



Global 3000 Service Pack Note

Trade Indemnity in Debtors

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INTRODUCTION

Trade Indemnity

This service pack updates Debtors Ledger to provide advanced credit limit checking on selected customer accounts. The accompanying service pack note defines how to activate advanced credit limit checking in your Debtors Ledger for customer accounts subject to Trade Indemnity or other professional insurance.

DOCUMENTATION CHANGES

Trade Indemnity Global 3000 Debtors Ledger includes a company option to operate advanced credit limit checking involving Trade Indemnity or other professional insurance for selected customer accounts.

The Indemnity Cover window of the trading terms option of Debtors Ledger system parameters specifies whether or not indemnity cover can be used by the currently selected company for any of its customer accounts and, if so, what level of default cover should be offered for new customer accounts.

Please note The default is specified here in the base currency of the currently selected company. When a new account for a customer trading in a foreign currency is added for the company, the default indemnity offered is the company default specified here converted to the account currency using the exchange rate in force on the date the account is added to the ledger.

For companies with indemnity cover enabled, an option “Indemnity” is available in the customer company details window in Customer Maintenance. Selecting this option displays the Indemnity Cover window for the customer account in the currently selected company. In that window, the level of indemnity cover can be entered or updated in the trading currency of the customer account.

Please note The standard credit limit can still be set on accounts for which indemnity cover is used to cater for situations where a company is prepared to accept a higher level of risk than the insurers. Note that the levels are processed separately NOT cumulatively – i.e. if the insurers are willing to provide cover to £1M but the company is prepared to offer credit to £1.5M, the indemnity is set to £1M and the credit limit to £1.5M.

The Reset Company Credit Limits window provides access to revised indemnity cover for companies in which indemnity cover is provided for a customer account whose trading currency is altered.

Please note The option to automatically cancel alterations to modified limits on exit from this window has been removed to resolve confusion regarding which companies have been modified and which haven't.

The level of indemnity cover can be used in the same fashion as the account credit limit to restrict the selection of accounts on the basis of their current balance when producing:-

- Customer address lists,
- Diary statements,
- Aged debt reports.

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Please note The following restrictions apply to indemnity cover.

Indemnity cover operates in the same currency as the credit limit, i.e. account currency. Whilst it is recognised that many insurers restrict the rate used to determine the value of a loss event to not exceeding the rate used to convert the premium and charge for lifting this limitation, nevertheless, the loss events are recognised as occurring in the currency of the account.

This service pack does not extend Customer search or automatic import of customer account information from host to include trade indemnity information.

This service pack does not extend Global 3000 Debtors Ledger Head Office account enquiry to include trade indemnity information.

This service pack does not extend Global 3000 Sales Order Processing, Global 3000 Stock Control or Global 3000 Online Data Entry to process trade indemnity during credit limit checking.

This service pack does not extend Global 3000 Creditors Ledger credit limit handling.

Trading indemnity for Company xx

Trading indemnity for Company A1

Details

These parameters define whether trade indemnity cover or other professional insurance is used by the company to cover risk when trading with selected customer accounts. If the company does use indemnity cover, the default to be offered when setting up new customer accounts for the currently selected company can be set here.

Parameters

Trade indemnity?

Default

< Back Close

This window appears when the <next> option is selected in the terms code details window of the Debtors Ledger System Parameter Trading Terms option.

The window defines whether trade indemnity cover or other professional insurance is used by the company to cover risk when trading with selected customer accounts. If the company does use indemnity cover, the default to be offered when setting up new customer accounts for the currently selected company can be set here.

The prompts are

Trade indemnity (Y/N.) Set to Y to indicate that indemnity cover is to be used in addition to standard credit limit controls on selected customer accounts for the currently selected company.

Default (Only if trade indemnity is in use for the currently selected company) Enter the default indemnity cover in the base currency of the currently selected company to

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be offered when establishing new accounts with the company. If the new account operates in a different trading currency to the company base currency, the default specified here will be converted to the trading currency of the new account at the rate in force on the day the account is set up. Leave this as zero if no default is to be offered.

<Add the following button to the Debtors Ledger Customer Company Details window definition>

Indemnity *(Only if Trade Indemnity is enabled for the currently selected company.)* Select this to set or amend the indemnity cover available on this account in the currently selected company.

