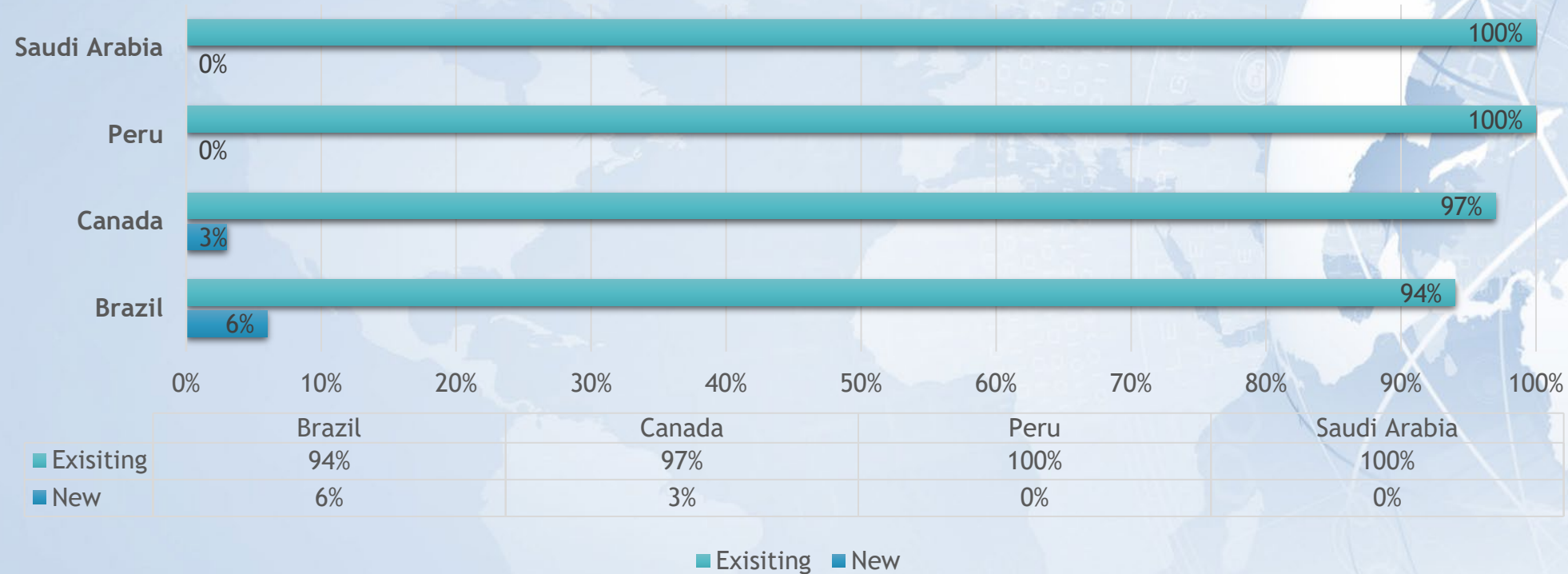


September 2024

FCIB Credit & Collections Survey

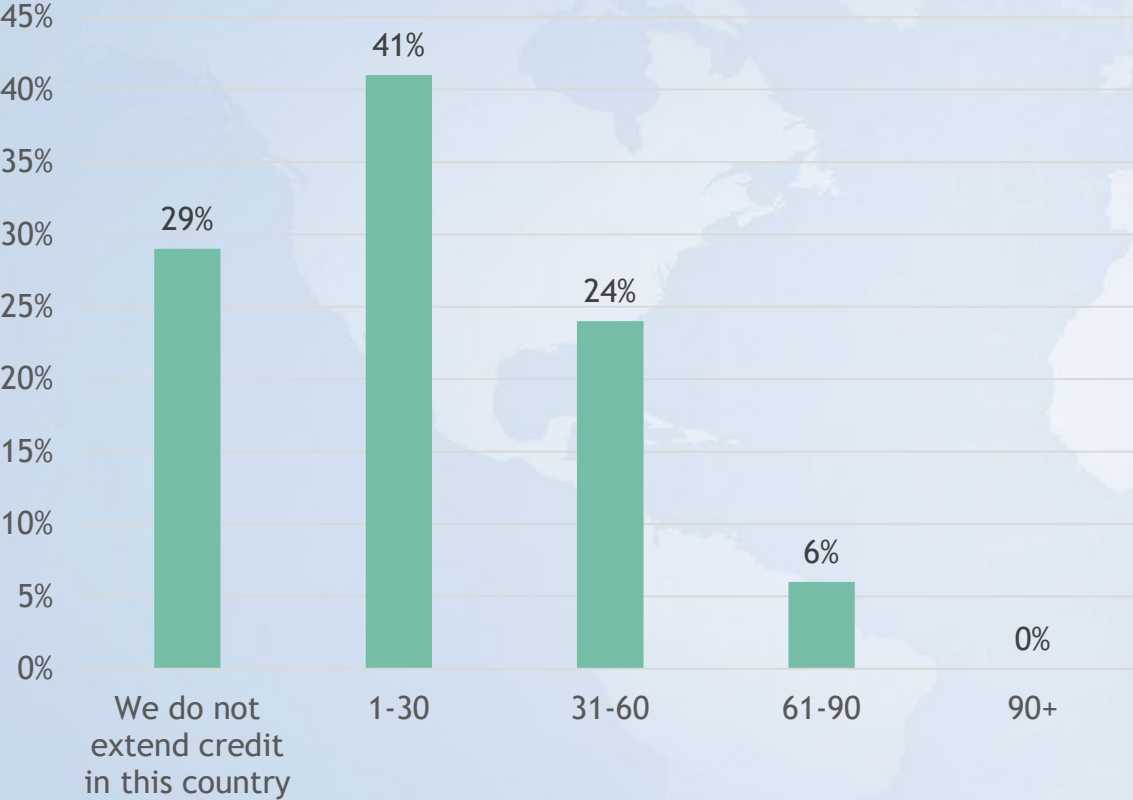
Brazil, Canada, Peru, Saudi Arabia

Are your sales primarily to new or existing customers?

