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AP Manager

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Dear Navistar Supplier,

In an effort to avoid delays and improve efficiency in the processing of supplier invoices, please consider the following:

1. Supplier Requirements

- a. A five-digit numeric code assigned by Navistar Purchasing plus the two-digit pay point should be included to all invoices submitted to Navistar. The pay point is used to identify the address for mailing remittance payments to. It is recommend that the placement of the supplier code and pay point (seven consecutive characters) be part of the billing name on the invoice, (i.e. Navistar, Inc. 12345AX).
- b. The supplier invoice should be an exact replication of the Navistar part numbers and quantities as received on Navistar's purchase order. *A separate invoice is required for each purchase order.*
- c. All shipping documents (packing lists) should reference the applicable Navistar ordering document.

2. Evaluated Receipt Settlement (ERS) – Production Payables

- a. Evaluated Receipts Settlement (ERS) is a business process between trading partners that conducts commerce without invoices. Should you have questions or concerns surrounding this process, you may access the *Evaluated Receipts Settlement (ERS) Invoicing Procedures* at: http://www.navistarsupplier.com/Documents/PUR_4002_PR_ERS_INVOICE_PROC.PDF. This document explains the steps you will need to go through when inquiring about missing, short paid, etc. invoices. Also on the website, there are various documents, Q&A, etc. about ERS.

3. Service Parts Invoicing

- a. Navistar pricing on Service Parts invoices, should be billed based on order date (contract or purchase order pricing at the time the order is placed). Service Parts invoices should be an exact replication of the Navistar part numbers and quantity as received on Navistar's purchase order.
- b. EDI (Electronic Data Interchange) is the preferred method of invoicing for Navistar for Service Parts invoices. The EDI process requires that the supplier be EDI compliant with Navistar. Requirements for EDI-810 Electronic Service Parts Invoices are covered in Navistar's Electronic Invoice Business Process and Implementation Guide at http://www.navistarsupplier.com/EDI/EDI_General.asp. For additional information concerning EDI testing, please contact Marilyn Bernhardt @ Marilyn.Bernhardt@Navistar.com or Priscilla Brady @ Priscilla.Brady@Navistar.com.

To ensure supplier invoices are processed as quickly and efficiently as possible, please consider the above items mentioned. For more information concerning Navistar invoicing requirements, please visit the supplier website <http://www.navistarsupplier.com/>.