

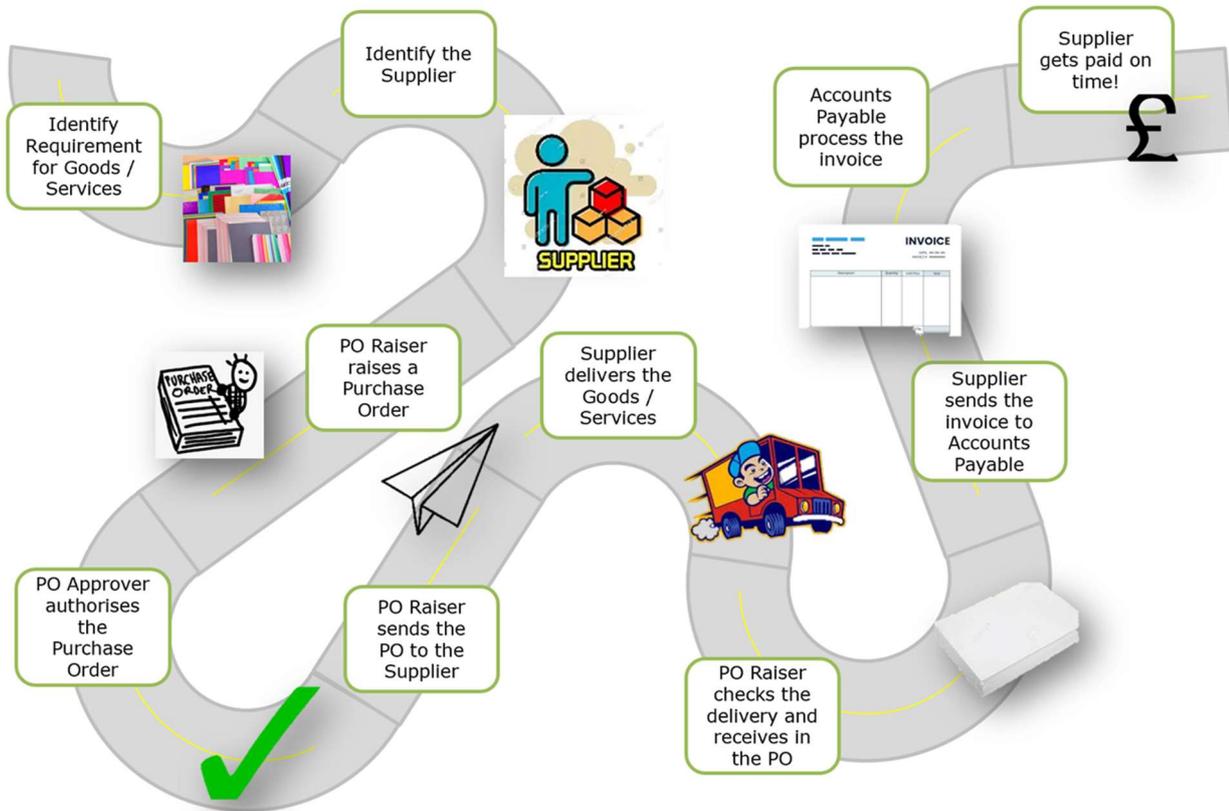
PURCHASE TO PAY- A SUPPLIER GUIDE



Here at IPL, Forza and Kober ('IPL Group'), we pride ourselves on strong working relationships with our suppliers, and it is important to us that we are able to pay suppliers in full and on time.

This guide aims to provide you with an understanding of the processes we use at IPL, and to help recognise ways in which you can help us to ensure payments are made consistently and promptly throughout this process.

STANDARD PURCHASE TO PAY PROCESS



HOW YOU CAN HELP US

The purchase to pay process contains many individual responsibilities. To ensure we are doing our best to provide payment to our suppliers in a complete and timely manner, it is of vital importance that the following practices are followed:

- **For non-EDI suppliers, ensure all invoices are sent to the correct e-mail address, ideally in PDF format. It is vital that invoices are sent to the specified e-mail and not your Accounts Payable contact or Business contact.**

IPL: Accountspayable@ipl-ltd.com

Forza: AccountsPayable@forzafoods.com

Kober: KoberAccountsPayable@kober-ltd.com

- Please check purchase orders for **accuracy and validity**.
- Always decline any order that does not have a valid purchase order number.
- Ensure invoices reflect the **agreed price and received quantity**.
- Always raise invoices in a **prompt and timely manner**.
- Issue credit notes when requested **promptly**.
- **Respond to queries** from Accounts Payable in a timely manner to increase likelihood of resolution and subsequent payment.
- Send monthly up to date statements to your Accounts Payable contact, this ensures we can track instances of unpaid invoices.
- For all **EDI invoices**, should notification be received of an error, please contact your EDI provider to rectify the issue and resend the invoice.