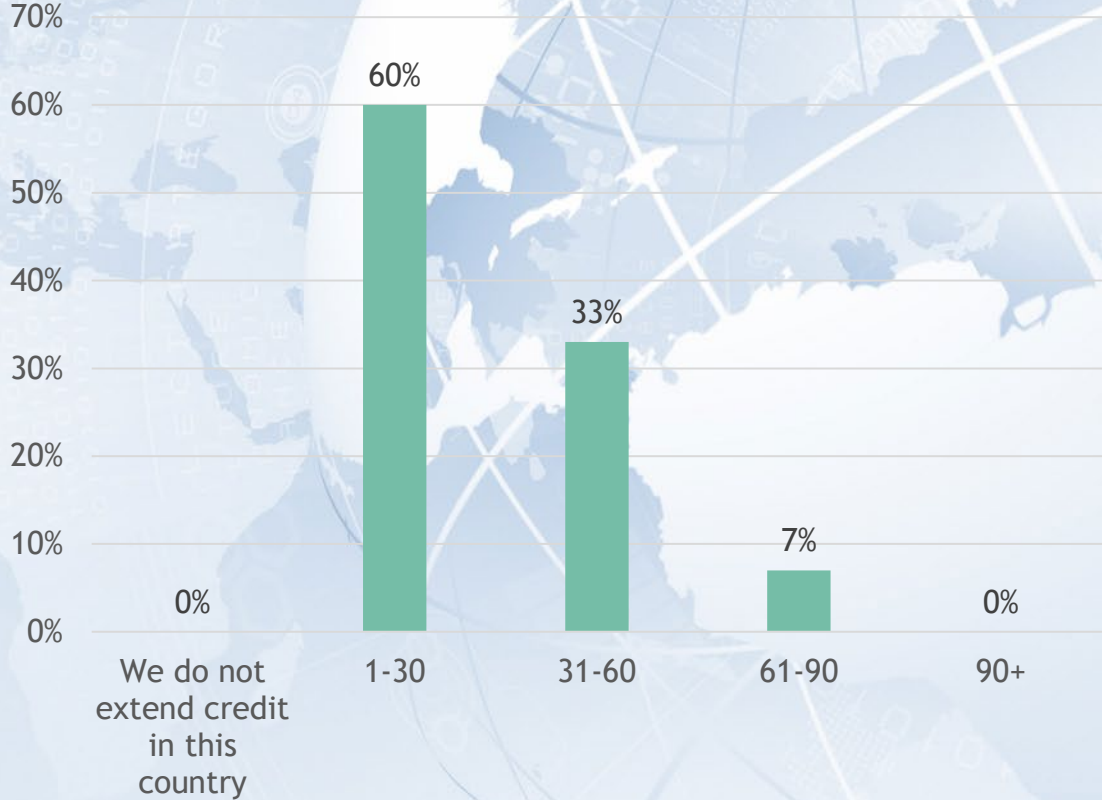


On average, what payment terms are you granting?

