

Notice to Suppliers



Rolls-Royce

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Originator: Geneva Taylor
Business Unit: Rolls-Royce Corporation
Tel: 317-230-2276
Fax: 317-230-2947

Rolls-Royce Corporation: Automated Clearing House (ACH) Payments

For the attention of the Finance Director

Dear Sir or Madam,

Scope:

- All North American suppliers (direct and indirect) receiving payments from Rolls-Royce Corporation

Background and Introduction:

Beginning in January 2008, Rolls-Royce Corporation is mandating that all payments to North American suppliers transition to the Automated Clearing House (ACH) payment format. This change is being undertaken to enhance security and timeliness of payments and reduce the processing cost of checks for both Rolls-Royce and our suppliers. As a result of an improvement project that originated from supplier feedback, suppliers receiving ACH payments will also have access to a new, enhanced remittance statement via e-mail that will simplify suppliers' payment reconciliation process. Suppliers that have payments delivered outside of the North American region will continue to receive payment via wire transfer.

Action Required:

- The change to ACH payments will be facilitated using banking information supplied through the Procurement Information Booklet (PIB) process. Suppliers are required to update PIB information annually. For 2008, this update must be completed by January 31st.
- The important elements of information for this change are on Form GT6891-1; the PIB update is not complete without submission of this form.
- Suppliers are strongly encouraged to complete the optional "Financial contact" email address under the "Contact details" tab of the PIB web site. The e-mail address listed there will be sent detailed automated remittance statements for each payment to assist with payment reconciliation. This email address can be the actual supplier representative that is responsible for applying payments and can be different from the name given in the financial contact field.
- Upon receipt of the updated PIB documentation, Rolls-Royce will transition each supplier to ACH payments. This transition may take up to 3 weeks; suppliers may continue to receive payments by check during the transition. Any supplier who is continuing to receive checks after that period is requested to contact Rolls-Royce Corporation Accounts Payable Department to report the issue.

For questions concerning this action please contact Michael Seufert at 317-230-5660 or michael.seufert@rolls-royce.com.

**Yours faithfully,
for Rolls-Royce Corporation**

**Geneva Taylor
Head of Commodity,
Installations, Controls and TSD**

Authorised by:

**Thomas Loehr
Vice President, Purchasing
Rolls-Royce Corporation**