Manual drafts

1. Table of contents

Scope

EMEA

ERP

PI1

References

Content by label

There is no content with the specified labels

2. Objective and Scope

The purpose of this document is to explain the different types of manual drafts and the differences of their postings on SAP through F-36 transaction.

This operating procedure (OP) applies to the accounts receivables of Solvay Sa.

3. Definitions

- SBS: In the current document, "Solvay Business Services" will be replaced by its abbreviation "SBS".
- CCT AR: Customer Credit & Trade Accounts Receivable
- OP: Operating procedure
- 0231: PI system for Worldwide Accounts Receivable and Payable
- BoE: Bill of exchange
- LCR: Letter de change
- BOR: Billet à Ordre

4. Manual drafts

This OP explains the different types of manual drafts and the differences of their postings on SAP. By draft we mean a Bill of Exchange, which is a bank document guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. Thus, there is an agreement between customer and the bank for a future due date of a payment. The customer recognizes its debt and agrees to pay in a future due date. Therefore, AR will send to the bank an electronic file with all the drafts information, which will be paid to Solvay Sa bank account on the drafts due date.

The Regions with manual drafts or Bills of Exchange are:

Region	Technical name
France	Traites
Spain	Pagarés and Recibos

Warning

For the cases in which the invoices due dates paid by the draft are = or > than 5 days of delay, we should contact Collections (Dispute in the processed draft as "Call by collector") to contact customer to understand the reason of the delay.

4.1 France

Traites are French promising payment (promise of payment) form with an agreement for a future due date of a payment. The customer recognizes its debt and agrees in paying it on future due date.

We can receive Traites through two different ways:

- Sent by the customers directly to SBS by post
- Sent by Credit manager to AR mailbox

> **Warning**
>
> For the Traites received by post sent directly by the customers to SBS Carnaxide, we should scan it and create a Freshdesk ticket with customer number and amount. There is no need to send these documents to the Bank as Societe Generale executes the payments based on the file we sent them (DME).

There are 4 types of French drafts: three are manual (paper drafts) and one is automatic. In the case of paper drafts, the Credit Manager sends the drafts to AR mailbox in order to be posted. In the case of automatic drafts, all process is automatic through F110 transaction. At the end of the process, AR has to create a file with all kinds of drafts (manuals and automatics) together and to send it to the Bank.

Two of the four types are related to documents issued by Solvay and the other two are directly issued by the customers. See below the difference between them:

1. LCR document issued by Solvay and requiring acceptance by the customer
2. LCR document issued by Solvay but not requiring an acceptance by the customer
3. BOR document issued by the customer
4. LCR document issued by the customer

The following table resumes the different types of Drafts and the posting differences between them.

Traite Description	Draft Posting Transaction	Automation	Payment Method	BoE Docum. Type
1. Solvay – LCR Avec Acceptance	F-36	Manual	G	DW
2. Solvay - LCR Sans Acceptance	F-110	Automatic	L	DY
3. Customer – BOR	F-36	Manual	F	DW
4. Customer – LCR	F-36	Manual	G	DW

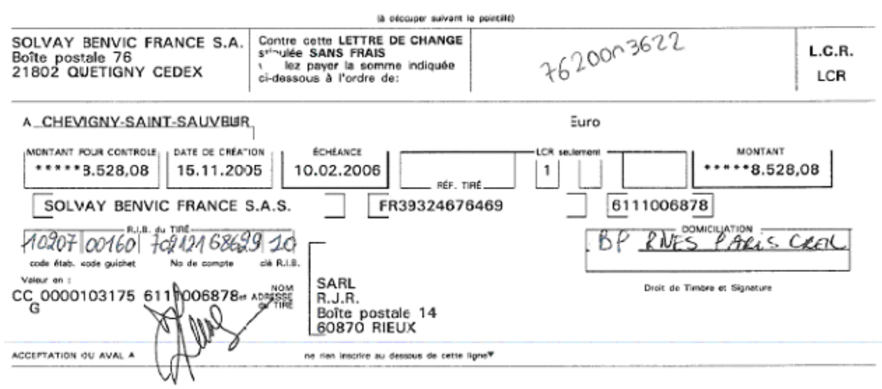
Posting differences

- Traites types 1, 3,and 4 have to be manually posted using transaction F-36. AR can receive the documents by post (sent directly from customer to SBS Carnaxide) and sent by Credit Managers to AR mailbox.
- Traites type 2 are automatically processed using an automatic program based on transaction F110

4.1.1 Traites

4.1.1.1 Type 1 – LCR avec acceptation

Solvay LCR (Lettre de Change) Avec Acceptance is a document that makes part of the invoice sent to the customers. Check the example below:


SOLVAY BENVIC FRANCE S.A.
Boîte postale 76
21802 QUETIGNY CEDEX
Contre cette LETTRE DE CHANGE stipulée SANS FRAIS veuillez payer la somme indiquée ci-dessous à l'ordre de:
L.C.R.
LCR
A CHEVIGNY-SAINT-SAUVEUR
Euro
MONTANT POUR CONTROLE *****8.528,08
DATE DE CRÉATION 15.11.2005
ÉCHÉANCE 10.02.2006
RÉF. TIRÉ
LCR seulement 1
MONTANT *****8.528,08
SOLVAY BENVIC FRANCE S.A.S.
FR39324676469
6111006878
R.I.B. du TIRÉ
code étab. code guichet No de compte clé R.I.B.
DOMICILIATION
Valeur en :
CC 0000103175 6111006878
G
NOM ADRESSE du TIRÉ
SARL
R.J.R.
Boîte postale 14
60870 RIEUX
Droit de Timbre et Signature
ACCEPTATION OU AVAL A
ne rien inscrire au dessous de cette ligne

Solvay's LCR is the bottom section of a back page that goes together with the invoice. This section is detached by customers who return it signed to Solvay. An authorization (signing the LCR) from the customer is required in order to allow Solvay France to debit the customer's bank account, and therefore this LCR type is named as "Avec Acceptance".

This document describes, who is the customer, which is the invoice number and due date of the BoE.

Occasionally customers agree on paying but change several features of the original LCR, like the bank account they want to use to make the payment, the amount they will pay or even the due date. It is important, when posting these payments to respect the customer's changes; otherwise, the customer will not accept the Traite to be debited from its bank account. However, authorization from the Credit Manager is required, before posting.

4.1.1.2 Type 2 – LCR sans acceptation

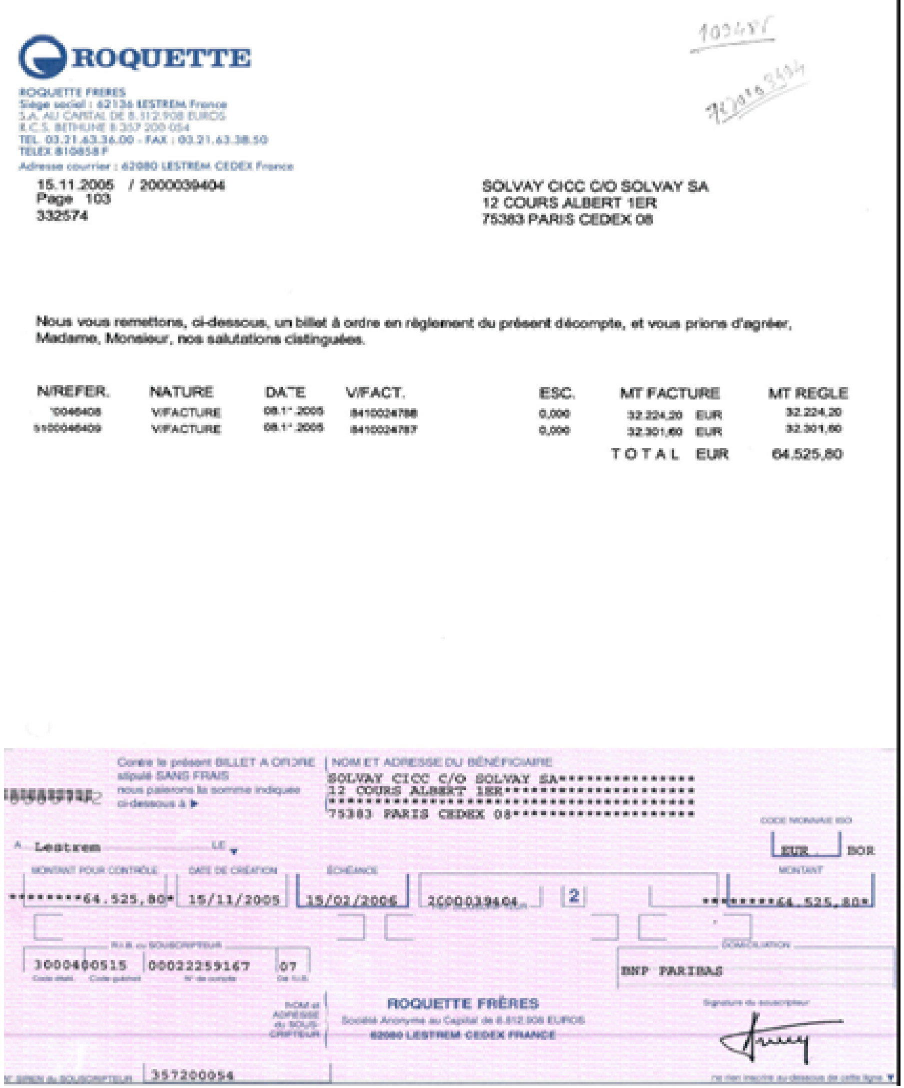
Solvay LCR sans acceptance is the same document as the one mentioned in point 4.1.1.1. The only difference is that no acceptance is required from the customer. The customer does not need to return signed Solvay's LCR.