Brazil

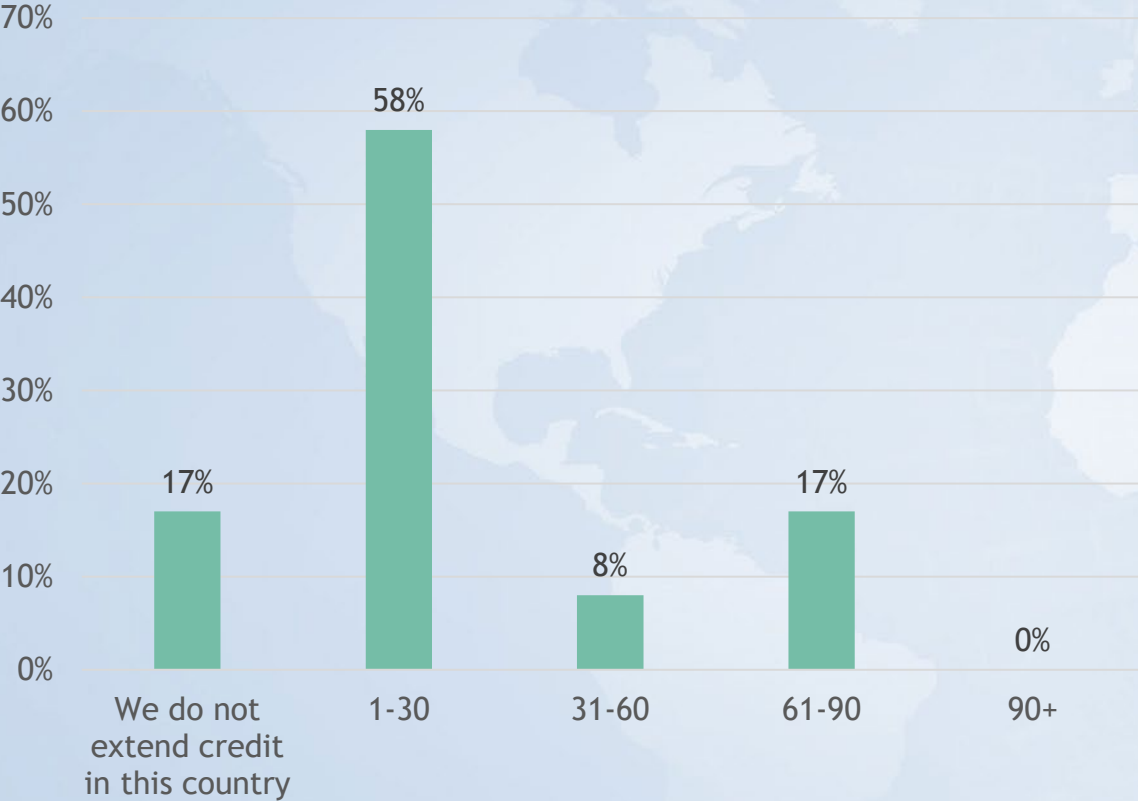


Canada

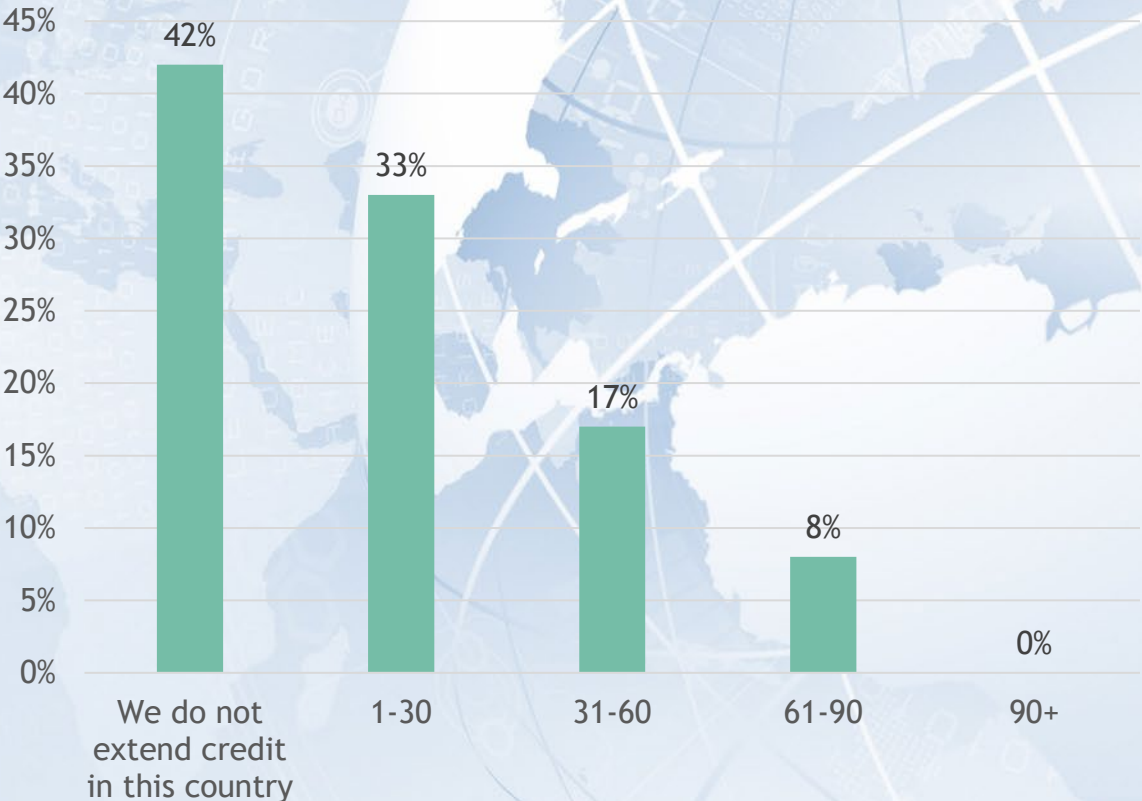


On average, what payment terms are you granting?

Peru



Saudi Arabia



