

Banking and Finance

Through official notice published in the Official Gazette of April 13, the Venezuelan Central Bank established the interest rates for the calculation of the indemnity for seniority (15.43% and 14.97%); the interest rate for the acquisition of vehicles under the “balloon payment” method (15.43%); the interest rates for transactions with credit cards (29% and 17%); and the interest rates for credit transactions intended for the tourism sector (11%).

Tax

The National Integrated Service of Customs and Tax Administration (“SENIAT”) issued Ruling No. SNAT/2012/0018, establishing that the weighted average interest rate for loans of the six (6) principal commercial and universal banks of the country with the highest volume of deposits, excluding portfolios with prime rates, set by the Venezuelan Central Bank for March 2012 is 17.07%, which rate is to be increased 1.2 times for the calculation of late payment interest accrued during March 2012. Said Ruling was published in the Official Gazette of April 20.

Administrative Ruling N° SNAT-2012-0019, issued by SENIAT, was published in Official Gazette of April 23. Through said Ruling, the new version of the automated customs system (SIDUNEAWorld) is implemented in the Principal Air Customs of Maiquetía. This new system is a tool for the registration, exchange, and processing of the information required for

the process and control of the arrival, storage, introduction, stay, and removal of goods subject to international trade. The application of the new version of the automated customs system is mandatory for the users of the Maiquetía Principal Air Customs service and for the offices that receive national funds. It has to be implemented within a period of thirty (30) calendar days as from the publication of this Administrative Ruling in the Official Gazette. After the elapsing of said period of time, the transmission of data, documents and acts inherent in the arrival, storage, introduction, stay, and removal of goods subject to international trade must be made exclusively through this new system. The transmissions that began through the former customs system (i.e. SIDUNEA ++) before the elapsing of said period of time must meet the formalities indicated in the Ruling. The users’ guides and standards and procedures manuals for handling the SIDUNEAWorld system will be published at SENIAT’s fiscal web site (www.seniat.gob.ve). Said Administrative Ruling became effective on April 24, 2012.

The Ministry of the Popular Power for Sports issued Resolution N° 024-12, whereby it resolved to extend for 60 calendar days, as from May 1, 2012, the period of time for the declaration and payment to be made to the National Fund for Development of Sports, Physical Activity, and Physical Education (the “Fund”) by the companies or other public and private organizations that perform economic activities for profitable purposes in the country, subject to said obligation, the fiscal years of which closed before March 15, 2012. In addition, the Resolution resolves to extend for 25 calendar days, as from May 1, 2012, the period of time for

payment to the Fund allowed to all companies or other public and private organizations that by April 30 2012 had performed their obligation to declare. In the cases of companies or other public and private organizations that decided to make payment under Partial Regulations N° 1 to the Organic Law on Sports, Physical Activity, and Physical Education, said extension will be applicable only to the first portion of the payment; therefore, the other portions must be paid in accordance with said Regulations. The Resolution was published in Official Gazette of April 26.

Labor

Presidential Decree N° 8.920 of April 24, was published in the Official Gazette of said date. The Decree increases by 30% the national minimum salary for workers rendering services in the public and private sectors. Find a summary of the most significant aspects of said Decree on our web page www.traviesoevans.com

Decree N° 8.921 was published in Official Gazette of April 30. It contains the Decree with the Status, Value, and Force of Law of Partial Amendment to the Social Security Law. According to article 6 of the new legal text, the accrual of a minimum number of contributions will not be a requirement to be met by the insured persons who cease to provide services under a relationship of dependence, in order for them to continue under the Social Security Regime. For purposes of the optional continuation, the basis for calculation of the contribution will be the salary used for the contributions of the last one hundred weeks. If the number of contributions made does not

amount to one hundred weeks, the calculation of the amount to be paid will be made according to the total number of weeks of contribution from the hiring date to the then current date. If the insured person falls more than one month behind with the payment, he/she will have the option to continue in the Social Security after performing his/her obligation. Also, if the insured person that elects to continue under the Social Security Regime becomes a dependent worker again, he/she will only be bound to pay his/her part of the contribution on account of the work performed for his/her employer. The portion corresponding to the employer must be borne by the same.