Transaction F-36 does not need to be run to create the BoE for these customers, as they are automatically generated by transaction F110. In this case AR only needs to run the FBWE (DME files creation) and send it to the Bank.

4.1.1.3 Type 3 – BOR issued by the customer

BOR is a document issued and signed by the customer, committing itself with the payment on a future due date for specific invoices.

Example:



ROQUETTE

ROQUETTE FRERES
Siège social : 62136 LESTREM France
S.A. AU CAPITAL DE 8.312.908 EUROS
R.C.S. BETHUNE B 357 200 054
TEL. 03.21.63.36.00 - FAX : 03.21.63.38.50
TELEX 810858 F
Adresse courrier : 62080 LESTREM CEDEX France

15.11.2005 / 2000039404
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332574

SOLVAY CICC C/O SOLVAY SA
12 COURS ALBERT 1ER
75383 PARIS CEDEX 08

Nous vous remettons, ci-dessous, un billet à ordre en règlement du présent décompte, et vous prions d'agréer, Madame, Monsieur, nos salutations distinguées.

N/REFER.	NATURE	DATE	V/FACT.	ESC.	MT FACTURE		MT REGLE
5100046408	V/FACTURE	08.11.2005	8410024788	0,000	32.224,20	EUR	32.224,20
5100046409	V/FACTURE	08.11.2005	8410024787	0,000	32.301,60	EUR	32.301,60
					TOTAL	EUR	64.525,80

Contre le présent BILLET A ORDRE stipulé SANS FRAIS nous paierons la somme indiquée ci-dessous à ▶

NOM ET ADRESSE DU BÉNÉFICIAIRE
SOLVAY CICC C/O SOLVAY SA****************
12 COURS ALBERT 1ER**********************
****
75383 PARIS CEDEX 08*********************

A Lestrem LE

CODE MONNAIE ISO EUR BOR

MONTANT POUR CONTRÔLE ********64.525,80*
DATE DE CRÉATION 15/11/2005
ÉCHÉANCE 15/02/2006
2000039404 2
MONTANT ********64.525,80*

R.I.B. du SOUSCRIPTEUR 30004 00515 00022259167 07

DOMICILIATION BNP PARIBAS

NOM et ADRESSE du SOUSCRIPTEUR
ROQUETTE FRÈRES
Société Anonyme au Capital de 8.812.908 EUROS
62080 LESTREM CEDEX FRANCE

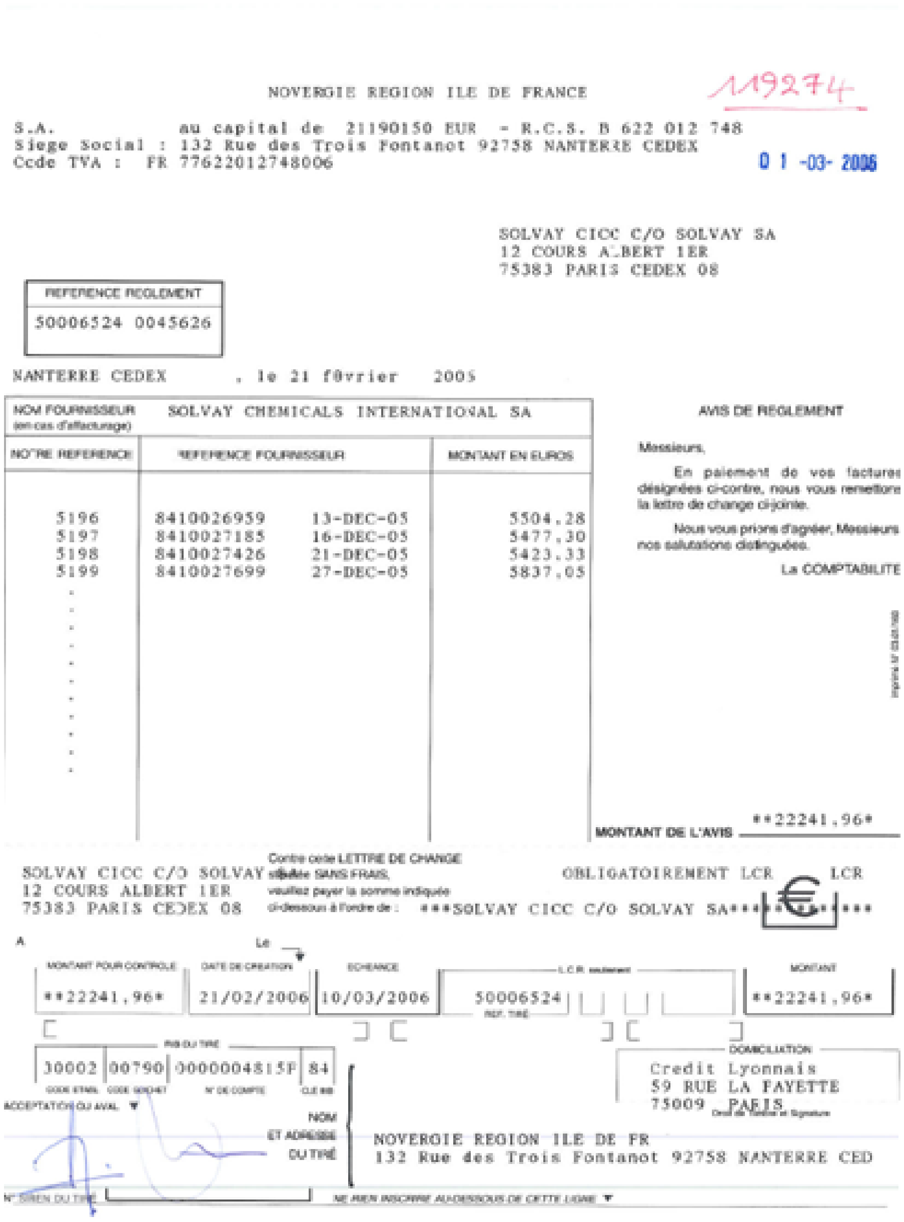
Signature du souscripteur

N° SIREN du SOUSCRIPTEUR 357200054

4.1.1.4 Type 4 – LCR issued by the customer

LCR is a document issued and signed by the customer, committing itself with the payment on a future due date for specific invoices. The difference from the Billet à ordre (BOR) described above is the payment method.

Example:



NOVERGIE REGION ILE DE FRANCE

119274

S.A. au capital de 21190150 EUR - R.C.S. B 622 012 748
Siege Social : 132 Rue des Trois Fontanot 92758 NANTERRE CEDEX
Code TVA : FR 77622012748006

01 -03- 2006

SOLVAY CICC C/O SOLVAY SA
12 COURS ALBERT 1ER
75383 PARIS CEDEX 08

REFERENCE REGLEMENT
50006524 0045626

NANTERRE CEDEX , le 21 février 2005

NOM FOURNISSEUR (en cas d'affacturage): SOLVAY CHEMICALS INTERNATIONAL SA

NOTRE REFERENCE	REFERENCE FOURNISSEUR		MONTANT EN EUROS
5196	8410026959	13-DEC-05	5504,28
5197	8410027185	16-DEC-05	5477,30
5198	8410027426	21-DEC-05	5423,33
5199	8410027699	27-DEC-05	5837,05

AVIS DE REGLEMENT

Messieurs,

En paiement de vos factures désignées ci-contre, nous vous remettons la lettre de change ci-jointe.

Nous vous prions d'agréer, Messieurs nos salutations distinguées.

La COMPTABILITE

MONTANT DE L'AVIS **22241,96*

SOLVAY CICC C/O SOLVAY SA
12 COURS ALBERT 1ER
75383 PARIS CEDEX 08

Contre cette LETTRE DE CHANGE stipulée SANS FRAIS, veuillez payer la somme indiquée ci-dessous à l'ordre de : ***SOLVAY CICC C/O SOLVAY SA***

OBLIGATOIREMENT LCR LCR

A Le

MONTANT POUR CONTROLE	DATE DE CREATION	ECHEANCE	L.C.R. seulement	MONTANT
**22241,96*	21/02/2006	10/03/2006	50006524	**22241,96*

RIB DU TIRE

CODE ETABL.	CODE GUICHET	N° DE COMPTE	CLE RIB
30002	00790	0000004815F	84

DOMICILIATION
Credit Lyonnais
59 RUE LA FAYETTE
75009 PARIS

ACCEPTATION OU AVAL

NOM ET ADRESSE DU TIRE
NOVERGIE REGION ILE DE FR
132 Rue des Trois Fontanot 92758 NANTERRE CED

N° SIREN DU TIRE

NE RIEN INSCRIRE AU-DESSOUS DE CETTE LIGNE

4.1.2 Traites posting

After receiving the Traites images from Credit Manager or by post, AR should post them on their customer accounts using F-36 transaction. It creates the "Bill of Exchange" converting the invoices into BoE (Traites) to be collected from SOGFR (local bank) on their future due dates. F-36 transaction has to be processed by AR for each individual "Traite" (types 1, 2, 4 and 5) during the day it is received in AR mailbox.