What is the average number of days beyond terms in these countries?

Brazil

18

Canada

14

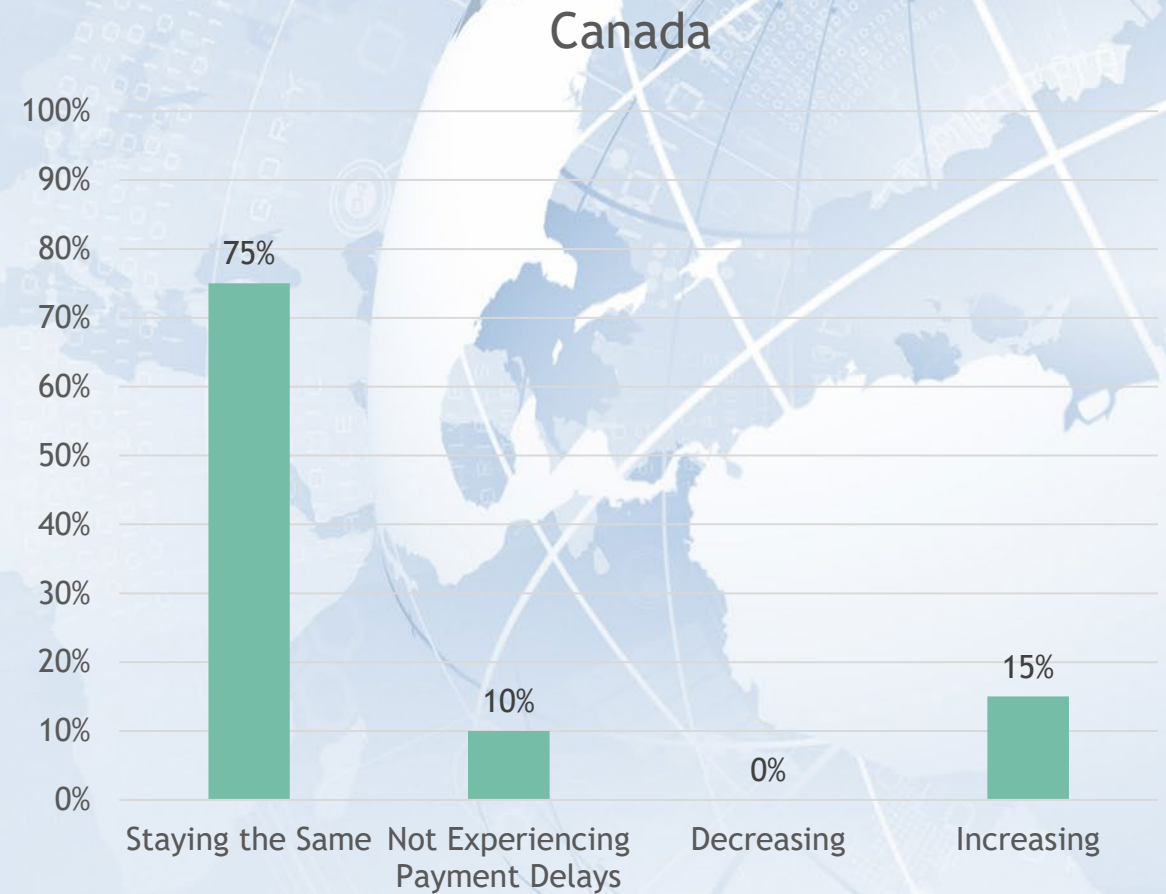
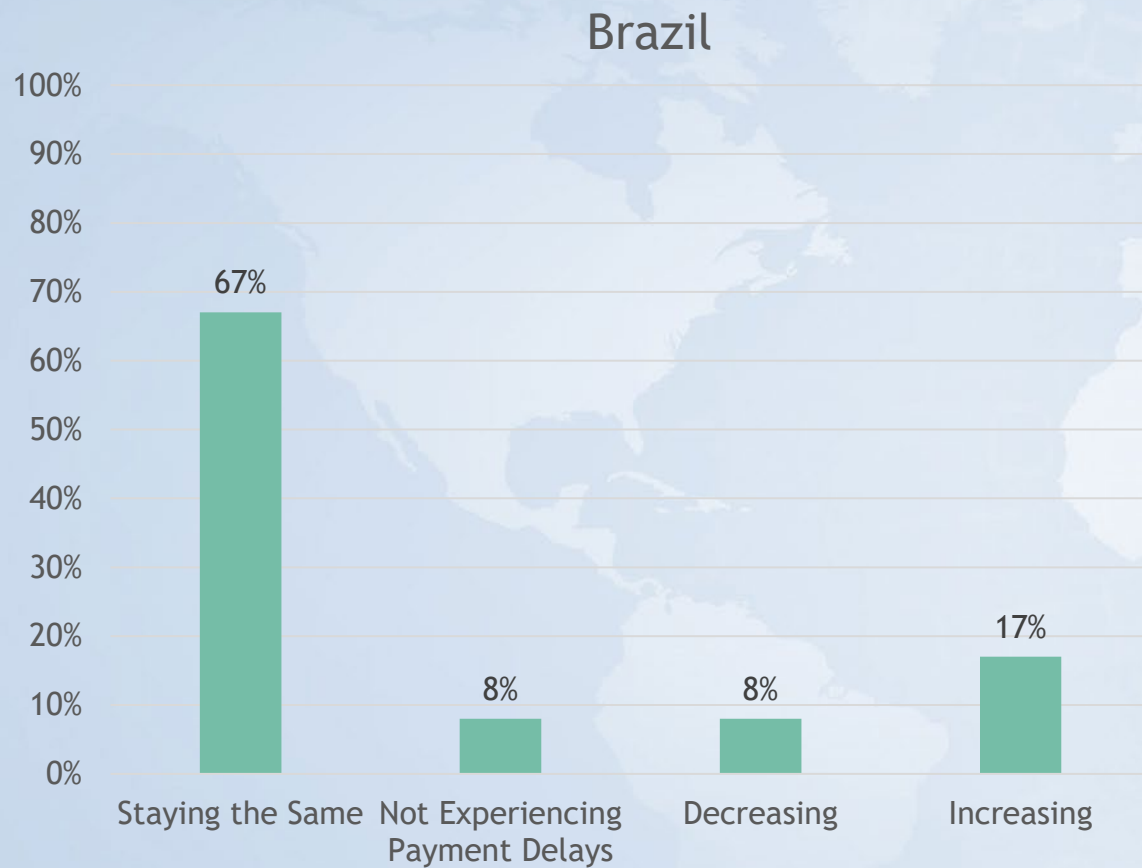
Peru

