protection Credit Limit has been obtained;
- Debts which are overdue by more than 60 days after the due date for payment at the time at which you apply for a Customer Protection Credit Limit;
- Any new debts that were created for a customer, when there are outstanding debts aged in excess of 60 days past the due date;
- In the case of Take On Notified Debt, where an invoice is aged in excess of 30 days past due date, then the whole balance for such customer will not be covered until the account is brought up to date.

This guide is designed to assist you in the management of Customer Protection. It is important for you to decide that this is the right service for you.

Getting started

LOGGING IN

You will receive an email from our administrator **user@e-bonded.com** containing a link to set up your access. Your Username will be your email address, and the system will take you through to create a password and keyword. Access to the site can be found through **https://www.paragonbank.co.uk/** click on the green login button and select **Asset finance – E-bonded**.

HOME SCREEN

The home screen shows reminders on the account and details the number of customer limits held, used and remaining. The left hand side details the main menu options available

Customer Limit Centre

Changes to Customer Limits

Customer Search Failure

Claims & Reporting Centre

Limit Charges Centre

Annual Reviews

Clients - Home

Manage Gadgets

Reminder

In order to make sure you get the maximum protection for your sales ledger remember to:

- REGULARLY check the limits in force for your customers... at least monthly.
- DON'T forget to apply for limits for new customers.
- REMEMBER to complete overdue reporting when needed for late paying customers.

News

Nothing to display

Limit Availability

Region	Max. Limits	In Use	Remaining
UK	25	24	1
EU, USA, Canada, Norway & Switzerland	0	0	0
Rest of World	0	0	0

Clicking on each menu option will bring up a sub list of further options available.

Customer Limit Centre

Customer Limit Centre

Apply for a New Limit

Change an Existing Limit

View All Limits

Limit History

Customer Limit Centre

The Customer Limit Centre area allows you to view all your existing limits as well as change individual limits and apply for new ones.

Applying for a customer protection limit couldn't be simpler, you can apply with the business number or business name and address. Please ensure the correct company is identified as limits applied against incorrect businesses could result in a failed limit/future claim.

Changes to Customer Limits

Customer Limit Centre

Changes to Customer Limits

Recent Limit Changes

Limits on Review

Changes to Customer Limits

The Limit Changes area allows you to view recent limit applications, limits currently on review awaiting a decision from underwriting, and a list of any limits that have been reviewed or monitored.

Customer Search failure

Customer Limit Centre

Changes to Customer Limits

Customer Search Failure

New Search Request

Outstanding Requests

Completed Requests

Customer Search Failure

If you have been unable to locate customer from the company lookup page, this area allows you to request a more detailed search for a company.

Please ensure you have searched for your customer through the customer limit centre before using this function.

Please note that requests can take up to 10 working days to be completed. You will need to check the system regularly for updates.

Claims and Reporting Centre

Customer Limit Centre	Claims & Reporting Centre
Changes to Customer Limits	Reportable Accounts
Customer Search Failure	
Claims & Reporting Centre	What Should I Report?
Report Overdue Balances	Please report the portion of the total outstanding balance which is 60 days or more past your original due date. You must report accounts where the overdue balance is more than 10% of the customer limit.
View Overdue Balances	Disputes are not covered, however, you must still report these where the overdue balance is more than 10% of the customer limit.
Report Adverse Information	Report all accounts that are overdue including any customer where an approved limit has ever been held, even if that limit is now a zero.
List Adverse Information	Continue to report the account on a monthly basis until the account is up to date, the outstanding debt is paid or you have submitted a claim.
Submit Claim	
Current Claims	
Historic Claims	
View All Claims	

By the 20th monthly, you must report outstanding balances which are 60 days or more past due.

Disputes are not covered; however, you must still report these where the overdue balance is more than 10% of the relevant Customer Protection Credit Limit. If you have no overdues to report, under the claims and reporting centre section please click on 'I have no overdues to report'.

Customer Limit Centre	Claims & Reporting Centre - Report Overdue Balances
Changes to Customer Limits	Month: August 2021
Customer Search Failure	Please submit the details of all overdue balances by 20/09/2021 .
Claims & Reporting Centre	Please indicate if you have any overdue balances to report this month.
Report Overdue Balances	<input type="button" value="I have no overdue balances to report"/>
View Overdue Balances	or
Report Adverse Information	<input type="button" value="I have one or more overdue balances to report"/>
List Adverse Information	
Submit Claim	
Current Claims	
Historic Claims	
View All Claims	

In respect of any repayment plans with customers, approval must be obtained prior to any commencement of arrangement and no new invoices will be protected until the repayment plan has been paid in full.

Claims

You must inform us within 2 business days of a customer failure of an event, that is likely to result in a claim. You have 6 months to submit your claim, please speak to your Account manager who will be able to assist with future claims.

Claims are calculated and paid as per the following example;

Protected Percentage - 90%

Minimum Retention - £1,000

Debt amount (gross) - £6,000

Less VAT - £1,000

Net debt amount - £5,000

Debt (net of VAT) less the minimum retention: - £5,000 - £1,000 = £4,000

Protected percentage of the debt: - £5,000 × 90% = £4,500

The debt less minimum retention would be paid, being the lower of the two figures above - £4,000.

Annual reviews

Customer Limit Centre	Annual Reviews
Changes to Customer Limits	This section allows you to complete an annual review for all the limits you hold and decide which ones to keep.
Customer Search Failure	
Claims & Reporting Centre	
Limit Charges Centre	
Annual Reviews	
Annual Limit Review	

The Annual Limit review screen will only become available 30 days prior to renewal. At this point you will receive an email asking you to log into E- bonded and review all your credit limits before the renewal date. If you no longer require a limit, then please remove the tick next to the customer details.

Please note the Protected Percentage rate specified in your Customer Protection Offer Letter is subject to annual review.