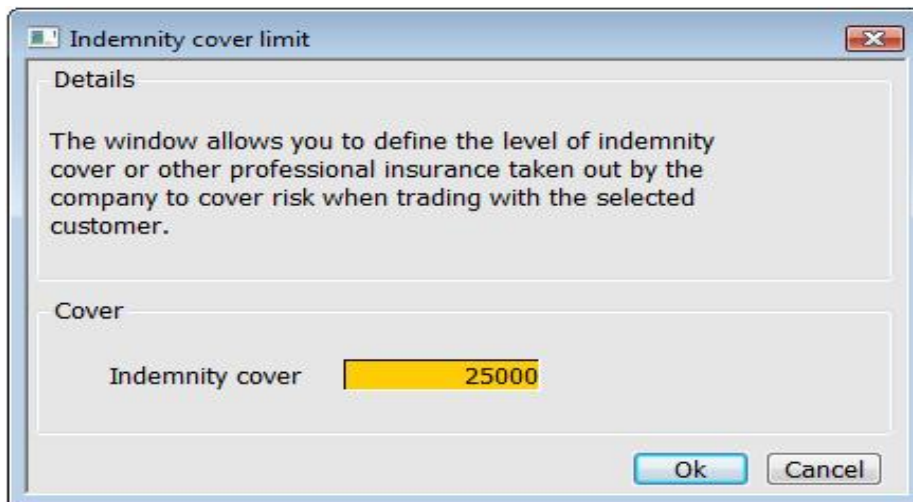
If this customer does not currently have any trade indemnity cover and a suitable default is available, you are asked to confirm that the default cover is to be applied to this account.

=> Indemnity cover limit.

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<Add the following page to the Debtors Ledger Customer Company Details maintenance section>

Indemnity cover limit



This window appears when the <Indemnity> option is selected in the Customer Company details window of Debtors Ledger Customer Maintenance.

The window defines the level of indemnity cover or other professional insurance taken out by the company to cover risk when trading with the selected customer.

The prompts are

Indemnity cover *(Only if trade indemnity is in use for the currently selected company)* Enter the indemnity cover in the trading currency of the account. For new accounts this defaults to the value established in the trading terms for the company set up in Debtors Ledger system parameters. If the new account operates in a different trading currency to the company base currency, the default specified here will be converted to the trading currency of the new account at the rate in force on the day the account is set up. Leave this as zero if no default is to be offered.

Please note The standard credit limit can still be set on accounts for which indemnity cover is used to cater for situations where a company is prepared to accept a higher level of risk than the insurers. Note that the levels are processed separately NOT cumulatively – i.e. if the insurers are willing to provide cover to £1M but the company is prepared to offer credit to £1.5M, the indemnity should be set to £1M and the credit limit to £1.5M. A warning is issued if indemnity cover entered here exceeds the credit limit established for the account.

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Reset Company Credit Limits

Reset Company Credit Limits Window

This window appears when you change the account currency of an existing customer and any of the customer's credit or indemnity limits are non-zero



Purpose This window shows for each company the customer trades with, the customer's credit limit and, if appropriate, indemnity cover in the new account currency. Debtors Ledger calculates these limits from those in the old account currency using the current house exchange rates. This window lets you change the new account currency values.

Note Debtors Ledger takes the GSM system date as the current date.

Move through list You can move through the list using the cursor and <Page Up> and <Page Down> keys in the standard way.

Amend To amend a company credit limit, move the cursor to the required entry and press <Return>.

Close To confirm the new limits and account currency, ⇒ General Details Window

The prompts are:

Co *(Display only.)* The company code.

Name *(Display only.)* The company's name.

New credit limit (xxx) The credit limit for this company in the new account currency. You can amend this if necessary; for example if the credit limit converted to an awkward value. Credit limits are entered as whole numbers; i.e. without decimal places.

New indemnity cover (xxx) The limit of indemnity cover for the account with this company in the new account currency. You can amend this if necessary; for example if it converted to an awkward value. Limits are entered as whole numbers; i.e. without decimal places.

On completion ⇒ Next line in window.

On exit ⇒ General Details Window.

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<Replace the following option in the Debtors Ledger Customer Address List Selection Criteria >

Over credit limit customers only (Y/N.) Enter Y to restrict the selection to customers who are over their credit limit. Enter N for no restriction.

<with >

Balance restriction Use this option to restrict the report to accounts with a current balance in excess of either their credit limit or indemnity cover. Select from the following responses:-

- Over credit limit;
- Over indemnity cover;
- None.

<Replace the following option in the Debtors Ledger Statement Print Selection Criteria >

Over credit limit only (Diary statement runs only.) Enter Y to select only accounts with an outstanding balance over the credit limit. Enter N to ignore the credit limit.

<with >

Balance restriction (Diary statement runs only) Use this option to restrict the range of statements to accounts with a current balance in excess of either their credit limit or indemnity cover. Select from the following responses:-

- Over credit limit;
- Over indemnity cover;
- None.

<Replace the following option in the Debtors Ledger Aged Debt Report Selection Criteria >

Over credit limit only Enter Y to select only accounts with an outstanding balance over the credit limit. Enter N to ignore the credit limit.

<with >

Balance restriction Use this option to restrict the range of accounts included in the report to accounts with a current balance in excess of either their credit limit or indemnity cover. Select from the following responses:-

- Over credit limit;
- Over indemnity cover;
- None.

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