13

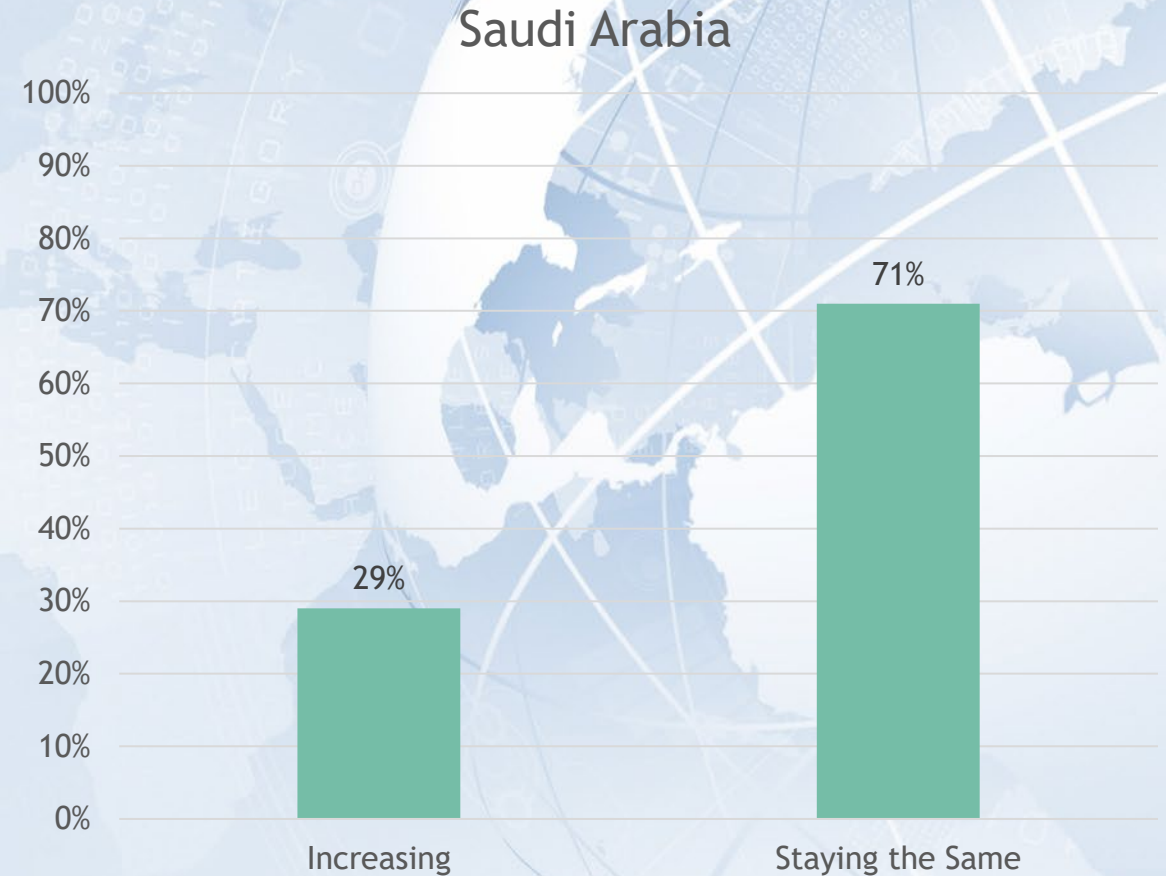
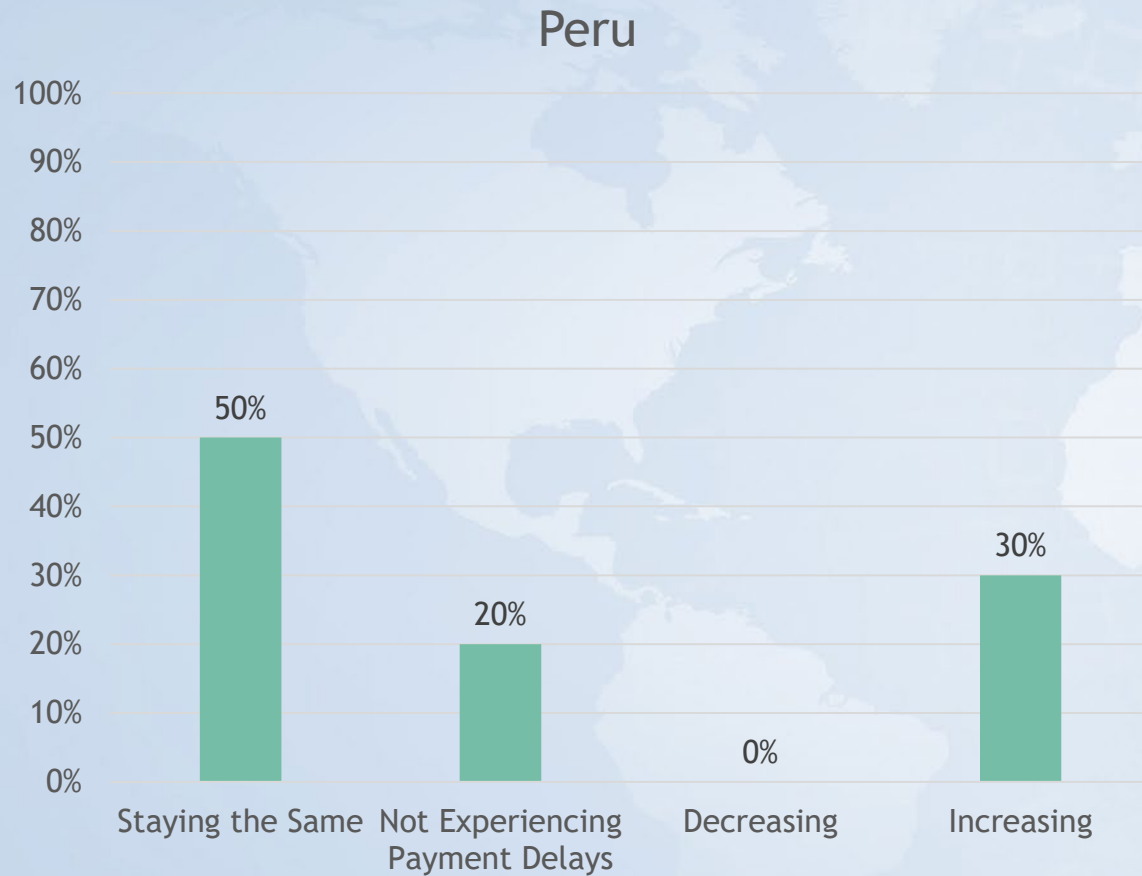
Saudi Arabia

