Sonoco Ariba Guide for Suppliers

Overview
This guide is designed to assist suppliers to understand the purchasing process for indirect goods and services at Sonoco. It describes how purchase orders are sent to suppliers and the process they are required to follow to be paid, in a timely manner, for their goods and services.

Sonoco uses the Ariba Buyer procurement system for indirect goods and services. We require Ariba purchase orders to be placed for all indirect purchases. Suppliers who do not have an Ariba purchase order before providing goods or services will not be paid in a timely manner.

Basic Business Process for Purchase Orders and Invoices

1. Sonoco creates and submits purchase order to supplier
2. Supplier receives the purchase order via the Ariba Supplier Network
3. Supplier confirms receipt of purchase order (in one of three ways)
   a. Electronically
   b. Telephone
   c. Fax sent to "ship to" location
4. Supplier fills and ships order
   a. Supplier generates invoice and submits to Sonoco (non-purchasing card orders)
   b. Supplier processes purchasing card information from purchase order
5. Sonoco receives goods or services
6. Sonoco sends payment to supplier
   a. Checks will be sent to invoice suppliers
   b. Purchasing Card Orders can be processed as soon as goods or services are delivered. Funds are available to supplier within 72 hours or less of supplier processing the purchasing card transaction

Types of purchase orders

1. Invoiced Orders: A purchase order that begins with AE, i.e. AE123456

This type of purchase order is for goods and services that are required to be invoiced by the supplier. The Sonoco billing information is listed on the purchase order. (See below) To receive proper and on time payment, always send invoices to the "Bill to" address listed on the purchase order. The purchase order number must be listed on the invoice for timely payment. Invoiced orders should never be charged to the purchasing card. Should an invoiced order accidentally be charged to a purchasing card, Sonoco will contact the supplier to credit the account and submit an invoice.

Order No. AE10189

Issued on Tue, 06 Feb, 2007
Created on Tue, 06 Feb, 2007 by Ariba Administrator

Supplier:
REMMEY THE PALLET CO
317 DAVISVILLE RD
PO BOX 558
WILLOW GROVE, PA 19090
United States
Phone: 1267-913-0002
Fax: 1267-913-0510

Ship To: Bill To:
Sonoco   Sonoco
30 West Meadow Avenue   1 North 2nd Street
PO Box 256   Mail Stop B06
Robesonia, PA 19551-1701   Hartsville, SC 29550
United States   United States
Phone: 1610-693-5804   Phone: 1843-383-7809
Fax: 1610-693-6855
Deliver To:
J. Wright (ph:610-693-5804 fax:610-693-6855)
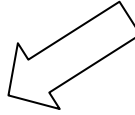
Payment Terms:
Payment Terms: 30 days net

Item	Description	Part Number	Unit	Qty	Need By	Unit Price	Extended Amount
1	48 x 40 AEP 4-way Grade A Reconditioned Pallet	PL158R	each	520	Wed, 31 Jan, 2007	$5.38USD	$2,797.60USD
	48 x 40 AEP 4-way Grade A Reconditioned Pallet						

2. Purchasing Card Orders: A purchase order that begins with AR, i.e. AR987654

This type of purchase order is for goods or services that are to be billed to the purchasing card (pcard) information that is listed on the purchase order.

Pcard numbers are masked for security reasons. Suppliers must log into their Ariba Supplier Network Account to obtain this information. (see below)

Suppliers that bill via pcard are required to electronically submit Level II pcard data with each transaction. This includes the Purchase Order Number in the Customer Comment or Order Number field as well as an applicable tax.

Enter the Purchase Order number (i.e. AR987654) in the Customer Order Number field on most point of sale systems. This is our purchase order number and you will find it at the upper left corner of each Sonoco purchase order that you receive. Your merchant bank can assist you with your point of sale system so that you can comply with this requirement.

If your merchant bank is unable to help you, contact U.S. Transactions Corporation at the information provided below. U.S. Transactions Corporation a Sonoco Partner who helps suppliers with Level 2 and 3 Processing, often reducing the supplier's credit card processing fees.

Wade Tetsuka, CPA
U.S.Transactions Corporation
Wadetetsuka@ustranscorp.com
(703) 717-3339
Specialist Merchant Services for Purchase Card (Visa/MasterCard/AMEX) Transactions
Educational Website: www.LEVEL3processing.com

Sonoco tracks the correct return of Level II information for each supplier. Suppliers who correctly return this information are more likely to increase their business with Sonoco.

(card number has been removed from this order for security reasons but will be in the location depicted above)

What is Level II pcard information data?
Overview of Purchase Card Processing – Levels I, II, III

1. Level I Pcard Information

Purchases made with personal credit cards issued from U.S. banks qualify as Level I transactions. Level I is a standard credit card purchase transaction, and offers such information as:

Supplier Name
Total purchase amount
Date
Merchant Category Code

2. Level II Pcard information

Level II transactions normally involve corporate cards issued from a U.S. bank. Transactions that qualify for Level II processing <u>cost the supplier less</u> than Level I transactions. In addition to the information supplied on a Level I transaction, Level II transactions can include:

Taxes
Customer Purchase Order
Supplier Fax Numbers

3. Level III Pcard Information

Level III (Level III is not a Sonoco requirement) purchase transactions add full line-item detail to the data in Level II, including:
Quantities
Product codes
Product descriptions
Ship to ZIP
Freight amount
Duty amount

Card Verification Value (CVV)

Often, credit card processing terminals and software are configured to request the Card Verification Value (CVV) when the card is 'swiped.' Because we are doing business-to-business transactions, this is not a required field and we can not provide the CVV for our cards. Suppliers should contact their merchant bank to have their card terminal reconfigured so that the CVV is not required. If you want that additional security check, have the merchant bank select the last 4 digits of the pcard as an alternative. If you have issues with your merchant bank, please contact U.S. Transactions Corporation at the contact information above.

Ariba Supplier Network

Sonoco expects all suppliers to maintain an account on the Ariba Supplier Network. Using this network for order delivery provides traceability of all orders as well as a secure delivery method of credit card numbers. For suppliers with sales to Sonoco over $50,000 in a 12-month period, the Network charges a nominal fee. Information on this fee can be found at supplier.ariba.com or here.

The complete credit card information is available by opening the purchase order in your Ariba Supplier Network (ASN) account. Due to industry regulations regarding the delivery method of credit card numbers, the number can no longer be transmitted on the purchase order.

To obtain the credit card information you will need to log into supplier.ariba.com. Depending on your account status with Ariba, this will be achieved one of two ways.

1. If the Purchase Order you receive contains a cover letter, then your company has not taken ownership of your account. Please contact Ariba Customer Support and tell them you need help taking ownership of your account. You will need to provide them with the Account ID listed on the cover letter. DO NOT create a new account on the Ariba Network, even if customer support tells you to. You already have an account ID, you just need to either take ownership of it or log into it. Once you have ownership of the account, you can log in using the instructions on the cover letter. Once in your account, you click on the Inbox tab and open the purchase order to obtain the credit card information. You currently must be signed in as the administrator to view the credit card information.

2. If the Purchase Order you receive does not contain a cover letter, then your company has already taken ownership of your account. Log into

supplier.ariba.com, using your username and password. If you do not know your username and password, you can use the forgot username and password links next to the login section to help reset it or go to the Customer Support link in the lower right section of the supplier.ariba.com page. Once in your account, you click on the Inbox tab and open the purchase order to obtain the credit card information.   You currently must be signed in as the administrator to view the credit card information.