

Default Alert System

2020



Introduction

As the PCN Head Office does not offer financial protection or guarantees, we are unable to dictate payment terms. As we do not set specific rules with regards to extending credit, we advise that Members use normal commercial caution if asked to do so.

It goes without saying that Members should agree all terms for payment of shipments before they are undertaken.

At PCN we believe in prevention rather than cure, which is why we have in place our **Payment Monitoring System** and Default Alert procedure.

Did you know that since 2010 we have only had to expel 1 company (Chile) due to nonpayment? And that since 2014, 100% of Members honoured their payments? These statistics would be hard to beat outside of the PCN network.

PCN Members understand that abidance of our **Rules of Membership**, paying on time and operating in a professional manner results in repeat business and excellent relations. Therefore, we hold an excellent record of financial stability within our network.

Please note

If you ever receive one of our late payment notices, don't take it personally! Please appreciate that any official action is always taken fairly and consistently. If it is a genuine mistake on your behalf, simply settle the overdue invoice and the case is closed. Let's not forget that we are still in the midst of a turbulent economy, but with this procedure in place we are doing all we can to minimise potential problems for our Members. We are proud to say that we have an excellent payment record between Members within PCN.

Please note that it is each member's responsibility to ensure that their accounting department adhere to our rules.

Default Alert Procedure

Any late payment complaints must be addressed to the PCN Head Office at the earliest opportunity.

Day 1

Once we receive an official late payment complaint, we check that it is valid (i.e. over 30 days from the date of the invoice) and that there is no dispute. If there is no dispute, the defaulting Member is warned that unless we receive confirmation that the outstanding payment is settled within 7 days, the company will be expelled.

Day 2 & 3

The PCN Head Office send daily notices chasing the payment.

Day 4

If no proof of payment is received, the PCN Head Office send a Default Alert notice warning all Members of the outstanding debt and to use extreme caution when dealing with the defaulting company.

Day 5 & 6

The defaulting Member is given 48 hours to settle the overdue account or face automatic expulsion from PCN.

Day 7

The defaulting Member is expelled and the PCN Head Office will notify debt recovery companies specialising in the Transportation and Freight Forwarding industry including FreightDeadbeats and FDRS. Other industry bodies including freight networks, IATA, FIATA and the Freight Forwarders Association in the defaulting Members home country will also be notified.

“Making our network stronger.”



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