

	February 2017	January 2018	February 2020
Total Respondents	68	83	58
Respondents with customers in this county	13	21	6
Sales are primarily to	February 2017	January 2018	February 2020
Existing Customers	96%	100%	100%
New Customers	4%	0%	0%
Respondents extending credit to customers vs. those who do not	February 2017	January 2018	February 2020
Extend Credit	20%	55%	33%
Do Not Extend Credit	80%	45%	67%
Payment terms granted by those extending credit to customers in this country:	February 2017	January 2018	February 2020
0-30	0%	18%	25%
31-60	50%	37%	50%
61-90	50%	27%	25%
91+	0%	18%	0%
Average days beyond terms:	February 2017	January 2018	February 2020
	N/A	35.2	36.2
Payment methods used (multiple selections permitted):	February 2017	January 2018	February 2020
Wire Transfer	91%	95%	100%
EFT (seller initiated)	0%	5%	17%
EFT (buyer initiated)	5%	16%	17%
Check	5%	16%	17%
Credit Card	5%	21%	17%
Extended Payment Program or Progress Billing	0%	11%	0%
B.P.O. (Bank Payment Obligation)	0%	0%	0%
Letter of Credit	14%	21%	17%
Cash Against Documents	23%	0%	0%
Dated Draft	0%	0%	0%
*Other	14%	16%	17%

***OTHER**

February 2017	January 2018	February 2020
<ul style="list-style-type: none"> Our customer opened a office in Curacao so they could get money out of the country and have their orders shipped on Net 60 terms. VE is extremely difficult to get money out of the country due to their political mess. Payment in Advance 	<ul style="list-style-type: none"> Cash in Advance through US Subsidiary. Cash in Advance. Customers need to send the payment when they place the order. We accept payment from bank accounts in USA. With credit insurance. 	<ul style="list-style-type: none"> Deposit on account

Payment Delays Are:	February 2017	January 2018	February 2020
Increasing	25%	20%	25%
Decreasing	0%	0%	0%
No Change	25%	40%	75%
No Payment Delays	50%	40%	0%

Causes of payment delays, open account:	February 2017	January 2018	February 2020
Billing Disputes	0%	0%	25%
Other Disputes	0%	9%	0%
Cash Flow Issues	0%	18%	25%
Inability to Pay	9%	0%	0%
Unwilling to Pay	18%	0%	0%
Customer Payment Policy	0%	0%	0%
Government Approval	46%	28%	0%
Regulatory Issues	0%	9%	50%
Foreign Exchange Rates	0%	9%	0%
Central Bank Issues	9%	18%	0%
Cultural Norms and Customs	0%	0%	0%
*Other	18%	9%	0%

***OTHER**

February 2017	January 2018
<ul style="list-style-type: none"> Embargoes and sanctions on individuals and government. 	<ul style="list-style-type: none"> Venezuela's government has longstanding exchange controls. The process of getting US currency in Venezuela is so long and difficult, some companies need to pay with their own funds. We have stopped selling without 100 cash in advance payment to our customers in Venezuela

PRS Political & Economic Risk Forecast (Updated 09/01/19)

18-month & 5-year political forecasts and probability for REGIMES most likely to hold power; risk ratings for TURMOIL (low to high), and RISK RATINGS (A+ least, D- most) for financial TRANSFER, direct INVESTMENT, and EXPORT to the country. If forecast has changed, the previous rating appears in parentheses. An asterisk means a nonincumbent regime. Most recent economic data and forecasts include a previous five-year average, a one-year forecast or estimate, and a five-year forecast average. REAL GROWTH of GDP and INFLATION are expressed as percentages, and CURRENT ACCOUNT figures are in billions of US dollars.

Country Regimes and Probabilities	Turmoil	Transfer	Investment	Export		Real GDP Growth	Inflation	Current Account
Venezuela					2014-2018	-12.2	79072.5	0.00
*Military-Civilian 50%	Very High	D-	D+	D-	2019	-25.8	880000.0	3.90
*Reformist Coalition 40%	High	D+	D+	D+	2020-2024	1.3	92.0	-4.30

Forecast provided by The PRS Group, Inc. [Click Here for More Information on the Political Risk Letter and other offerings.](#)

Advice when doing business in this country:

February 2020

- Country is considered high risk. Doing business on credit terms is very risky. Make payment is secured before order is processed.
- Check bank and trade references.
- Know the True Legal Entity/Customer you are doing business with. Spend the time to get all 5 C's of Credit on you customers.
- We sell on CIA terms only.

January 2018

- Prepay only. I don't think that their banking system supports letters of credit. Do not ship until you've been paid.
- Pay attention to sanctions and limitations on currency.
- We only sell to the US subsidiary of the customer.
- Due to country high risk, it may be better to do business with payment in advance terms.
- Sales support.

January 2018

- Make sure you fully know who you are selling to, 5 C's of Credit.
- Highly government regulated and controlled.
- A very difficult country for trade. We currently have just one customer located there, and have a couple more that sell into Venezuela. We had a couple additional customers there in the past. We have stopped providing terms to customers there.
- Sell on 100% advance payment basis due to country risk.
- Avoid selling to Venezuela at this time.
- We only deal in cash in advance as getting USD out of the country is so restrictive.
- Be very careful and try to secure the receivables as much as possible, political and economical issues give much uncertainty to the receivables.

February 2017

- Obtain payment in advance, government restrictions.
- Without a guaranty from a related business located outside Venezuela, I wouldn't recommend any unsecured credit whatsoever to anyone located in Venezuela. Crime, inflation and shortages are far too rampant to trust that any funds would be received after the fact. If you were to receive payment for goods shipped on credit terms at all, be prepared to wait for a year or longer for the payment to clear.