Credit Assessment Process

Version 1.2

Updated October 2018

For New and Existing Wholesale Customers

- New customers complete and submit the credit application form to their Account Manager.
- Existing customers wishing to avail of new services that will increase their liability to eircom Ltd. (open eir) may be asked to confirm or update existing information.
- Existing customers whose payment performance or current financial performance would suggest a credit risk may also be assessed.
- The Account Manager prepares the papers relating to the new customer, which outlines the full company name and registered number, registered office address, directors, expected billing and payment terms (in advance/in arrears) and anticipated trading growth, a summary of existing business and any other relevant information from either internal or external sources and submits to the Credit Assessment Team ("CAT").
- Credit references are requested from reputable credit assessment agencies. A comprehensive report from a credit assessment agency provides detailed data which includes, amongst other information: A risk indicator, a maximum credit limit and Statistical Scores to identify the likelihood of default. It is the customer's responsibility to query credit ratings directly with these agencies.
- The CAT is comprised of a cross-functional team (including by means of example, finance, sales and commercial). The CAT reviews the information provided as well as a report from Credit Control for existing customers and assesses the following:

- ✓ The structure and amount of increased liability (e.g. upfront vs. recurring liability)
- ✓ The company's financial strength

- Where applicable, the credit history with open eir
- Any other relevant information, e.g. media coverage, press releases, statements to the stock exchange etc.

- The assessment is based on, but not limited to, the above information.
- The CAT then makes a recommendation on whether or not there is a requirement for security, deposit and/or the level of credit appropriate to designated members of Senior Management Team in open eir and Finance.
- Senior Management either signs off or modifies the credit recommendation.
- If necessary a meeting is called.
- Clarifications or additional information may be requested at anytime throughout the process.
- The credit terms for the service are communicated to the customer and in place, if necessary, prior to contract signature.
- The customer's credit performance is subsequently reviewed quarterly. Some customers will be monitored monthly where the judged level of risk assessed merits.