Regarding "Traite" type 3 (Solvay LCR sans acceptance), it does not require manual posting. It is posted automatically (transaction F110) functioning as a direct debit.

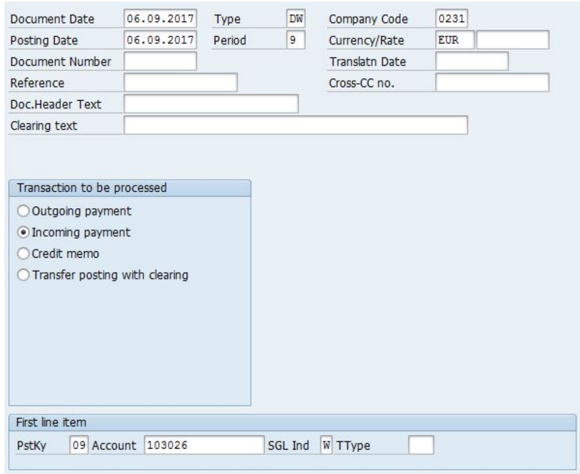
Run **F-36** transaction:

The following screen should be filled as below:

- **Document date:** Todays' date
- **Type:** DW
- **Company code:** 0231
- **Posting date:** If the Traite's due date (échéance) is in the future (other month than the current), the posting key is the 1st day of the month of the Traite's due date. In all remaining situations, use the Document date as the posting date

- **Currency/Rate:** EUR
- **Reference:** Insert the reference mentioned on "Réf. Tiré" field. If no reference is mentioned, leave it blank
- **Account:** Customer's account number

Press the button "Enter" button.



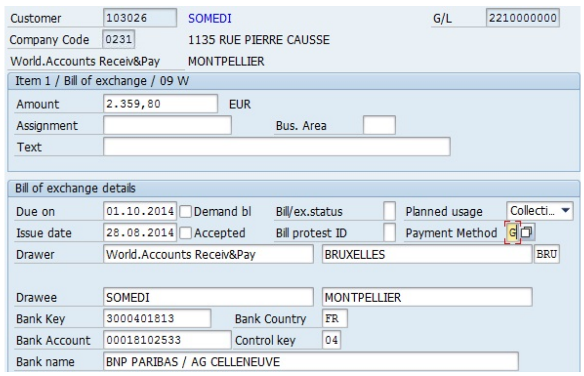
The following screen appears:

<u>The following screen should be filled in as below:</u>

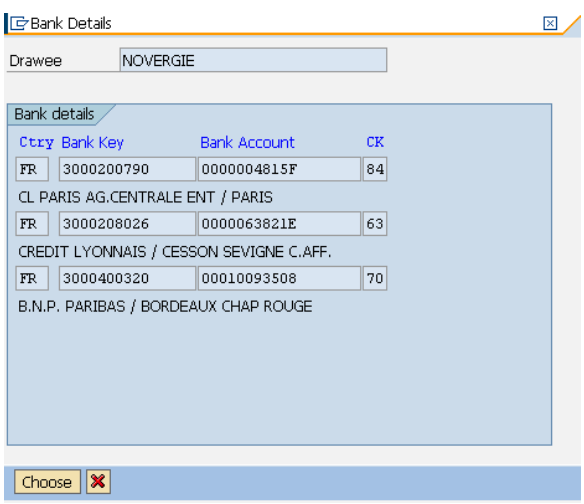
Amount: Traite's amount
Due on: Traite's due date (échéance). Use this date even if it is in the past
Planned usage: Choose "Collection"
Issue date: Draft's creation date. If there is no creation day, use today's date
Accepted: Tick this box
Pmnt method:

- Traite's type LCR (type 1 and 5) use payment method **G**
- Traite's type BOR (type 4), use payment method **F**

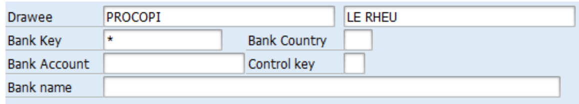
Bank Key: Confirm if the bank account mentioned on the draft is the same as the one shown in SAP. If the customer has more than one bank account or if it is not created yet a "*" sign shows up in the bank key field. Double click on this field.



A list of all customer's bank accounts, pops-up as below:

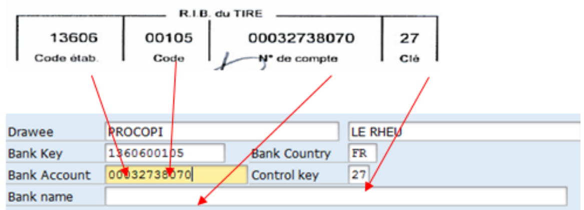


Choose the bank account the customer is using in the draft to make the payment and then click on the Choose button.



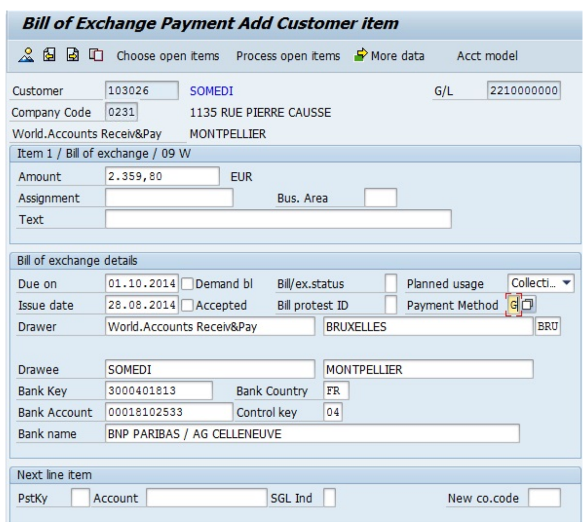
If the Bank fields are empty or if "*" pops-up but the bank account mentioned on the drafts is not included in the list, it means that this bank account is not inserted in customer's master data. In this case, the information should be filled in manually by OTC AR as mentioned below:

Click on "Enter" button.



> **Warning**
>
> In case the system gives an error message stating that the bank account is not created (in this case the bank account is not created at ERP level), we should create a case and send email to payment security (payment.securityprocess@solvay.com) with Credit Manager in copy with the customer document (Traite) attached and the subject should have customer number and "Cash In" written. Afterwards transfer the case to Codif Level 1.

After clicking the Choose button, the next screen shows up:

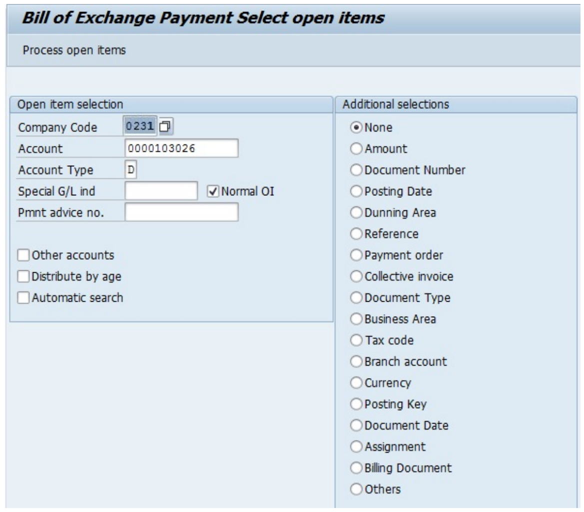


Verify if all the information inserted is OK.

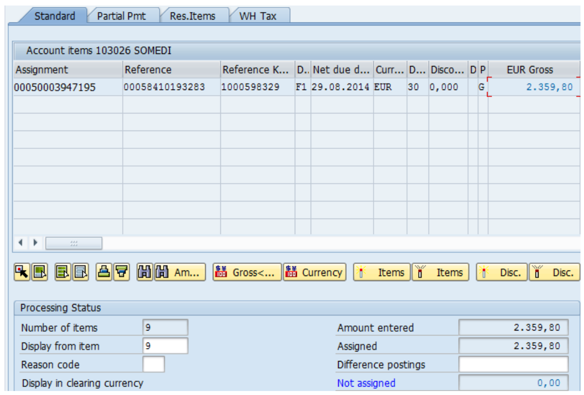
Then press the Choose open items button.

The following screen appears:

Then press on the Process open items button.



The following screen appears:



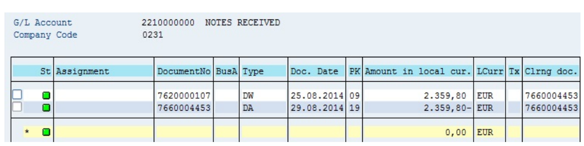
Select the invoice (s) mentioned on the document. The "Not assigned" field is now zero. Press the "Save"  button.

Next screen pops-up:

Document 7620000093 was posted in company code 0231

Risk Cancelation procedure

Whenever a BoE is created in a customer account, automatically it is created a DY/DW in g/l **2210000000 - NOTES RECEIVED**

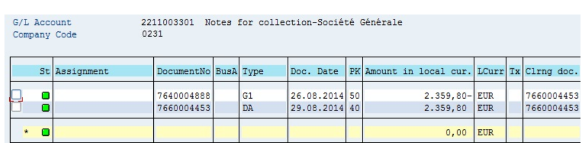


G/L Account 2210000000 NOTES RECEIVED
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7620000107		DW	25.08.2014	09	2.359,80	EUR		7660004453
		7660004453		DA	29.08.2014	19	2.359,80-	EUR		7660004453
*							0,00	EUR		

The DY/DW will be cancelled with the Risk cancellation (DA) at invoice due date as below:

Whenever we run FBWE transaction to send the DME files to the Bank, a G1 document is created in **2211003301 - N otes for collection** (depending on the country a different g/l is used).



