

	October 2014	February 2015	February 2018
<b>Total Respondents</b>	30	45	60
<b>Respondents with customers in this county</b>	25	27	26
<b>Sales are primarily to</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
Existing Customers	N/A	N/A	100%
New Customers	N/A	N/A	0%
<b>Do accounts in this country represent a significant portion of respondents A/R?</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
Yes	N/A	N/A	4%
No	N/A	N/A	96%
<b>Respondents extending credit to customers vs. those who do not</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
Extend Credit	64%	74%	92%
Do Not Extend Credit	36%	26%	8%
<b>Payment terms granted by those extending credit to customers in this country:</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
0-30	36%	25%	27%
31-60	50%	70%	32%
61-90	14%	5%	36%
91+	0%	0%	5%
<b>Average days beyond terms:</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
			11.3
<b>Payment methods used (multiple selections permitted):</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
Wire Transfer	N/A	N/A	88%
EFT (seller initiated)	N/A	N/A	16%
EFT (buyer initiated)	N/A	N/A	20%
Check	N/A	N/A	8%
Credit Card	N/A	N/A	8%
Extended Payment Program or Progress Billing	N/A	N/A	8%
B.P.O. (Bank Payment Obligation)	N/A	N/A	8%
Letter of Credit	12%	7%	32%
Cash Against Documents	0%	0%	16%
Dated Draft	4%	4%	0%
*Other	84%	89%	0%

**\*OTHER (NOTE: Previous surveys asked for top method of payment which included PIA and open account)**

October 2014	February 2015
<ul style="list-style-type: none"> <li>• 20% Payment in advance, 64% Open Account; no payment methods specified.</li> </ul>	<ul style="list-style-type: none"> <li>• 15% Payment in advance, 74% Open Account; no payment methods specified.</li> </ul>

<b>Payment Delays Are:</b>	<b>October 2014</b>	<b>February 2015</b>	<b>February 2018</b>
Increasing	N/A	N/A	12%
Decreasing	N/A	N/A	4%
No Change	N/A	N/A	60%
No Payment Delays	6%	42%	24%

\*NOTE: Previous Surveys asked for average length of payment delay.

October 2014	February 2015
<ul style="list-style-type: none"> <li>50% cited delays &lt;30 days, 31% cited delays of 30-60 days, 13% cited delays of 60-90 days.</li> </ul>	<ul style="list-style-type: none"> <li>21% cited delays &lt;30 days, 26% cited delays of 30-60 days, 11% cited delays of 60-90 days.</li> </ul>

Causes of payment delays, open account:	October 2014	February 2015	February 2018
Billing Disputes	N/A	N/A	26%
Other Disputes	N/A	N/A	0%
Cash Flow Issues	N/A	N/A	16%
Inability to Pay	N/A	N/A	5%
Unwilling to Pay	N/A	N/A	0%
Customer Payment Policy	N/A	N/A	32%
Government Approval	N/A	N/A	0%
Regulatory Issues	N/A	N/A	0%
Foreign Exchange Rates	N/A	N/A	0%
Central Bank Issues	N/A	N/A	0%
Cultural Norms and Customs	N/A	N/A	11%
*Other	N/A	N/A	10%

\*NOTE: Previous Surveys asked for average length of payment delay.

**\*OTHER**

February 2018
<ul style="list-style-type: none"> <li>Unspecified delays</li> <li>We don't have much delay but, typically, delays are due to either a holiday or a lost invoice.</li> </ul>

Resources used to check creditworthiness of customers (multiple selections permitted):	October 2014	February 2015	February 2018
Customer visits	N/A	N/A	32%
Trade references	N/A	N/A	64%
International credit reports	N/A	N/A	96%
Country risk reports	N/A	N/A	64%
Financial statements	N/A	N/A	68%
Bank references	N/A	N/A	36%
Tax records	N/A	N/A	8%
Customer's borrowing relationship with their bank	N/A	N/A	16%
Customer's line of credit with their primary bank	N/A	N/A	20%

Documents used to confirm or finalize sale to prior to shipping (multiple selections permitted):	October 2014	February 2015	February 2018
Credit Applications	N/A	N/A	33%
Purchase Orders	N/A	N/A	79%
Sales Contract	N/A	N/A	33%
Other	N/A	N/A	21%

**\*OTHER**

February 2018	
<ul style="list-style-type: none"> <li>credit line and past due AR</li> <li>Distributor contract</li> <li>Order confirmations</li> </ul>	<ul style="list-style-type: none"> <li>check current AR and credit line before finalize the sales.</li> <li>No need if they have an open credit line.</li> </ul>

**Advice when doing business in this country:**

February 2018
<ul style="list-style-type: none"> <li>KYC- Ensure you have well established Distributor relationship to succeed.</li> <li>Know your customer. Know the import laws. There are numerous restrictions.</li> <li>Cash in advance is preferable.</li> </ul>



## February 2018

- Israel is fairly stable. Clearly communicate terms and payment expectations.
- Israel has very strong laws in place which protect the Distributor especially those that are exclusive to selling only your products.
- Really know who you are selling to - the true legal entity.
- Overall it is not a difficult country for trade. Customers may need to be managed to keep payment practices in line, but they will perform if you manage them well.
- Develop good working relationship with customer. Not many issues in getting payment. Secured with SBLOC.
- Country currency issues are slowing resolving, sales in increasing mode. good to do business
- Review the history.
- Use an agent.