

SUPPLIER PAYMENT GUIDE EUROPE



Expectations and requirements to facilitate accurate and timely payments to suppliers

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1) Procure to pay cycle

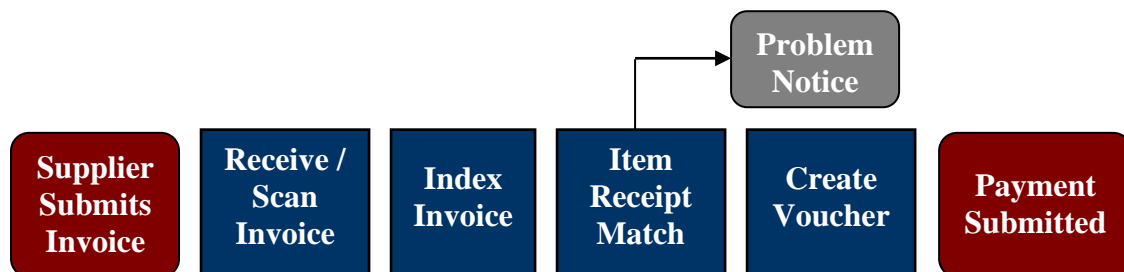


The Procure-to-Pay (P2P) cycle encompasses all processes from the identification of suppliers through payment of invoices. Access Business Group’s (ABG) goal is to optimize Procure-to-Pay processes to increase efficiency, reduce risk, and lower supply chain costs.

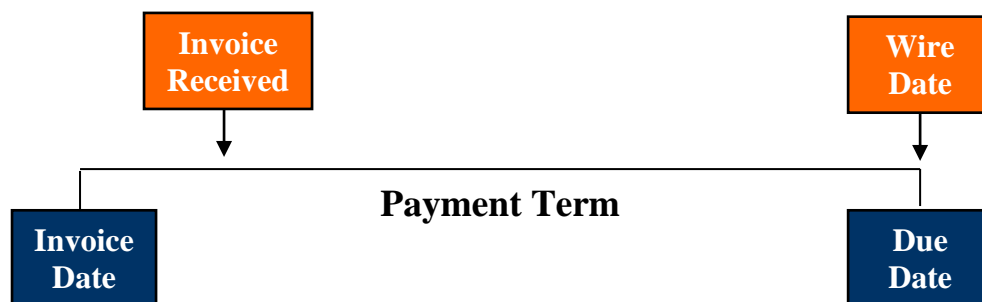
The *Supplier Payment Guide* is created to outline specific requirements and expectations for suppliers in the payment process in an effort to minimize delays due to invoice discrepancies. Understanding and following the requirements in this guide will help insure accurate and timely payments. ABG is focused on continually improving the payment process in an effort to consistently pay suppliers within the payment term and to increase productivity in both organizations. Only in partnership with our suppliers will we accomplish these goals.

2) Payment process overview

The payment process at ABG begins with the receipt of an invoice. Following receipt, the ABG Accounts Payable Department scans and indexes the invoice into the system. A comparison of the invoice information is made with the receipt information found in the ABG ERP System (JD Edwards). In order to proceed, the invoice must accurately reflect the price and quantity, and the supplied item must pass the applicable quality inspections. If a discrepancy is found on the invoice, a Problem Notice is created and sent to the appropriate ABG department for resolution. Invoices with no issues will be vouchered and submitted for payment.



3) Payment due date process



- **Invoice Date:** The date the invoice is created by the supplier. The invoice date should not be sent until the ordered item has been shipped to Access Business Group.
- **Due Date:** The date the invoice is due to be paid; calculated using the invoice date and the purchase order payment term.
- **Wire Date:** The date the wire payment is transmitted to the bank. Access Business Group policy is to submit payment on the due date.

Invoices received in Accounts Payable on or after the invoice payment date, will be processed for payment fifteen days from the invoice receipt date.

4) Invoice requirements

General ABG invoice policies:

- The Purchase Order (PO) is the official legal agreement. Upon receipt of a PO the supplier should review the PO for accuracy. If the PO is inaccurate, the supplier to notify the ABG buyer to resolve the issue
- The payment due date is calculated using the invoice date and the PO payment term. ABG will issue payment on the due date.
- The invoice needs to be submitted in the English language.
- Every invoice can contain only one Purchase Order
- Failure to provide accurate invoices, as specified in this document, may result in payment delays.

Mandatory requirements on your Invoice:

1. Invoice Number: No more than 25 digits, no spaces or special characters allowed, (for example *, %, /, -, #, etc.).
2. Invoice Date: Date of invoice creation. Please submit with date formatted as mm/dd/yyyy.
3. Supplier Name: Your company name.
4. Supplier Address: Please include your company's updated remittance address and shipping address.
5. Bill to Address: The proper ABG company as referenced on the ABG purchase order.
6. ABG Contact: The requestor of goods or services. This is required for **NONPO** invoices.
7. Shipped to: The company where the goods or services will be delivered.
8. ABG PO Number: Found on your ABG purchase order. Only one PO per invoice is permitted.
9. ABG PO Type: The two letters after the PO number (OC, OP or OU)
10. Payment Terms: Please include the exact payment terms as agreed upon in your ABG purchase order.
11. Quantity: Please include quantity shipped and exact unit of measure (for example lbs, ea, etc.), as noted in the purchase order.
12. **ABG Item Code (SKU), Description and Line number:** Please reference the line item number, item code (if any) and item description exactly as in your purchase order.
13. Unit Price: Please use the same as noted in the purchase order and specify currency type.
14. Extra charges, Taxes or Freight charges: Please specify type and amount on your invoice as a separate line number.
15. Total Invoice amount: Include goods/services, extra charges, taxes, freight, etc. Please specify currency type.
16. Bill of Lading number: If sending receivable goods, please include the number listed on the Bill of Lading.
17. ABG VAT Number
 - ABG International LLC Purchase Orders shipped to Venlo, The Netherlands use VAT Number: NL 8094.97.979.B01
 - ABG LLC Purchase Orders shipped to Venlo, The Netherlands use VAT Number: NL 8094.97.992.B01