The Decree of Partial Amendment to the General Regulations to the Social Security Law (Decree N° 8.922) was published in the Official Gazette of April 30. Find a summary of the most significant changes included in said Regulations on our web page

Insurance and Reinsurance

The Superintendence of the Insurance Activity issued Ruling N° FSAA-2-3-000973, whereby it issued the rules on application and recording of exchange gains and/or losses derived from the entry into force of Resolution N° 11-10-01, issued by the Venezuelan Central Bank on October 11, 2011. The Ruling establishes that insurance companies must adjust the securities issued or to be issued by the Bolivarian Republic of Venezuela or by State-owned companies denominated in foreign currency to the average rate of exchange at the value date of the last day of each month of the transactions made through the System of Transactions with Securities in Foreign Currency

(*Sistema de Transacciones con Títulos en Moneda Extranjera* - "SITME"), administered by the VCB. The Ruling was published in the Official Gazette of April 23.

Consumer Protection

The Law on Regulation and Control of the Programmed Sales System was published in the Official Gazette of April 30. The purpose of said Law is to regulate, control, and supervise all companies or persons that participate in or carry out the activity of programmed sales of personal property in Venezuela. Find a summary of the most significant aspects of said Law on our web page www.traviesoevans.com.

Miscellaneous

The National Superintendence of Lease of Dwelling Units issued Ruling N° DS 001, whereby it resolves to maintain in all of the national territory the amounts of the lease rentals to be charged on account of lease of real property used as dwelling unit and lease of portions used as dwelling in real property of mixed use. The Ruling will be valid for 6 months after its publication in the Official Gazette and it may be extended for an equal period of time. Said Ruling was published again in the Official Gazette of April 18, due to errors in the form.

The Law against Real Estate Fraud was published in the Official Gazette of April 30. The

purpose of said Law is to regulate and control the construction, sale, pre-sale, permits, and registration of dwelling units, and to penalize the crime of fraud and other frauds related to the real estate sector. The Law orders the Ministry of the Popular Power with competence over housing and habitat to create the General Directorate of the Housing and Habitat General System (*Dirección General del Sistema Nacional de Vivienda y Hábitat* - "DGSNVH"), an entity with which constructors, promoters, producers, or contractors of dwelling unit sale and pre-sale projects must be registered. The Law establishes that said persons and entities must be registered with the DGSNVH within a period of sixty (60) days. Also, it prescribes that all contracts entered into in foreign currency before the entry into force of the Law must be adapted to the formalities contained in the same, within a period of time not exceeding thirty (30) calendar days.

The Organic Law against Organized Crime and Financing of Terrorism, issued by the National Assembly, was published in Official Gazette of April 30. The purpose of the Law is to prevent, investigate, prosecute, define, and penalize the crimes related to organized crime and financing of terrorism. It is applicable to public and private, natural and legal persons, as well as to the control agencies or entities in the terms established in the Law. The Law against Organized Crime published in Official Gazette N° 5.789 of October 26, 2005, Extraordinary, was repealed.

Caracas, May 10, 2012.

*NOTE: THIS NEWSLETTER SHOULD NOT BE CONSTRUED AS LEGAL ADVICE ON ANY SPECIFIC MATTER AND ITS CONTENT ARE INTENDED AS A MANAGEMENT ALERT AS TO CURRENT DEVELOPMENTS IN VENEZUELA, ANY SPECIFIC LEGAL QUESTIONS REGARDING THE POSSIBLE APPLICATION OF NEW OR PROPOSED LEGISLATION TO PARTICULAR SITUATIONS SHOULD BE ADDRESSED TO TRAVIESO EVANS ARRIA RENGEL & PAZ.