It is of vital importance that the above steps are followed, particularly the location invoices are sent to. We receive a huge volume of invoices each day so if invoices are not sent to the correct e-mail address, there is a risk they may not be processed in the desired timeframe.

THE 'IDEAL INVOICE', IS MADE UP OF THE FOLLOWING COMPONENTS

The IPL Group operates a “no PO no Pay” policy which means we cannot pay invoices which **do not contain a valid PO number**. In the event we receive such an invoice, your relevant AP contact will liaise with you and ask you to re-raise the invoice with a **valid PO number and an amended invoice date**.

- **The invoice should be addressed to the correct legal entity, which matches that company that the PO was issued from.**
- Always **quote valid purchase orders** on all invoices. Clearly shown to enable our Accounts Payable team to process the invoice promptly.
- Assign all invoices a **unique invoice reference** – a reference which has not been used in the past and which then cannot be used again in the future.
- The invoice date is the date of creation – this should be then sent on the same day to ensure it is received in good time.
- The details of the goods/services provided are clear.
- The quantity is the same amount that was delivered.
- The unit price of each item is identical to the previously agreed price with the IPL Group.
- The total costs are calculated correctly, and the VAT portion is clearly shown.

Should you wish to send invoices via EDI please e-mail: master-data@ipl-ltd.com

QUERIES

If each stakeholder in the process has executed their responsibility correctly, any invoices sent to our Accounts Payable team should match, right first time to the correct PO on our system.

Unfortunately, this is not always the case and invoices which cannot be processed first time, are placed onto our query register. Queries are then reviewed daily to ensure appropriate escalation within the IPL Group and Accounts Payable may also contact suppliers to aid resolving those queries.

DEDUCTIONS

Price & Quantity – IPL only

For all suppliers if we believe that your invoice is incorrect in terms of price or quantity, we will contact you to resolve this. If the invoice is higher in value than expected, we will notify you that we will debit the difference from **the value of your invoice, after 30 days** unless you contact us to dispute the deduction.

If you wish to challenge the deduction, GFR suppliers should e-mail DebitNoteQueries@ipl-ltd.com

Quality – IPL only

For GFR suppliers, if delivered stock is below the expected standard set out in our technical specifications, IPL may claim certain charges from you in accordance with your supply agreement. Please refer to your supplier agreement for further details.

In such cases:

- A quality assessment report will be e-mailed to you.
- The validity and accuracy of the claim will be approved by your buyer and subsequently notified to your Account Manager and Accounts Receivable contact.
- A charge will be **debited from the value of your invoice after 30 days**, if you have confirmed you agree with the claim or have not responded to dispute the claim.
- If you wish to challenge the deduction, e-mail DebitNoteQueries@ipl-ltd.com

Note: If your supply agreement is **ending within two months** of the date of the deduction, we kindly ask that you contact AP to advise that the claims can be deducted from the final payment of the season.

PAYMENT

The IPL Group generates a payment run each Tuesday with payment being made on the Friday. This is for all received and processed invoices due up to the Friday prior, Saturday prior for Forza, and Kober.

Standard payment terms are as follows:

Goods for resale (GFR): on the next weekly payment run following 45 days after the later of receipt of goods and receipt of invoice.

Goods not for resale (GNFR): on the next weekly payment run following 60 days after receipt of invoice.

Small Suppliers: 30 days (cash in bank) after receipt of invoice.

The current small supplier criteria for the IPL Group are suppliers which are UK based, have an annual turnover of less than £10.2 million and less than £250,000 with IPL, Forza, or Kober.

The IPL Group reserves the right to revise suppliers to standard terms should they cease to meet the above criteria.

The IPL Group also reserves the right to review and amend this definition from time to time.

GROCERIES SUPPLY CODE OF PRACTICE

This paragraph only applies if you are a supplier of groceries as defined in the Groceries Supply Code of Practice (the Code).

If you fall within the definition (*) and are a new supplier, please read the letter attached to this guide in relation to the Groceries (Supply Chain Practices) Market Investigation Order 2009 (GSCOP) (the Order). Since the Order and accompanying Code of Practice came into effect on the 4th of February 2010, the Order has been incorporated into IPL's terms and conditions for purchase (Grocery suppliers only), and the accompanying letter sets out the important information we are required to tell you.

Existing Grocery suppliers are welcome to request a copy of this information.

(*) Groceries means food (other than that sold for consumption in store), pet food, drinks (alcoholic and non-alcoholic), cleaning products, toiletries and household goods but excludes petrol, clothing, DIY products, financial services, pharmaceuticals, newspapers, magazines, greetings cards, CD's, DVD's, videos and audio tapes, toys, plants, flowers, perfumes, cosmetics, electrical appliances, kitchen hardware, gardening equipment, books, tobacco and tobacco products.

CONTACTS

In the event you are unable to identify the point of contact we have a comprehensive list of contacts in the footer of our website, detailing both position and suitability to respond to your issue.

In the event you wish to escalate an issue, individual Line Manager contact information can be found in the e-mail signatures of colleagues.