G/L Account 2211003301 Notes for collection-Société Générale
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7640004888		G1	26.08.2014	50	2.359,80-	EUR		7660004453
		7660004453		DA	29.08.2014	40	2.359,80	EUR		7660004453
*							0,00	EUR		

The Risk Cancelation (DA) will cancel the DY in 2210000000 and the G1 in 2211003301. See below:

G/L Account 2210000000 NOTES RECEIVED
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7620000107		DW	25.08.2014	09	2.359,80	EUR		7660004453
		7660004453		DA	29.08.2014	19	2.359,80-	EUR		7660004453
*							0,00	EUR		
** Account 2210000000							0,00	EUR		

G/L Account 2211003301 Notes for collection-Société Générale
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7640004888		G1	26.08.2014	50	2.359,80-	EUR		7660004453
		7660004453		DA	29.08.2014	40	2.359,80	EUR		7660004453
*							0,00	EUR		
** Account 2211003301							0,00	EUR		

Posting result in the customer's account:

Customer 103026
Company Code 0231

Name SOMEDI
City MONTPELLIER

St	CoCd	BusA	Reference	Assignment	Ref. Key 1	DocumentNo	Typ	PM	Doc. Date	Net due dt	S	DD	Amt in loc.cur.	LCurr
	WARP		00058410193278	00050003939165	1000598324	5000164498	F1	G	21.07.2014	20.08.2014			2.369,30	EUR
	WARP					7620000097	DW		19.08.2014	19.08.2014			2.369,30-	EUR
*													0,00	EUR

The invoice is now cleared with the DW document.

Click twice on the clearing document (762…), click on the button and then enter the line corresponding to the draft. The following screen opens as shown below:

Customer 103026 SOMEDI G/L Acc 2210000000
Company Code 0231 1135 RUE PIERRE CAUSSE
World.Accounts Receiv&Pay MONTPELLIER Doc. no. 7620000097

Line Item 1 / Bill of exchange / 09 W

Amount 2.369,30 EUR

Bill of exchange details

Due on 20.08.2014 Demand bl Bill/ex.status Plan.usage I
Issue date 21.07.2014 Accepted Bill protest ID Pmt Method G
Used on 31.08.2014 I 7640004811 Clearing date 31.08.2014 / 7660004375
Drawer World.Accounts Receiv&Pay BRUXELLES BRU

Drawee SOMEDI MONTPELLIER
Bank Key 3000401813 Bank Ctry FR
Bank Account 00018102533 Control key 04
Bank name BNP PARIBAS / AG CELLENEUVE

We are able to check all the information regarding the Traite here and if we click on the "Environment" on the top of the page and then on the "Payment usage", we will see the invoice(s) cleared with the draft.

Customer 103026
Company Code 0231

Name SOMEDI
City MONTPELLIER

St	CoCd	BusA	Reference	Ref. Key 1	DocumentNo	Typ	PM	Doc. Date	Net due dt	S	DD	Amt in loc.cur.	LCurr
	WARP				7620000107	DW	G	25.08.2014	29.08.2014	W		2.359,80	EUR
*												2.359,80	EUR
**												2.359,80	EUR

When an invoice is cleared by a Traite, a document will remain open on customer account in 0231 with a special GL ind W until the invoice due date.

4.2 Spain

4.2.1 Pagares

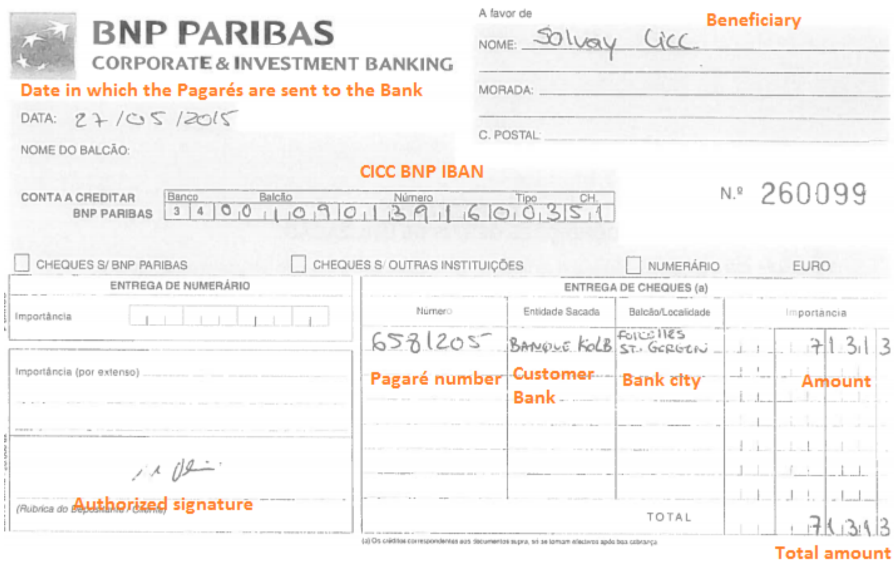
Pagarés are Spanish promising payments under the form of paper drafts, always issued by the debtor (customer) and sent to the Spanish Local Correspondent. The customer recognizes its debt and agrees in paying it on a future due date.

We can receive Pagarés through two different ways:

- Sent by the customers directly to SBS Carnaxide by post
- Sent by local contact to AR mailbox

To prepare Pagarés received by post, the following steps should be followed:

- AR on a daily basis pick in the 2nd floor all the correspondence received by post
- AR verifies the Pagarés received and write in the back of the Pagarés "Solvay Solvay SA"and sign it (the signature should be requested to Paula or Angela)
- The Pagarés should be scanned and a case created in Freshdesk with customer number and amount.
- Fill the deposit slip with the Pagarés to deposit. See example below with the instructions to fill BNP form (BNP IBAN is 0010901391600351):

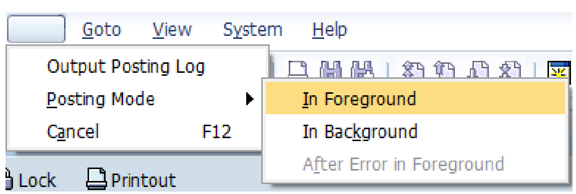


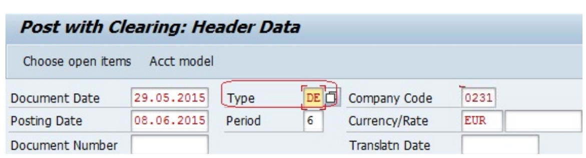
- Remove the duplicate to keep for future reference (the one that mention "Cópia para o cliente") and scan and attach to the Freshdesk ticket. This will be used for future reference whenever we need to check the date in which the Pagaré was sent
- Put the Pagarés inside the envelope and close it.
- Fill in the Google Form the request to deliver the Pagares to BNP
- Close the ticket

Warning

If the Pagaré has a due date in the future, we should only sent it to BNP near that date. Therefore, we should create an event in gmail calendar with AR mailbox as "convidado" (in the title insert" Pagaré and ticket number") for 10 days before the Pagaré due date. At this date a case will be open and the person with the task "Manual drafts" should fill Google Form.

- If the TI enters in sub-account 50514EUR15, the person doing the sub-accounts reconciliation should process FB05 transaction (procedure described below)*. If the TI enters in 50514EUR16 and appears in FEBA transaction, we should enter in the payment, change the "Posting mode" to "In Foreground", change "type" to "DE" and clear the invoice(s). See example below:



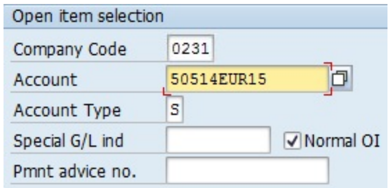


*FB05 procedure

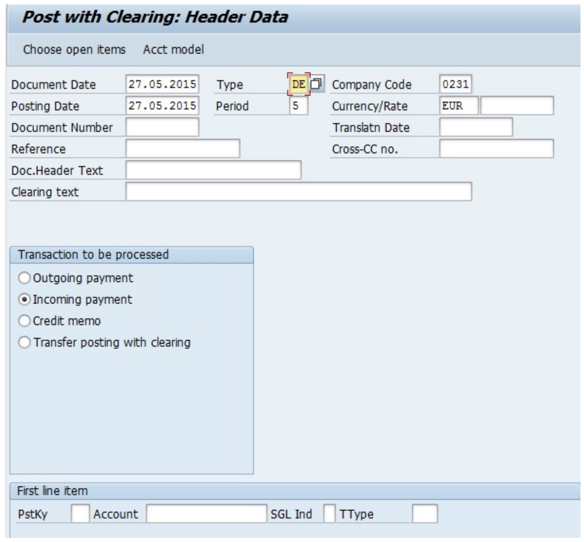
The followins screen should be filled as below:

Document date: Document date of the TI
Posting date: Document date of the TI
Type: DE

"Choose Open items"



Insert the Portugal sub-account and choose "Account Type" S. Then, select the correct TI and go back, insert customer account and clear the invoices.



<u>To prepare Pagaré received by email from local contact, the following steps should be followed:</u>

- Local contact send by email to AR mailbox the copy of the Pagarés
- AR process F36 transaction
- The ticket should be classified with the total amount of the Pagaré on the subject, the customer accounts numbers and should be closed.