25

Are payment delays increasing, decreasing, or staying the same?



Are payment delays increasing, decreasing, or staying the same?

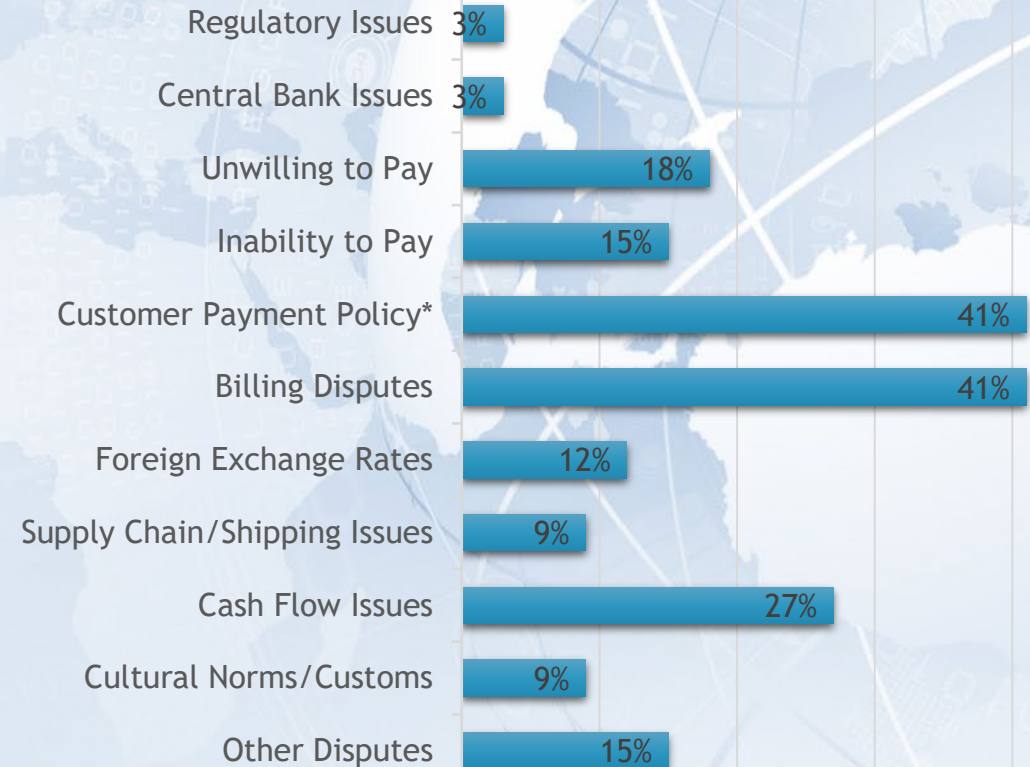


The most common causes of payment delays

Brazil



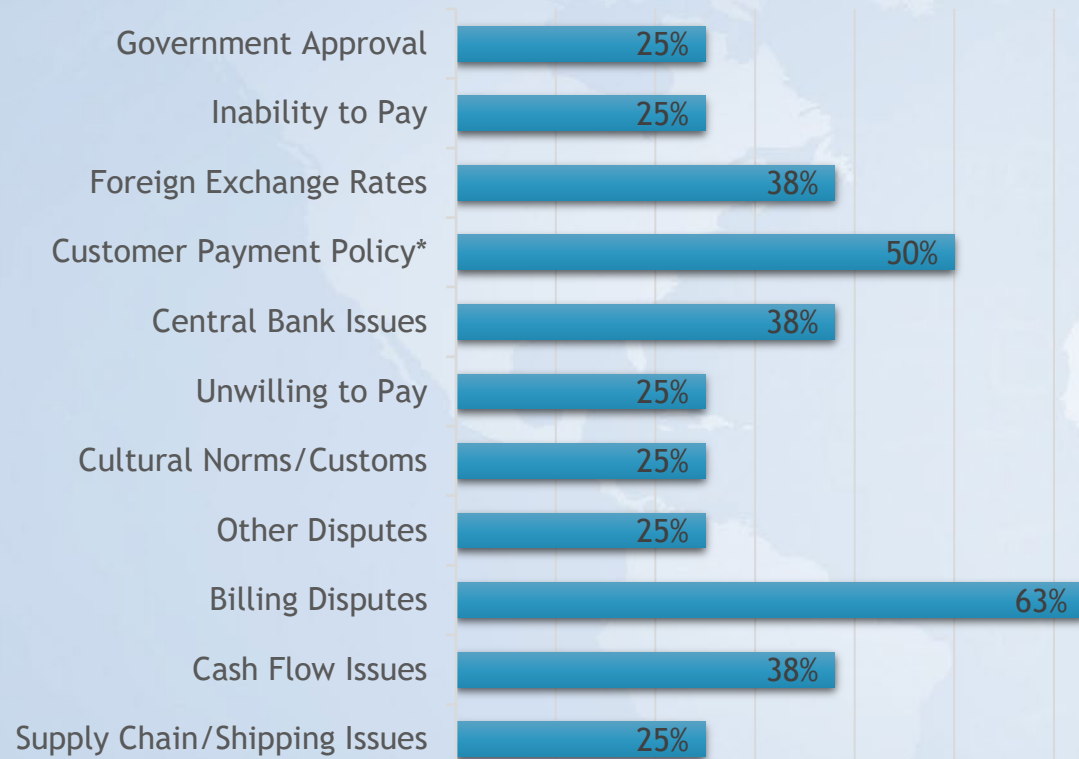
Canada



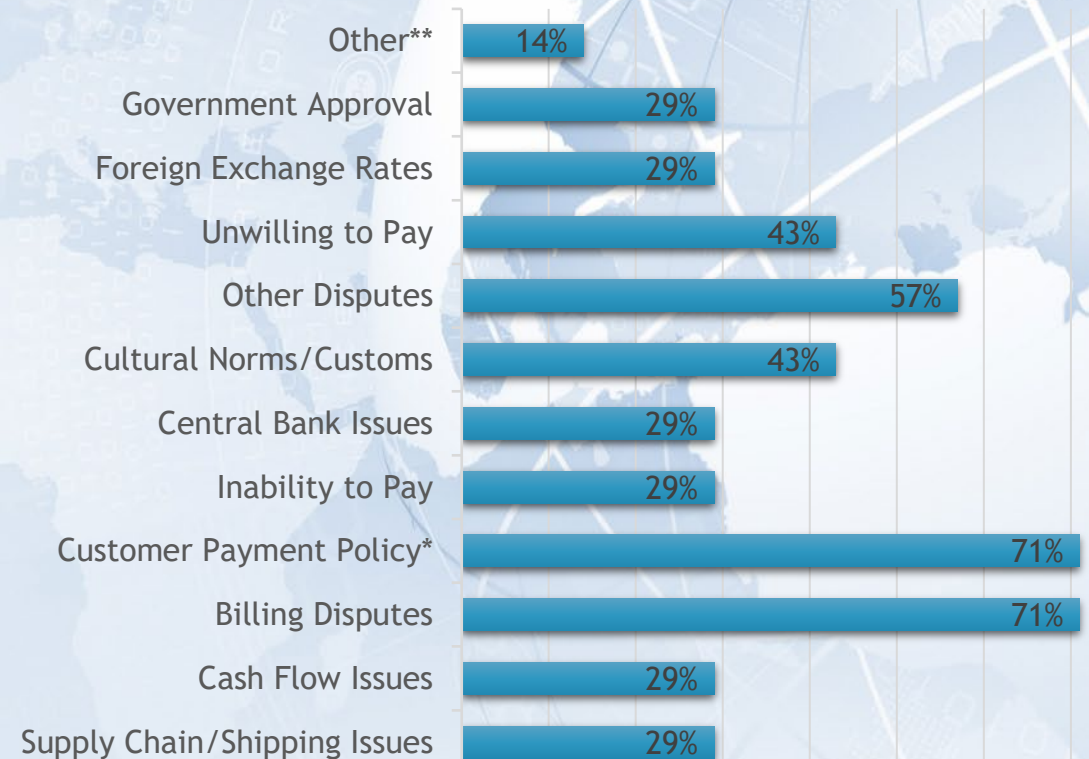
*(i.e. customer only pays on a set day of the month)

