

Supplier Guideline (for Invoice Approval and Payment Release) for Purchase Orders with Partial Payment Agreements

Table of contents

1.	Target	2
2.	Application field	2
3.	Responsibility	2
4.	Definitions.....	2
5.	Procedure.....	3
5.1	Instalment Approval by PPSO	3
5.2	Invoice Approval by Plant Finance.....	5
5.3	Responsibility/ Contact	7
6.	Additional documents.....	7

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

1. Target

Safeguarding of the requirements for SAP Purchase Orders with Invoicing Plans and the stepwise handling of the Invoice Approval and Payment Release process.

2. Application field

The procedures documented in this guideline do apply to all European Kirchhoff Automotive plants and Purchase Orders with Invoicing Plans and with PO number 47xxxxxxx .

3. Responsibility

Procurement Director - Capital & Tooling

4. Definitions

- KA:** Kirchhoff Automotive
PPSO: Partial Payment Sign Off sheet
ME: Manufacturing Engineering
PO: Purchase Order

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

5. Procedure

5.1 Instalment Approval by PPSO

This guideline is applicable for SAP Invoicing Plan with PO number 47xxxxxxxx.

The invoice approval and payment release process starts when the supplier achieves an instalment milestone as contracted.

The supplier will then send the duly filled (all mandatory fields) PPSO sheet (see [Additional Documents](#)) in EXCEL-format together with the appropriate approval document via email to the central PPSO/Europe address.

The E-Mail for this PPSO/Europe address is as follows:

PPSO-Europe@kirchhoff-automotive.com

Advice: The supplier should send the PPSO only to this E-Mail address otherwise the E-Mail cannot be processed.

The approval document can be – depending on the contracted conditions per instalment milestone - e.g.

- A Bank Guarantee (original received by responsible purchaser)
- The ME protocols (completely signed as e. g. for Design Approval, Successful Buy-Off, Start of Trial Run, Final Acceptance etc.)
- A Delivery Note (signed by Kirchhoff Automotive receiving department)
- Other – depending on the contractual agreements.

The supplier has to use one PPSO sheet per each Purchase Order Item. This means that if there is a Purchase Order with e.g. three different stamping dies, the supplier has to create three PPSOs for this Purchase Order – one for each stamping die (same for machinery, fixtures etc.).

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

In case that KA uses a Contract Protocol (and no SAP Purchase Order), the supplier will have to use ONE PPSO Sheet per ONE Contract Protocol / Order Letter (as long as the Contract Protocol does not contain different timelines for separate Order Contents).

Please also see the manual (step-by-step) for filling the PPSO sheet: [Additional Documents](#).

Each PPSO sheet will be maintained throughout all the partial payment steps until the final payment is approved.

This means that the supplier has to store each PPSO sheet issued and will then always add the new payment request item to the existing PPSO sheet (when a new milestone is reached).

For each other projects supplier should download new PPSO sheet from our website.

So in the end ALL partial payment approvals per one item are listed in ONE PPSO sheet (see examples below).

Example for first milestone:

Partial Payment Sign Off Sheet

Please insert all mandatory information for the actual payment milestone !

Currency:

Supplier:

SAP Purchase Order No. SAP PO item description / part no.

KA ORDERING Plant

Pos.	Total PO Item Value	Payment Milestone Description	%	Invoice Value	Approval document (signed)	Date of Approval	Signee	Signature
1	100 000,00	after_approval_of_design	30%	30 000,00	T-500.1 LAR_DAR			
2								
3								

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

Example for third milestone:

Partial Payment Sign Off Sheet

Please insert all mandatory information for the actual payment milestone !

Currency:

Supplier:

SAP Purchase Order No. SAP PO item description / part no.

KA ORDERING Plant

Pos.	Total PO Item Value	Payment Milestone Description	%	Invoice Value	Approval document (signed)	Date of Approval	Signee	Signature
1	100 000,00	after_approval_of_design	30%	30 000,00	T-500.1 LAR_DAR			
2	100 000,00	after_delivery_receipt	30%	30 000,00	delivery note			
3	100 000,00	after_final_acceptance	30%	30 000,00	T-700.1 TAR CoFo			

KA checks the propriety of the received documents and compares them to the contracted conditions.

If the documents match contracted conditions, KA signs the PPSO and sends it back to the supplier in PDF-format via email. It will look like in the shown example.

Partial Payment Sign Off Sheet

Please insert all mandatory information for the actual payment milestone !

Currency:

Supplier:

SAP Purchase Order No. SAP PO item description / part no.

KA ORDERING Plant

Pos.	Total PO Item Value	Payment Milestone Description	%	Invoice Value	Approval document (signed)	Date of Approval	Signee	Signature
1	100 000,00	after_approval_of_design	30%	30 000,00	T-500.1 LAR_DAR	18.01.2021	Nils Adolf	
2								
3								
4								

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

Example for third milestone:

Partial Payment Sign Off Sheet

Please insert all mandatory information for the actual payment milestone !

Currency:
 Supplier:
 SAP Purchase Order No.: SAP PO item: description / part no.:
 KA ORDERING Plant:

Pos.	Total PO Item Value	Payment Milestone Description	%	Invoice Value	Approval document (signed)	Date of Approval	Signee	Signature
1	100 000,00	after_approval_of_design	30%	30 000,00	T-500.1 LAR_DAR	18.01.2021	Nils Adolf	already signed
2	100 000,00	after_delivery_receipt	30%	30 000,00	delivery note	19.01.2021	Nils Adolf	already signed
3	100 000,00	after_final_acceptance	30%	30 000,00	T-700.1 TAR CoFo	20.01.2021	Nils Adolf	

Please do never forget to send always the right and fully signed approval document with it! Without the approval document we are not willing to sign the PPSO!

5.2 Invoice Approval by Plant Finance

After you have received back the signed PPSO from KA, you are now entitled to issue the corresponding invoice and send together with the signed PPSO directly to the ordering KA plant (see [Additional Documents](#)).

You should send the invoice via E-Mail in PDF-format, rather than on paper – as far as legally permitted in your countries.

KA checks whether the documents are correct and match to each other.

If the invoice match the contracted conditions , it will be posted and paid accordingly. If the invoice is not correct or the signed PPSO sheet is missing, KA plant finance will send it back to you with appropriate remarks. You then have to issue a revised invoice or attach the signed PPSO sheet.

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory

5.3 Responsibility/ Contact

If you have queries during processing step 5.1, please contact us via the PPSO Europe EMail address.

From Step 5.2 on – after issuing your invoice - please contact KA Plant Finance (Accounts Payable) for questions. Overview of contacts please find under [Additional documents](#) .

6. Additional documents

You can find the following documents on our homepage (Scroll down and look for "Guidelines for Suppliers") : [Link](#)

- Supplier Guideline PPSO
- Partial Payment Sign Off Sheet
- PPSO Step-by-step guideline
- Invoice requirements and Finance contact list

Date	Version	Created by	Checked by	Released by
18.01.2021	02	B. Lasek	P. Nosko	A. Stupperich
21.11.2016	01	M. Ohm	A. Stupperich	K. Lawory
08.07.2014	00	P. Nosko	A. Stupperich	K. Lawory