

Credit Business Associatesm (CBAsm) Exam Study Outline

Recommended Texts:

The following textbooks, all of which are available for purchase through the NACM Bookstore, should be used to prepare for the exam:

- *Principles of Business Credit*, 5th Edition, by NACM
- *Accounting* by Warren, Reeve and Duchac or any college level financial accounting text
- *Understanding Financial Statements* by Lyn Fraser
- *Credit Management: Principles and Practices* by Dr. Charles Gahala, CCE (optional, review text)

This guide outlines the chapters covered by the CBA exam. Please be aware that this study outline is intended as a general guide for preparing for the examination. In-depth preparation (study sessions, seminars, self-study courses, etc.) is recommended in conjunction with reviewing the material within this study outline.

CBA Exam Format:

The CBA exam typically consists of approximately 125-150 true/false and multiple-choice questions of an equal point value. Exam questions are drawn from the recommended texts covering any or all of the suggested topics. The exam may require the preparation of a balance sheet, an income statement, a statement of cash flows, or common size analysis (vertical or horizontal). Candidates have three hours in which to complete the exam, may not use texts or notes, but may use hand-held calculators during the examination. Candidates must earn a score of 70% to pass this examination. NACM reserves the right to change the format of the exam at any time.

If you are in any way uncertain about the references or topics listed, please contact the National Education Department for clarification prior to the exam. You will also find the study outline on our web site at www.nacm.org.

Principles Of Business Credit, 5th Edition

Chapter 1: Credit in the Business World
Chapter 2: Credit in the Company
Chapter 3: Organizing the Credit Department
Chapter 4: The Legal Environment of Credit
Chapter 5: Credit Policy and Procedures
Chapter 6: Terms and Conditions of Sale
Chapter 7: Negotiable Instruments
Chapter 8: The Legal Forms of Business
Chapter 9: The Uniform Commercial Code
Chapter 10: Credit Investigations

Chapter 11: Know Your Customer
Chapter 12: International Trade
Chapter 13: Financing and Business Insurance
Chapter 14: Business Credit Fraud
Chapter 15: Making Credit Decisions
Chapter 16: Customer Visits
Chapter 17: The Credit and Sales Partnership
Chapter 18: Out-of-Court Settlements
Chapter 19: Bankruptcy Code Proceedings

Accounting, 22nd Edition

If you are using another accounting text, compare these topics against those in a different text.

- Chapter 1: Introduction to Accounting and Business
- Chapter 2: Analyzing Transactions
- Chapter 3: The Adjusting Process
- Chapter 4: Completing the Accounting Cycle
- Chapter 5: Accounting Systems
- Chapter 6: Accounting for Merchandising Businesses
- Chapter 7: Inventories
- Chapter 8: Sarbanes Oxley, Internal Controls, and Cash
- Chapter 9: Receivables
- Chapter 10: Fixed Assets and Intangible Assets
- Chapter 11: Current Liabilities
- Chapter 12: Accounting for Partnerships and Limited Liability Corporations
- Chapter 13: Corporations: Organization, Capital Stock Transactions, and Dividends
- Chapter 16: Statement of Cash Flows

Understanding Financial Statements, 8th Edition

- Chapter 1: Financial Statements: An Overview
- Chapter 2: The Balance Sheet
- Chapter 3: The Income Statement and Statement of Stockholders' Equity
- Chapter 4: Statement of Cash Flows
- Chapter 6: The Analysis of Financial Statements

Credit Management: Principles & Practices, 3rd Edition

- Part I: An Introduction to Business Credit Management
 - Chapter 1: The Changing Nature of Credit Management
- Part II: Credit Policy and the Extension of Credit
 - Chapter 4: Management Credit Policy
 - Chapter 5: Legislation and Regulations Pertaining to Business Credit Decision Making
 - Chapter 6: Conducting the Credit Investigation
 - Chapter 7: Business Credit Reporting Services
- Part III: Credit, Collection, and Analysis
 - Chapter 8: A Systematic Approach to Effective Collection Activity
 - Chapter 9: Financial Statement Analysis
- Part IV: Secured Credit and Bankruptcy
 - Chapter 11: Secured Credit Arrangements and Letters of Credit
 - Chapter 12: Bankruptcy and Reorganization

Additional Study Aids

- **CBA Exam Review Session CD** ... for details, visit the NACM Bookstore at www.nacm.org.
- **The CBA Practice Exam** is available through NACM-National's web site. From the home page go to "Certification->Practice Exams" and you may access this study option. Please be aware that the exam is intended as a sample of the actual exam's format and content. Additional study is recommended. Access to the CBA Practice Exam is currently free.

For information on study sessions in your location, please contact your Affiliated Association for assistance.

For more information please contact:

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