The most common causes of payment delays

Peru



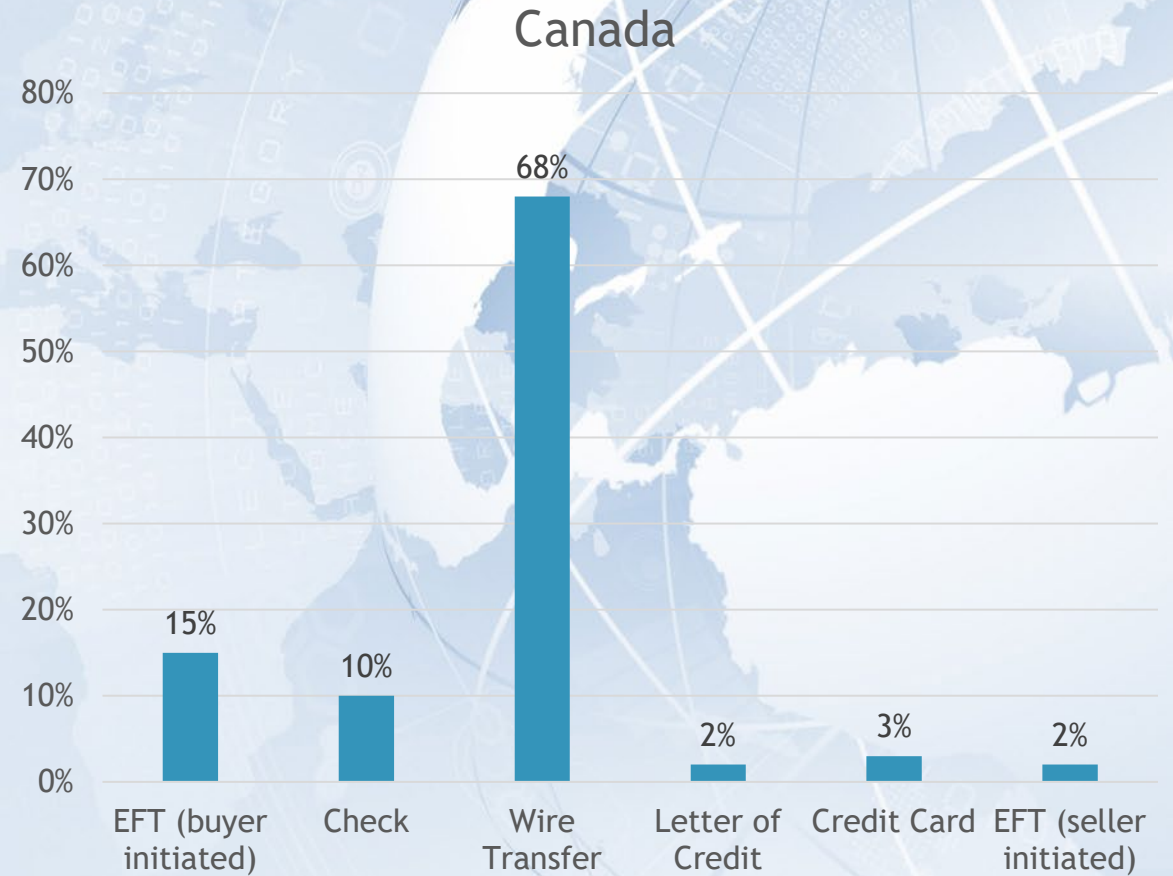
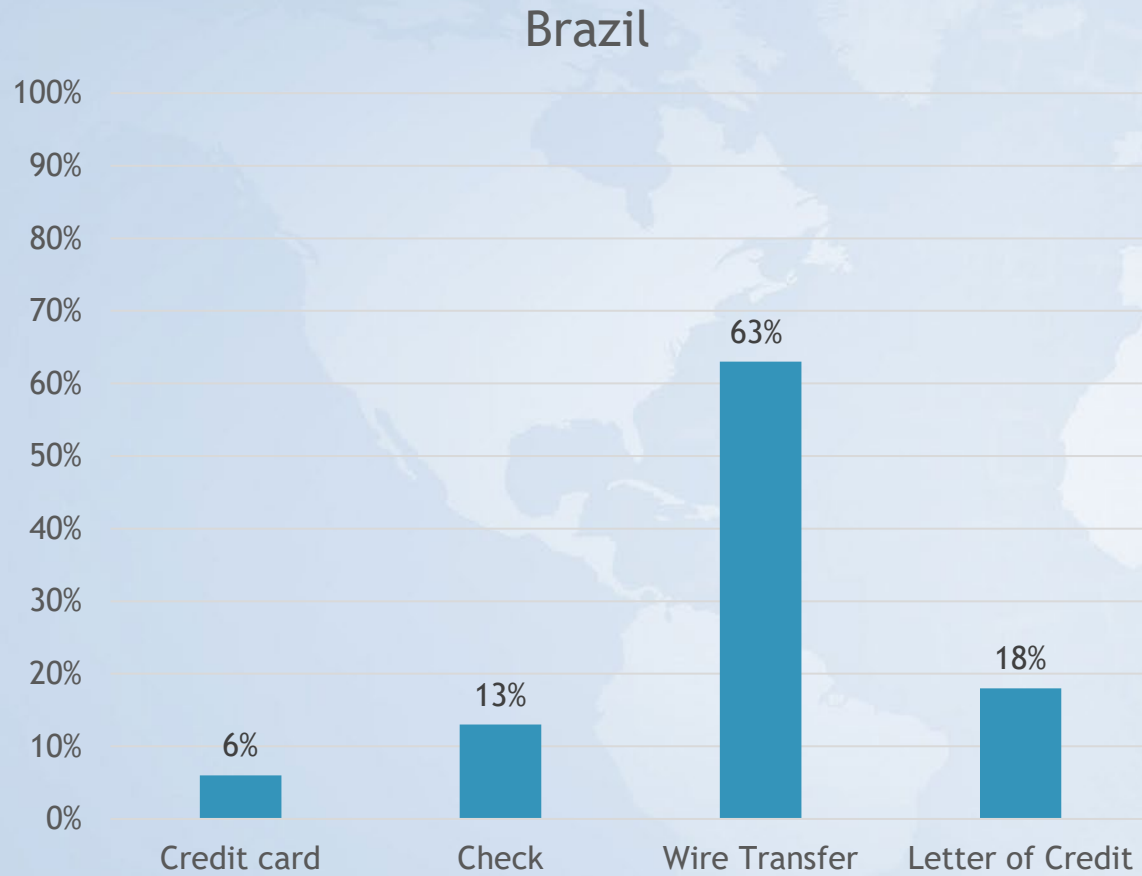
Saudi Arabia