There are three types of Pagarés as BBVA (Spanish Bank) treat them differently. Two of them are cheque documents with a "bar code" (IBAN) on it and are always issued by a Bank. The difference between them is the Bank: BBVA bank and non BBVA bank. The 3rd type of Pagaré does not have a cheque format, nor contains a "bar code" (IBAN) on it and is not issued by a Bank.

4.2.1.1 Pagaré with Check Format paid by BBVA Bank

All BBVA Pagarés are "cheque" format type as they are always issued by the BBVA bank.

<u>Example:</u>

BBVA
CANTON PEQUEÑO, 18-21 ENTREPLANTA
15003 CORUÑA (A)

4/12

Carta - Pago Domiciliado

3 DE ENERO DE 2012

Muy señores nuestros:
Adjunto les remitimos pago domiciliado Núm. 0.000.763 , emitido siguiendo instrucciones de:
FUCAMPO S.A. (00672)
por un importe de Euros *******32.549,51** , y que corresponde a los conceptos abajo detallados.

SOLVAY IBERICA, S.L.
MARIE CURIE 1-3-5
08760 -MARTORELL-BARCELONA1985-2503
BARCELONA - ESPAÑA 0

Nuestra red de oficinas queda a su disposición para facilitarles financiación o gestionar el cobro de sus créditos.
Atentamente,
Banco Bilbao Vizcaya Argentaria
p. p.

FACTURA	FECHA EMISION	IMPORTE	CONCEPTO
8610136107	27-12-2011	5.253,64	563
8610136203	28-12-2011	5.417,28	562
8610136204	29-12-2011	11.055,00	561
8610136251	29-12-2011	10.823,59	564

BBVA
CANTON PEQUEÑO, 18-21 ENTREPLANTA
15003 CORUÑA (A)

Entidad	Oficina	D	Nº cta
CCC 0182	2503	43	0719957893

IBAN ES25 0182 2503 4307 1995 7893

Pago Domiciliado
N.º de Pago Domiciliado: 0.000.763
Fecha de Expedición: 03-01-2012
Fecha de Pago: 12-03-2012
Euros: *******32.549,51**€

Pagador: FUCAMPO S.A.

Beneficiario: SOLVAY IBERICA, S.L.

NO A LA ORDEN.

Importe en letra (Euros): TREINTA Y DOS MIL QUINIENTOS CUARENTA Y NUEVE CON CINCUENTA Y UN=============================

Banco Bilbao Vizcaya Argentaria
P. p.

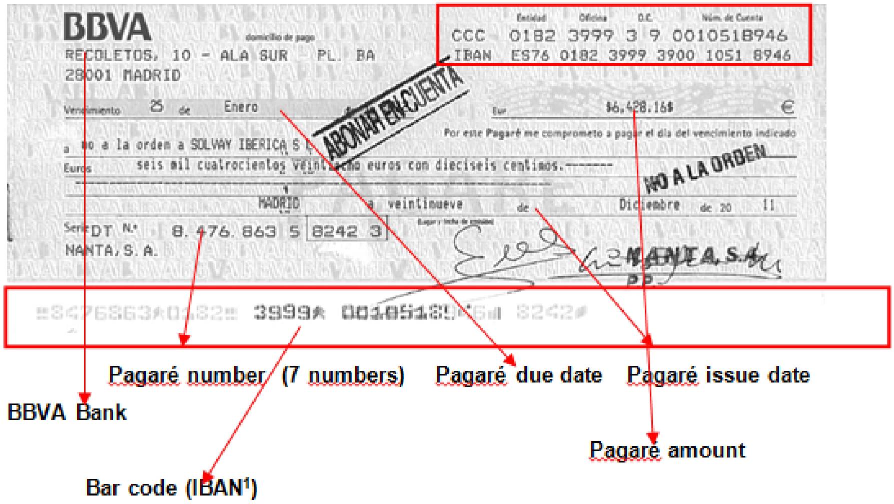
Serie AA N.º 0.000.763 1   Código de Identificación 9000 5

LA DOMICILIACION DE PAGO QUE SE COMUNICA CADUCA A LOS 60 DIAS DE LA FECHA DE PAGO

0000763 0182 25034 0719957893 9000 000032549 51

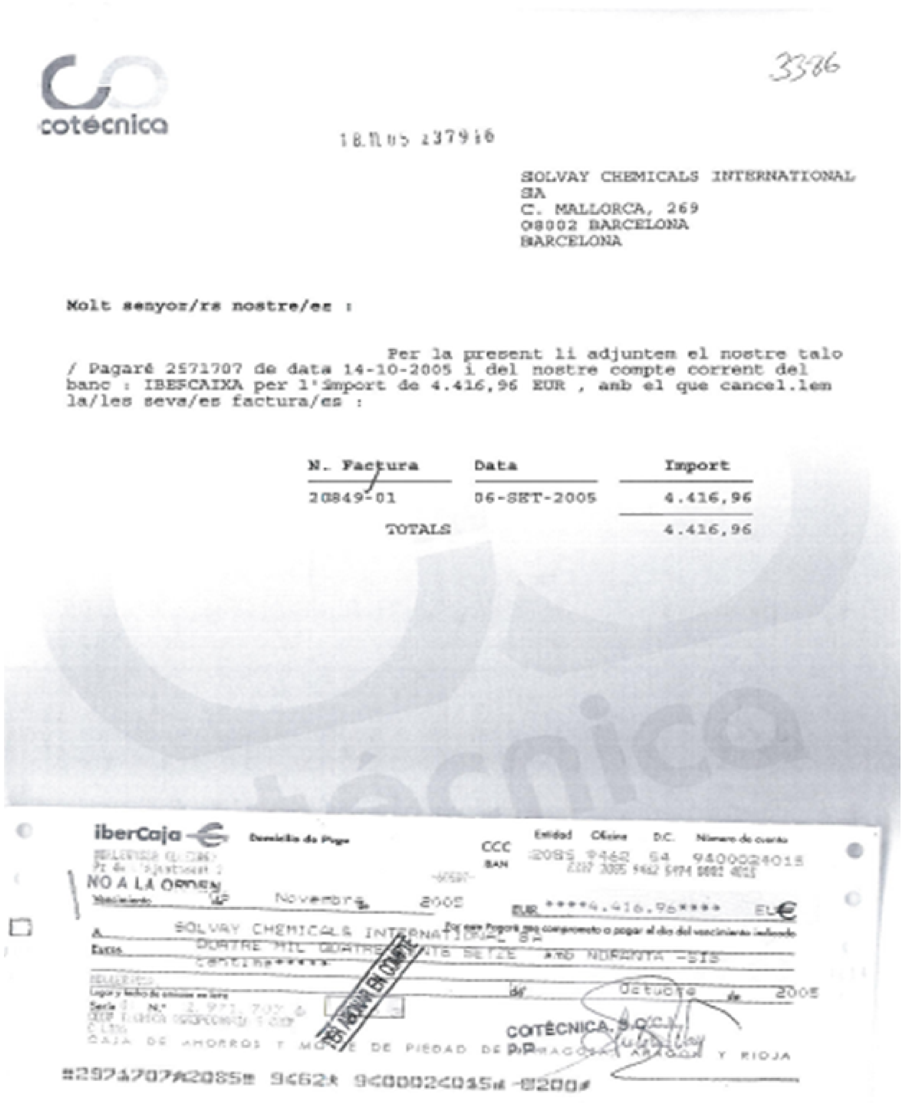
Legend:

Bank Details Information (same as in the Bar Code/IBAN area)



4.2.1.2 Pagaré With Check Format paid by non BBVA bank

Example:



cotécnica

3386

18.11.05 237916

SOLVAY CHEMICALS INTERNATIONAL SA
C. MALLORCA, 269
08002 BARCELONA
BARCELONA

Molt senyor/rs nostre/es :

Per la present li adjuntem el nostre talo / Pagaré 2571707 de data 14-10-2005 i del nostre compte corrent del banc : IBERCAIXA per l'import de 4.416,96 EUR , amb el que cancel.lem la/les seva/es factura/es :

