Chapter 16

**Activity 16-2 Credit Policy**

**Directions:** Write a short initial credit policy you think might work well for your business. Include policies for both offering credit and receiving credit. If your business will not be offering or receiving credit, write a short policy for the possibility of that situation changing in the future.

1. Write a short credit policy for offering credit to customers based on the business type. Will the credit be in the form of an installment loan, proprietary credit card, trade credit, or a combination? How will you manage the business’ accounts receivable? Also include the policies for accepting bank and credit cards, if appropriate.

<<Place Answer Here>>

1. If your business will be accepting trade credit from other companies, write a short credit policy for how you plan to manage the accounts payable.

<<Place Answer Here>>

1. Ask your instructor where to save your documents. This could be on the school’s network or a flash drive of your own. Name your Word document *FirstnameLastname*\_Activity16-2.docx (i.e., JohnSmith\_Activity16-2.docx).