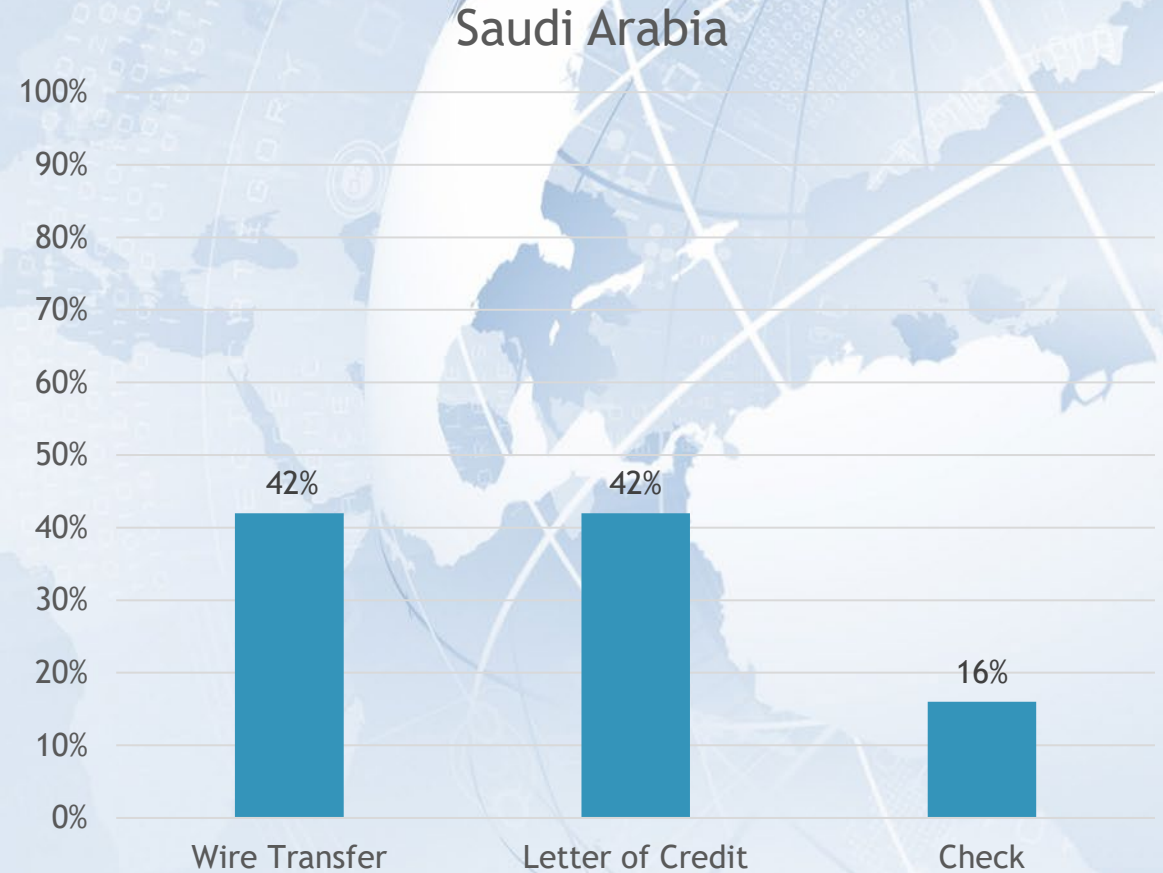
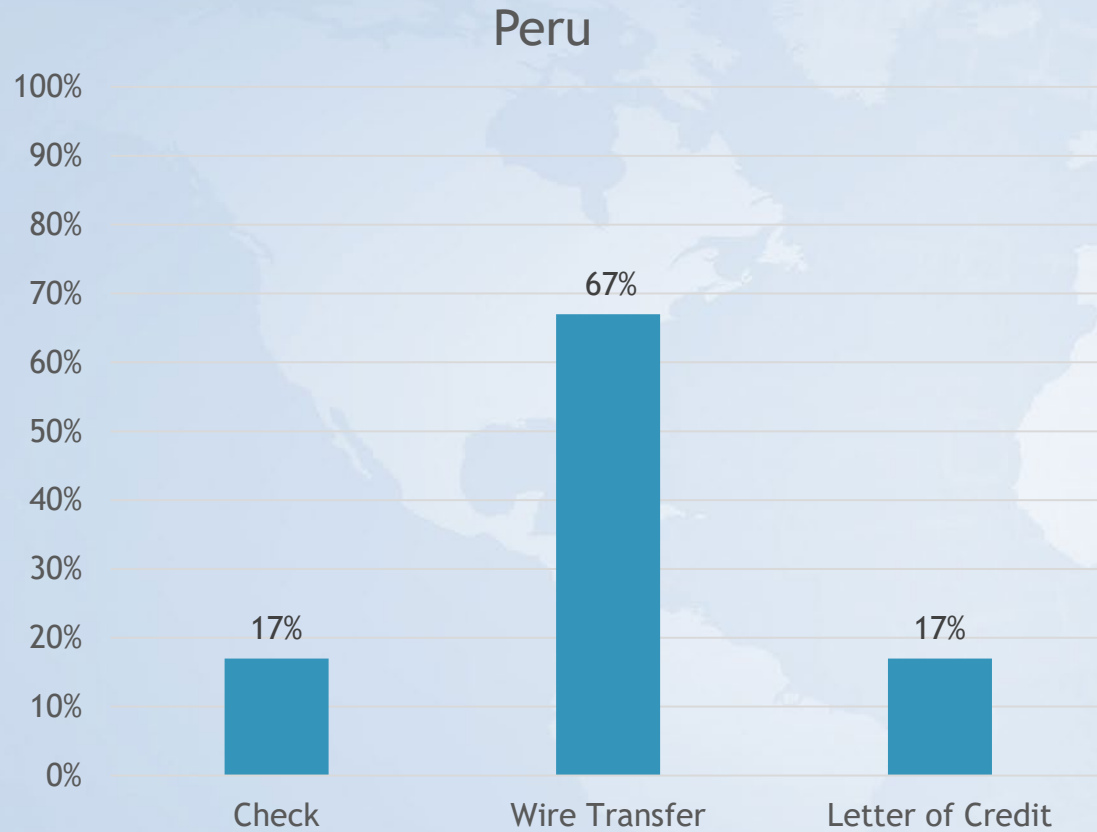
*(i.e. customer only pays on a set day of the month)

** (i.e. Uploading invoices and related documentation to the portal is taking longer than expected.)

Methods used to secure payment



Methods used to secure payment



Insights from Credit Professionals

Brazil

- “Make sure to book NF-es with city hall. Accounting firm in Brazil is very helpful in working through business processes specific to Brazil as well as keeping you up to date on any changes.”

Saudi Arabia

- “These customers have full teams to manage LDs. They claim late delivery despite delays consistently at customer’s hands due to include customs, commercial invoice changes, delayed projects, etc. Suggest managing LD clauses in contract strictly before shipping. Add cause of delay verbiage in agreement.”
- “PO issues tend to be the biggest delay. Make sure to get upfront PO's & address PO issues timely.”

Canada

- “It is much like dealing in the US, unless you are working with a customer in Quebec if so, be ready to have to deal with everything in French.”
- “Can be location specific; Midwest is engaging in increasing trade with Canada.”
- “International funds transfers protocols or more detailed info regarding.”
- “Fairly easy country to deal with, Quebec province tougher to deal with in regards to collections.”

Insights from Credit Professionals

Non-country-specific Advice from the survey.

- Know your real customer, not the Trade/Banner name but the True Legal Entity (5 C's of Credit).
- Start early building a relationship with your customer, and include your salesperson - you'll make a team and teams work together.
- Follow up with the customer's Procurement Dept and Finance Dept as many times as necessary.
- Obtain updated credit information Look for owner and addresses verification, as changes are often not communicated by the customer. Know all you can about the customer. Pull a credit report for payment history and legal status and name verification.
- With continued global inflation, war in Peru and high interest, you need to know your true legal customer to prevent fraud and keep your A/R secured.
- It is important to know customer's payment process to avoid misunderstandings or delays due to administrative issues.
- Obtain financial statements on your customers and backstop sales with credit insurance.
- Ensure payment language is on the wire payments received.