N. Factura	Data	Import
20849-01	06-SET-2005	4.416,96
TOTALS		4.416,96

ibercaja

NO A LA ORDEN

CCC 2085 9462 64 9400024015

Noviembre 2005

EUR ****4.416,96**** EUR

SOLVAY CHEMICALS INTERNATIONAL SA

CUATRE MIL QUATRECENTS SETZE AMB NORANTA -SIS CENTIMS******

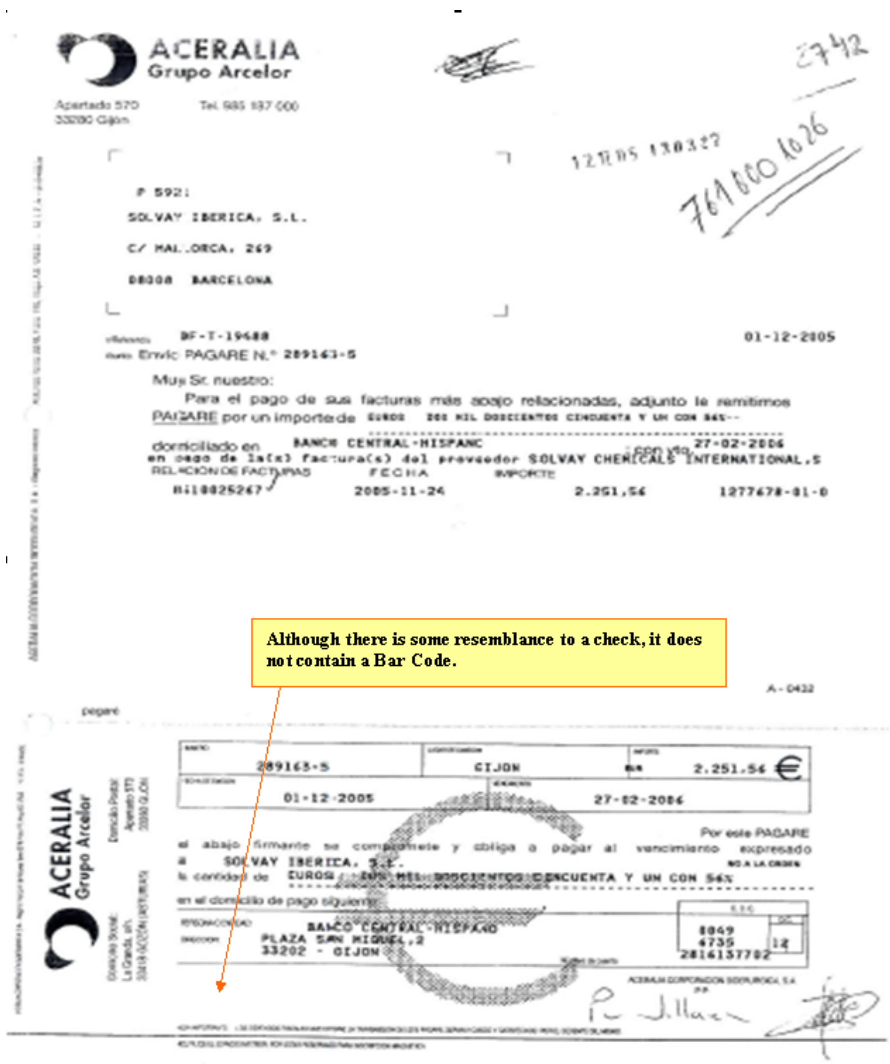
Octubre 2005

COTÉCNICA, S.C.C.L.

CAJA DE AHORROS Y MONTE DE PIEDAD DE ZARAGOZA, ARAGON Y RIOJA

4.2.1.3 Pagaré without Check Format

Example:



4.2.2 Pagarés posting

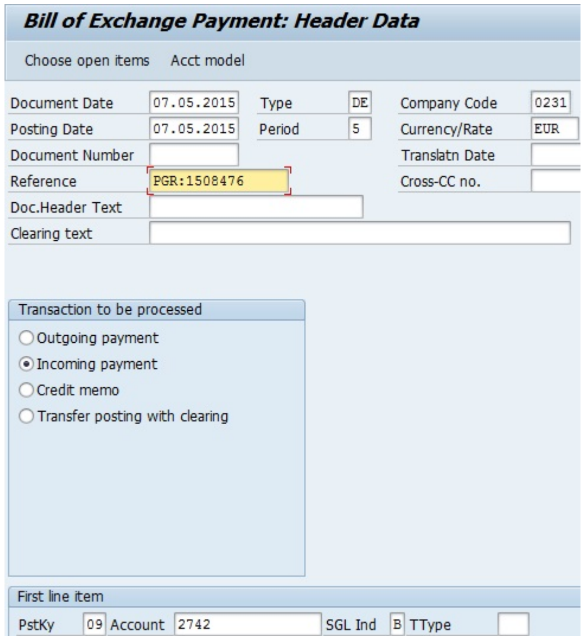
As soon as we received the Pagarés, we should post them on their customer accounts using F-36 transaction. This transaction creates the "Bill of Exchange", converting the invoices into BoE (Pagarés) to be collected from BBVA (local bank) in their future due dates. F-36 transaction has to be run for each individual Pagaré by AR on the day it was received.

Open **F-36** transaction:

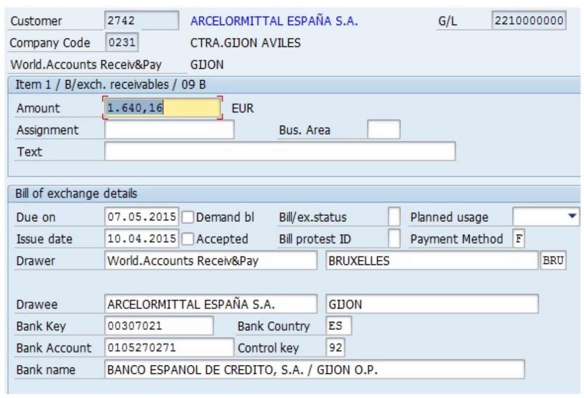
The above screen should be filled in as follows:

- **Document date:** Pagaré's due date ("Fecha de Pago")
- **Posting date:** Pagaré's due date ("Fecha de Pago"). However if its due date is in the past, use the current entry date (today's date)
- **Type:** DE
- **Company code:** 0231
- **Currency/Rate:** EUR
- **Reference:** Pagaré's number (7 numbers, for example: PGR: 289163-5)
- **Account:** Customer number account
- **SGL Ind:** B

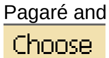
After filling in all the information details, press "Enter" 2 times.



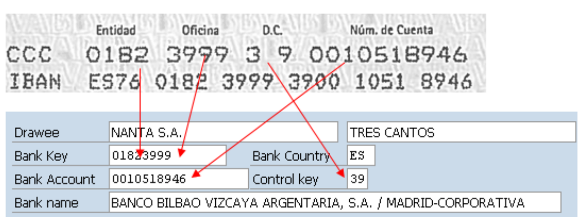
The following screen appears:



The screen should be filled in as follows:

- **Amount:** Pagaré's amount
- **Due on:** Pagaré's due date (Fecha de Pago) Use this date, even if it is in the past
- **Issue date:** Pagaré's creation date (Fecha de Expedicion). If there is no creation day, use todays' date
- **Payment Method:** F
- **Bank Key:** if the customer has different bank accounts a "*" sign shows up in the bank key field. Double click on this field. A message box is shown with a list of different customer's bank accounts available. Choose the bank account the customer is using for this Pagaré and then click on the  button.

The Bank details should be inserted as below:



Remark

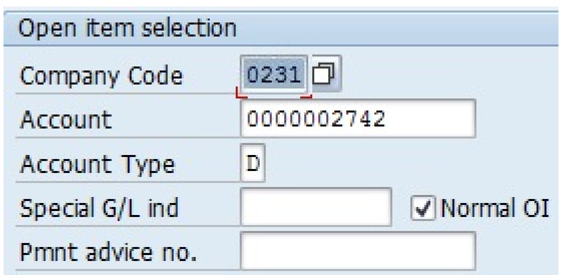
If the "*" does not show up and the bank details area is shown up already filled in, it means that the customer has a single bank account.

If the customer makes the payment through a bank account that is not yet created in the system, FI-AR-BO can manually insert the references mentioned in the Pagaré image..

> **Warning**
>
> In case the system gives an error message stating that the bank account is not created (in this case the bank account is not created at ERP level), we should create a case and send email to payment security (payment.securityprocess@solvay.com) with Credit Manager in copy with the customer document (Pagaré) attached and the subject should have customer number and “Cash In” written. Afterwards transfer the case to Codif Level 1.

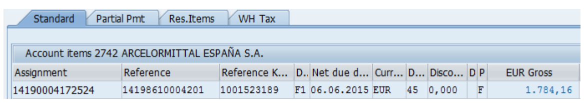
Verify if all the information is correct and then press the Choose open items button.

The following screen pops up:



Click on the Process open items button.

Afterwards, select the invoice (s) mentioned in the Pagaré image.



Standard | Partial Pmt | Res.Items | WH Tax

Account items 2742 ARCELORMITTAL ESPAÑA S.A.

Assignment	Reference	Reference K...	D..	Net due d...	Curr...	D...	Disco...	D	P	EUR Gross
14190004172524	14198610004201	1001523189	F1	06.06.2015	EUR	45	0,000		F	1.784,16

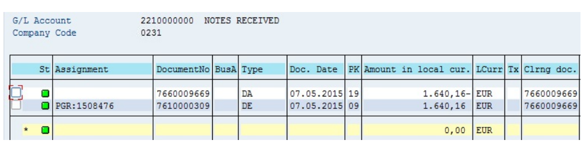
The "Not Assigned" field is now zero.

Press the "Save" button.

Document 7610000006 was posted in company code 0231

Risk Cancelation procedure

_ Whenever a BoE is created in a customer account, automatically it is created a DY/DW in g/l **2210000000 - NOTES RECEIVED**

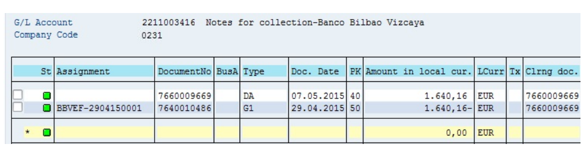


G/L Account 2210000000 NOTES RECEIVED
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7660009669		DA	07.05.2015	19	1.640,16-	EUR		7660009669
	PGR:1508476	7610000309		DE	07.05.2015	09	1.640,16	EUR		7660009669
*							0,00	EUR		

The DY/DW will be cancelled with the Risk cancellation (DA) at invoice due date as below:

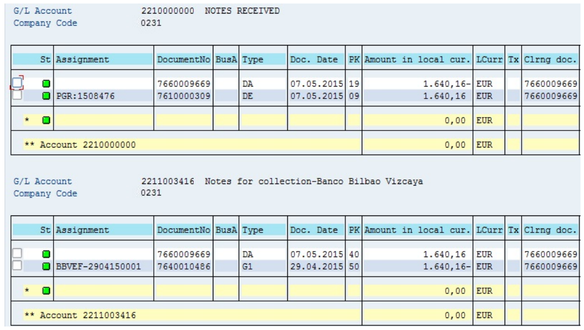
Whenever we run FBWE transaction to send the DME files to the Bank, a G1 document is created in **2211003416 - Notes for collection-Banco Bilbao Vizcaya** (depending on the country a different g/l is used).



