

NOTICE TO SUPPLIERS

Subject: Termination of ERS payment program

Originator: Jay Jacobs
Job Title: Senior Manager, Supply Chain Operations
Product Line: Aero Derivative Gas Turbine (ADGT)
Siemens Business Unit: Siemens Canada Limited

NTS Number: SC006
Issue: 001
Date: 15th December 2015

For the attention of the Account Management Team

Dear Sir or Madam

Scope

This NTS is applicable to all vendors of Siemens Canada and ITCL that were participating in the ERS payment program. The ERS payment program was a self-generated invoice program that did not require vendors to send a commercial invoice for their goods sold to us.

Introduction

On November 23rd we implemented a new logistics model marking another milestone in the transition of the Rolls Royce Energy business to Siemens. This was / is a large undertaking and not without its challenges. One of the major changes to that model was the termination of the Manifest program which is having an impact in other areas of the business.

Additional changes

The ERS payment program was a Rolls Royce legacy payment program than will no longer be supported by Siemens Canada and ITCL moving forward. Effective immediately if you were participating in the ERS payment program you must now submit your invoices in accordance with the applicable method outlined below. In fact it has come to our attention that the ERS self-billing program has not been active since November 30th 2015. As such we are requesting you to submit your commercial invoices for any shipments since November 30th via the applicable method below so there is no delay in payment. New invoicing instructions are as follows;

To Siemens Canada

In an effort to process your invoices efficiently and without delay, effective March 2, 2015, you will need to self-register and submit invoices electronically within the Invoices On Line (IOL) portal at www.siemensap.com . You may also view invoice status at your convenience within the IOL portal, available 24 hours a day, 7 days a week.

More information about IOL may be found in the Quick start guide located on the IOL home page. Vendor IOL help videos are also available on the IOL home page under the "Attention" area. If technical support is needed for electronic invoicing, submit technical questions to: northamerica-iol-support.qss@siemens.com



To ITCL

Invoices must be emailed in PDF format to the following emails address for processing ap.industrialturbine.cz@siemens.com. Also attached is a document with the applicable points of escalation for invoice related issues.



Contact_FSS_CZ_OC
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Please make use of your MRPC and Buyer contacts to help ensure your recent invoices are registered and sort out any invoicing issues you may be experiencing. As always feel free to contact myself if you are not happy with the progress being made.

Payment Terms

To be clear there is no change to the payment terms agreed between parties, only the mechanism for payment. We will endeavor to ensure that this process is implemented as quickly and as painless as possible. We apologize we any inconvenience and the late notice on these changes, they were not foreseen.

Any issues please email me at jay.jacobs@siemens.com

With kind regards,

A handwritten signature in blue ink, appearing to read "Jay Jacobs".

Signature