- ABG International LLC Purchase Orders shipped to Pruszkow, Poland use VAT number: PL 5262874151
- ABG International LLC Purchase Orders shipped to Budapest, Hungary use VAT number: HU 26964056

18. Suppliers VAT Number

Original Invoice

SUPPLIER NAME (3)

Food & Beverages Supplies

Camel Dr, Suite XXX (4)
Brown leg, CA XXX
Phone XXX-XXX-XXXX

Bill to: (5) Nutrilite Buena Park
5600 Beach Blvd.
Buena Park, CA 90621-2007
Attn: Amway Contact (6)

Shipped to: (7) Amway Co
Dept. XXXXX
P.O. BOX XXXXX
San Francisco, CA XXXXX

PO Number: 905678 OI (8) (9)

Payment Terms: 1.5% 20, Net 60 (10)

Bill of Lading: 1564942 (16)

PO line	Item number	Description	Quantity	UOM	Unit Price	Currency	Amount
1	XXX	Water Bottles	700	EA	5.00	USD	3,500.00
5	XXX	Snacks	200	EA	3.00	USD	600.00
7	Extra charge	Excise Tax	1				410.00
8	Extra charge	Pallets	1				15.00
9	Extra charge	Freight	1				25.00
Total Amnt (15)							\$ 4,550.00

5) Submitting invoices for payment

Accounts Payable does not require paper invoices via post, all invoices should be emailed. Please see following details for submitting invoices to Access Business Group LLC and Access Business Group International LLC.

Please note that we will be accepting only electronic invoices, either by email or Electronic Data Interchange. Failure to do so will result in payment delays.

EDI and SOMP (Supplier Order Management Portal) Suppliers

Invoices for EDI or SOMP purchase orders are not required by Accounts Payable. Payment will be made from the EDI / SOMP transmission.

Non EDI Suppliers

An original set of documents are required for payment and must be emailed to AP.invoices@Amway.com

Ensure you send the invoice in PDF format. Only one invoice may be submitted per PDF file.

Questions concerning payment

For questions concerning payment contact P2P.Support.US@amway.com

Invoices containing VAT, GST and Consumption Tax

If the invoice contains VAT, GST or C-Tax, an additional set of original documents is required. These documents must be posted at the following address:-

Alticor Inc
Tax Department 56-3T
7575 Fulton St East
Ada, MI 49355
USA

Wire Transfer

All Suppliers located outside of the US or Canada will be paid via *wire transfer*. Suppliers are required to provide banking instructions by filling out the 'Supplier Wire Transfer Banking Details' located on 'Accounts Payable' home page.

Accuracy of the information is critical to insure that payment is made in the correct currency and to the correct bank. If at any point, the information should change, new banking instructions must be provided.

6) Debit memo and defective material disposition order (DMDO) chargebacks

The back of the purchase order contains information on product inspection and audit. A copy of the chargebacks will be included with the check where the deduction is taken. If a defect is found to be the responsibility of the supplier, the rejection may also be subject to a processing fee. Reimbursement of the funds will be expected for any outstanding debit balances that remain on the account.

If goods are rejected upon receipt and returned to the supplier for rework at a non-ABG location, the supplier will credit ABG for the returned goods and issue an invoice for the quantity shipped back to ABG.

7) Common invoicing issues

The following items are the most common errors that delay payment:

Invoice quantity does not match the received quantity.	When an invoice is received, the Accounts Payable department compares the quantity from the invoice with the quantity of the item received. Failure to invoice the correct quantity will cause a problem notice and a delay in payment.
Invoice price does not match the purchase order price.	The invoice price must match the purchase order price in order for Accounts Payable to accurately match the invoice. Failure to provide an accurate price will cause a problem notice and a delay in payment.
The invoice is missing the purchase order number and/or the purchase order type.	The <u>purchase order number</u> and the 2-digit <u>purchase order type</u> (Ex: OP, OU, MQ, OI, etc...), as found on the Purchase Order, are required for payment. Failure to provide this information on the invoice will delay payment and may force ABG to return the invoice to the vendor.
The invoice is missing the purchase order line number or the line number is inaccurate.	The <u>purchase order line number</u> is used to help accurately match the PO and the invoice. When submitting an invoice, each line number must match the PO line number exactly. Failure to provide the line number will delay payment.
The invoice number and/or invoice date is missing.	All invoices must contain a valid invoice number and invoice date. The payment due date will be calculated using the invoice date.
The unit of measure on the invoice does not match the unit of measure on the PO.	The invoice unit of measure must match the purchase order unit of measure. Invoicing in a unit of measure that differs from the PO may result in a problem notice and a delay in payment.
There are additional line items on the invoice that were not on the PO.	Additional authorized charges, such as freight or tax should be identified on the invoice. Charges not on the Purchase Order may require additional approval and may result in a problem notice.