G/L Account 2211003416 Notes for collection-Banco Bilbao Vizcaya
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7660009669		DA	07.05.2015	40	1.640,16	EUR		7660009669
	BBVEF-2904150001	7640010486		G1	29.04.2015	50	1.640,16-	EUR		7660009669
*							0,00	EUR		

The Risk Cancelation (DA) will then cancel the DY in 2210000000 and the G1 in 2211003416. See below:



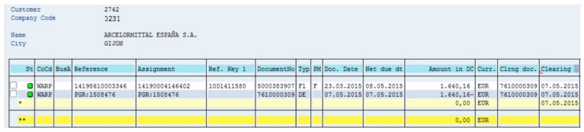
G/L Account 2210000000 NOTES RECEIVED
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7660009669		DA	07.05.2015	19	1.640,16-	EUR		7660009669
	PGR:1508476	7610000309		DE	07.05.2015	09	1.640,16	EUR		7660009669
*							0,00	EUR		
** Account 2210000000							0,00	EUR		

G/L Account 2211003416 Notes for collection-Banco Bilbao Vizcaya
Company Code 0231

St	Assignment	DocumentNo	BusA	Type	Doc. Date	PK	Amount in local cur.	LCurr	Tx	Clrng doc.
		7660009669		DA	07.05.2015	40	1.640,16	EUR		7660009669
	BBVEF-2904150001	7640010486		G1	29.04.2015	50	1.640,16-	EUR		7660009669
*							0,00	EUR		
** Account 2211003416							0,00	EUR		

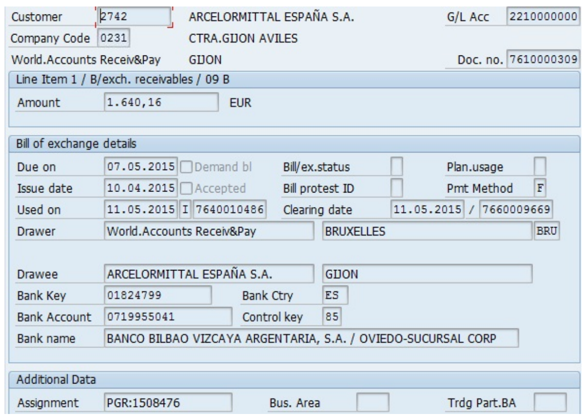
Posting result on the 0231 customer's account:



Customer 2742
Company Code 0231
Name ARCELORMITTAL ESPAÑA S.A.
City GIJON

St	CoCd	BusA	Reference	Assignment	Ref. Key 1	DocumentNo	Typ	PM	Doc. Date	Net due dt	Amount in DC	Curr.	Clrng doc.	Clearing
	WARP		14198610003346	14190004146402	1001411580	5000383907	F1	F	23.03.2015	08.05.2015	1.640,16	EUR	7610000309	07.05.2015
	WARP		PGR:1508476	PGR:1508476		7610000309	DE		07.05.2015	07.05.2015	1.640,16-	EUR	7610000309	07.05.2015
*											0,00	EUR		07.05.2015
**											0,00	EUR		

In this screen we can see the clearing document – 7610000309 which has cleared the invoice with the a DE document.
Click twice on the clearing document, click on the button and then enter on the line corresponding to the draft as below:



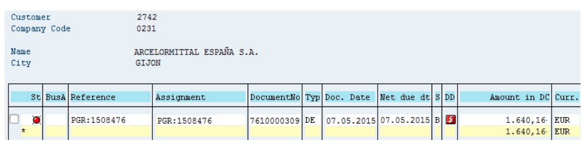
Customer 2742 ARCELORMITTAL ESPAÑA S.A. G/L Acc 2210000000
Company Code 0231 CTRA.GIJON AVILES
World.Accounts Receiv&Pay GIJON Doc. no. 7610000309

Line Item 1 / B/exch. receivables / 09 B
Amount 1.640,16 EUR

Bill of exchange details
Due on 07.05.2015 Demand bl Bill/ex.status Plan.usage
Issue date 10.04.2015 Accepted Bill protest ID Pmt Method F
Used on 11.05.2015 I 7640010486 Clearing date 11.05.2015 / 7660009669
Drawer World.Accounts Receiv&Pay BRUXELLES BRU
Drawee ARCELORMITTAL ESPAÑA S.A. GIJON
Bank Key 01824799 Bank Ctry ES
Bank Account 0719955041 Control key 85
Bank name BANCO BILBAO VIZCAYA ARGENTARIA, S.A. / OVIEDO-SUCURSAL CORP

Additional Data
Assignment PGR:1508476 Bus. Area Trdg Part.BA

In this screen we are able to check all the information regarding the Pagaré and if we click on "Environment" on the top of the screen and then on the "Payment usage", we will see the invoice(s) cleared with the draft.



Customer 2742
Company Code 0231
Name ARCELORMITTAL ESPAÑA S.A.
City GIJON

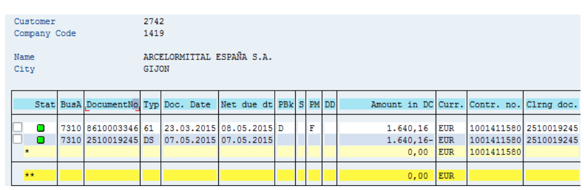
St	BusA	Reference	Assignment	DocumentNo	Typ	Doc. Date	Net due dt	S	DD	Amount in DC	Curr.
		PGR:1508476	PGR:1508476	7610000309	DE	07.05.2015	07.05.2015	B		1.640,16-	EUR
*										1.640,16-	EUR

When an invoice is cleared by a Pagaré, a document will remain open on customer account with a special GL ind B until the Pagaré is paid:

> **Remark**
>
> as the Pagaré is only posted at the due date, the invoice will only be replaced and cleared by the DE at that date.

Posting result in the affiliate customer account:

_ When we look at the customer account in local system the invoice is cleared:

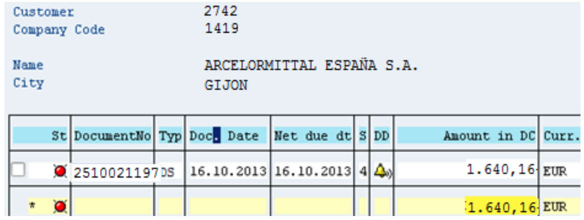


Customer 2742
Company Code 1419
Name ARCELORMITTAL ESPAÑA S.A.
City GIJON

Stat	BusA	DocumentNo	Typ	Doc. Date	Net due dt	PBk	S	PM	DD	Amount in DC	Curr.	Contr. no.	Clrng doc.
	7310	8610003346	61	23.03.2015	08.05.2015	D		F		1.640,16	EUR	1001411580	2510019245
	7310	2510019245	DS	07.05.2015	07.05.2015					1.640,16-	EUR	1001411580	2510019245
*										0,00	EUR	1001411580	
**										0,00	EUR		

And replaced by a DS document with Special GL Ind. 4 :

> **Remark**
>
> as the Pagaré is only posted at the due date, the invoice will only be replaced and cleared by the DS at that date.



4.2.3 Recibos

Recibos are a Spanish payment method, directly debiting customer's bank accounts for payment collection.

<u>**Types of Recibos:**</u>

"Recibos" can be **"Domiciliated**" (payment method **M**) or "**Non Domiciliated**" (payment method **N**), depending respectively on the fact if the customer's bank account data is known or not known. When the bank account data is known, it takes **8** calendar days to collect the cash. If the customer's bank data is unknown, it takes **12** calendar days to collect the cash as Solvay's bank will need additional time to contact customers and to confirm their bank data.

4.2.4 Recibos posting

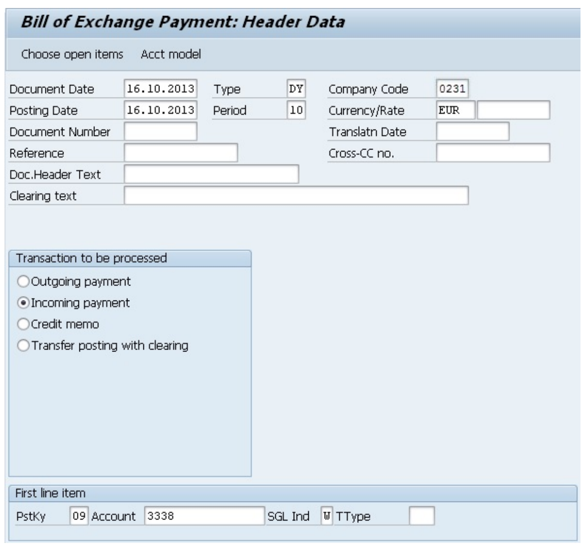
Normally the Recibos are created automatically using F110 transaction and OTC AR only needs to prepare the DME file to be sent to the Bank. However, occasionally OTC AR may be requested to manually process a Recibo. This happens when it is not possible to request the payment through the automatic process (transaction F110) because the customer usually does not use the Recibo payment method and exceptionally requires Solvay to directly collect money from his bank account. Therefore, we perform a Recibo upon Credit Manager's request which should mention the customer's account, the invoices to be paid and the due date.

