CREDIT COLLETARAZATION

UNIT CODE: BUS/CU/BF/CR/04/6/A

Relationship to Occupational Standards

This unit addresses the Unit of Competency: Establish Credit Collateral

Duration of Unit: 160 Hours

Unit Description

This unit specifies the competencies required to establish credit collateral.it involves Identifying security options, determining sufficiency of collateral, execute legal document, conducting security perfection and maintaining credit security documents.

Summary of Learning Outcomes

1. Identify security options
2. Determine sufficiency of collateral
3. Execute legal document
4. Conduct security perfection
5. Maintain credit security documents

Learning Outcomes, Content and Suggested Assessment Methods

Learning Outcome	Content	Suggested Assessment Methods
1. Identify security options	- Security documents - Types of security documents. - Importance of the security documents. - Collateral - Types of collateral - Importance of collateral - Collateral for different types of credits.	- Written tests - Observation - Oral questions - Third party report
2. Determine sufficiency of collateral	- Establishment of legal ownership of collateral. - Interpretation of valuation report. - Importance of establishing sufficiency of collateral. - Discounting of collateral values. - Importance of discounting	- Written tests - Observation - Oral questions - Third party report

	collaterals.	
3. Execute the legal documents	• Legal documentation • Types of legal documents • Importance of securing the legal documents. • Parties involved in securing legal documentation.	• Written tests • Observation • Oral questions • Third party report
4. Conduct security perfection	• Joint registration. • Importance of joint registration. • Joint registration for different types of collateral. • Steps taken in registration of different types of collateral. • Parties involved in joint registration. • Costs involved in joint registration.	• Written tests • Observation • Oral questions • Third party report
5. Maintain credit security documents	• Security documents • Methods of maintaining different types of documents. • Types of filing • Cataloguing of security documents • Retrieval of security documents when needed. • Archival of security documents. • Destruction of obsolete security documents.	• Written tests • Observation • Oral questions • Third party report

Suggested Methods of Instruction
- Project
- Demonstration by trainer
- Practice by the trainee

- Discussions
- Direct instruction
- Simulation
- On job training

Recommended Resources

- Writing materials
- Projector
- Computer
- Flip Chart/white board