By definition, as the customer provides the bank details, we are always facing a "Domiciliated Recibo" (payment method M).

Open **F-36** transaction:

<u>**The above screen should be filled in as below:**</u>

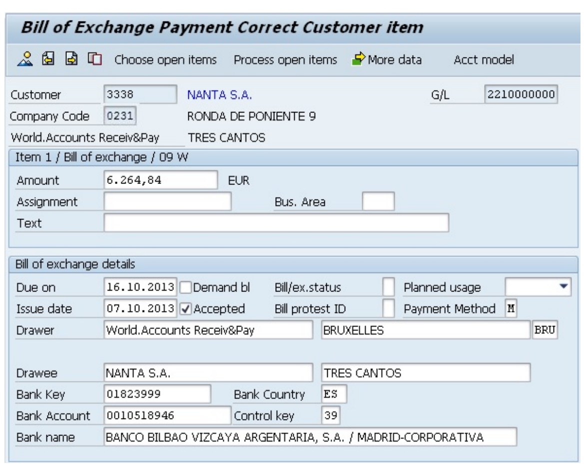
- **Document date:** Recibo's due date; If in the Credit Manager's request due date is mentioned as "A la Vista", today's date should be inserted
- **Posting date:** Recibo's due date (the same as "Document date")
- **Type:** DY
- **Company code:** 0231
- **Currency/Rate:** EUR
- **Account:** Customer's account number



Afterwards, click on "Enter" button. The following screen is open:

<u>The above screen should be filled in as below:</u>

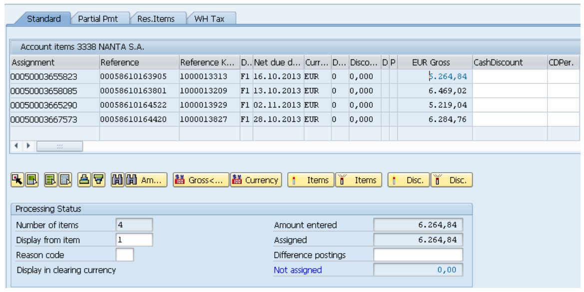
- **Amount:** Recibo's amount
- **Due on:** Recibo's due date (Equal to "Document date")
- **Issue date:** Recibo's creation date (Today's date)
- **Accepted:** Tick this box
- **Payment Method:** M or N (M if bank account inserted (we don't change Bank account, unless we are asked to)/ N if no bank details are available)



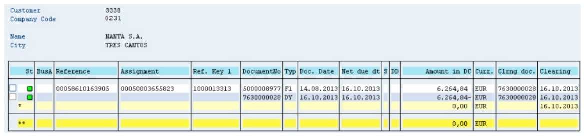
Press "Enter" to see if the inserted information is correct.

After press Choose open items and then Process open items .
Choose the invoice mentioned and if The "Not Assigned" field is equal to zero, click on the "Save" button.

Document 7630000028 was posted in company code 0231

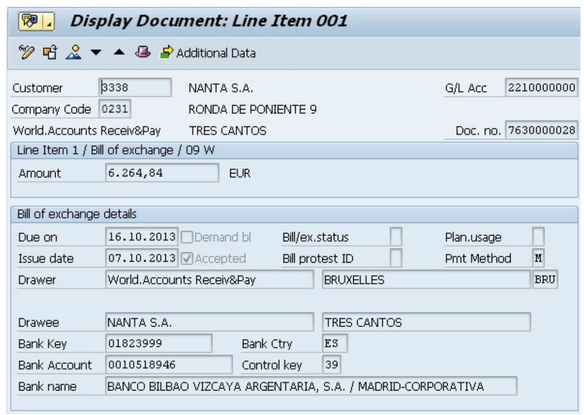


Posting result on the customer's account:



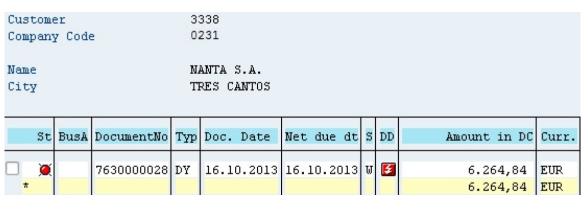
The invoice is now cleared with a DY document.

Click twice on the clearing document, click on the button and then enter the line corresponding to the draft as below:



In this screen we are able to check all the information regarding the Recibo and if we click on the "Environment" on the top of the screen and then on the "Payment usage", we will see the invoice(s) cleared with the draft.

When an invoice is cleared by a Recibo, a document will remain open on customer account with a special GL Ind. W until the Recibo is paid:



Remark

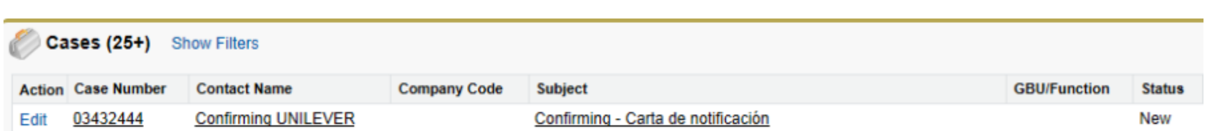
As the Recibo is only posted at the due date, the invoice will only be replaced and cleared by the DY at that date.

5. Spain Confirmings

5.1 Receiving a Confirming payment advise

Confirming is a payment method (U) only used in Spain. The customer allows the Bank to make the payment before the due date if the supplier agrees to pay the interest incurred to the Bank. It is considered as a short term loan. The rule is to not accept Confirming before the due date, except for some customers (check the Customers and Regions specificities database to know the customers for which Sales agreed to use this payment method:)

Example of a Confirming case:



In case of Confirming, AR should handle them as normal Remittance Advices with the only exception that the dunning block should be "B". In case of more than one date mentioned in the Confirming, AR should create a different Confirming for each date.

See example below of a Confirming classification:
CASE 814579/5.200,00EUR/14.03.20113

Warnings

- We can receive several Confirmings for the same customer with the same payment date and the last one can include more invoices than the first one received. Therefore, customer account should be updated accordingly to the last Remittance.
- AR should check the invoices due date and the Confirming date. If the difference between these two dates is higher than 5 working days (confirming is for the invoices with a delay of more than 5 working days than the due date), we should create a dispute for Cash Collections with status "Call by Collector" asking them to clarify the reason of this delay with the customer. The dispute should have the following information: "Hello, please note that customer is stating he will make the payment of the following invoices with a delay of more than 5 days. Please confirm us if this should be accepted or not. If you do not agree with this delay, could please check with your contact in order to solve this issue and give us a feedback? Thank you." After creating the dispute, AR team should check the Sales email (after sending the dispute it is possible to consult it on the dispute text) and forward the Remittance to Sales so that they can have access to the document. Depending the answer from Sales, two actions can be taken:
  - If Sales agrees with the date of customer payment, the answer should be copied to the dispute and the status should be changed to "To be collected"
  - If Sales doesn't agree with the payment delay, the answer should be copied to the dispute and the status should be changed to "Call by collector" and the dunning block should be removed.
- In case the difference is less than 5 days but higher than 50.000 EUR and will mean that we will receive the payment on next month period, a dispute to Collections with status "Call by collector" should be created in order to contact the customer and try to get the payment on the correct due date

For 2780 - NUTERFEED this rule should be used only for the invoices paid with the delay of more than 30 days

5.2 Receiving a payment for a Confirming

This section explains how to allocate a payment for invoices anticipated previously on the Bank website.

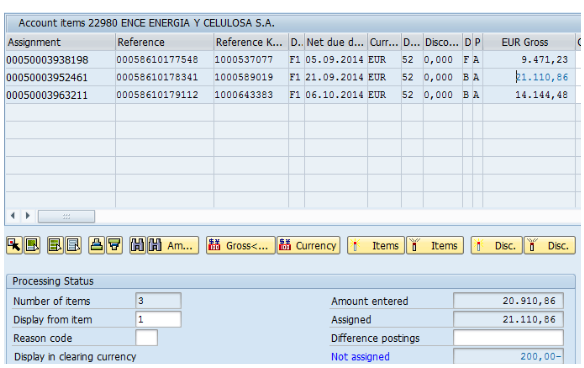
Warnings

This chapter is only applied for customers in which the difference is to be charged by the affiliates (check "Customer and Regions specificities" (

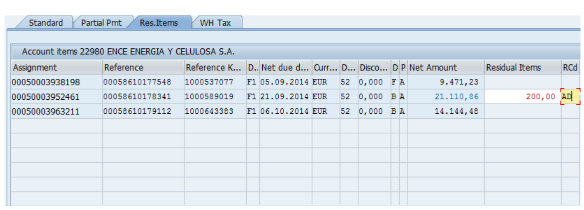
) as the Confirming difference should be charged to the business.

Follow the steps below:

On Feba transaction select the invoice (s) which was (were) anticipated.



Afterwards, go to Residual items tab and click twice on Residual Items on the invoice. Then insert the reason code **AD** as below:



Click on  button