

## “No PO, No Pay” Frequently Asked Questions

### What is a purchase order (PO)?

A purchase order is the official confirmation of the need for a good or service by the TAP Group, which sends a document to the supplier to authorize a purchase.

### What is the difference between a purchase order and an invoice?

Although they may look similar because they often include the same information, purchase orders and invoices are different. An invoice requests payment for a purchase and is sent from the supplier to the buyer. This is in contrast with the purchase order which is sent from the buyer to the supplier (seller), officially ordering the purchase of a certain good/goods or services. A purchase order prompts the creation of an invoice.

### Purchase Order

It is the official confirmation of an order  
Sent by buyer to the seller  
Sent at the beginning of the order

#### It contains the following information:

- The date when the purchase was made
- The name of the company that buys the goods or services
- Description and quantity of goods or services
- Price
- Payment Information
- Billing address
- Purchase order number
- Delivery address
- Expected delivery date

### Invoice

It asks for the payment of an order  
Sent by seller to the buyer  
After the order is completed according to the payment terms

#### Contains the following information:

- The same information as the purchase order, plus:
- Invoice number
- Purchase order number
- Supplier's contact information
- Credits or discounts
- Payment schedule
- Total amount due to the supplier

### What is the No PO, No Pay policy?

If an invoice is received without any associated purchase order (PO), the invoice will not be paid. Invoices sent to the business units may result in delayed payments. You have to send your invoices to us electronically via Indra.

**Why did TAP Group decide to implement the No PO, No Pay policy?**

To ensure that payments are made quickly, avoiding errors, communication failures or fraudulent billing, on the one hand, and, on the other, to ensure that the expense was effectively approved in accordance with the delegation of powers in force.

**How does the No PO, No Pay policy work?**

By always requiring that all invoices sent by suppliers have an associated purchase order number.

**How is the purchase order number generated?**

The purchase order number is automatically generated through the system and is sent to the supplier before any delivery or service provision.

**What information should be included in a purchase order?**

Although some information may vary, purchase orders include information regarding the TAP Group company, date, description and quantity of goods or services, price, payment information, invoice address and the purchase order number.

**Can the TAP Group's Accounts Payable Department return invoices?**

Yes, any invoice received by the Accounts Payable Department that does not mention the valid purchase order number and does not match with the information in the purchase order, will not be processed and will be returned to the supplier, resulting in a delay in payment.

**What are valid purchase orders?**

Suppliers must in no way accept any verbal or written purchase order from a TAP Employee, except exceptionally. Thus, a valid purchase order is one that is issued by the system, by a TAP Employee who is authorized for the purpose, and which includes a description of all necessary goods and / or services.

Make sure that the invoice is legible and readable. It is important that the invoice is legible and includes complete and correct attachment(s). Overwritten invoice details are not acceptable and will be rejected. Handwritten invoices are generally not encouraged as these may cause errors & inefficiencies in the process.

**What are the exceptions that apply to the No PO, No Pay policy?**

Not all purchases require a purchase order. The list below is under constant review, which is why you should consult it whenever you feel necessary. The current list of exceptions is as follows:

- Trips (airline tickets, hotels, taxis...)
- Juridic services
- Communications
- Fuel
- Vehicle leasing or renting
- Insurance

- Utilities (electricity, gas and water)
- Urgencies that may jeopardize the operation
- Expenses below € 250.00

#### **Where should the invoice for the goods or services provided be sent to?**

All invoices must be sent to the e-mail mentioned in the purchase order. However, to improve the efficiency of this process, we are starting to phase out paper-based invoicing and therefore ask you to enroll and send your invoices to us electronically via Indra (preferred method), or, alternatively, send these via email as an attachment. In instances where this is unavoidable and cannot be done electronically, please send hard copy invoices, directly to EAD.

processed and will be returned to the supplier, unless it belongs to any category on the list of exceptions.

#### **An invoice was returned to the supplier requesting the purchase order number. What now?**

The supplier must contact the TAP Employee who instructed the delivery of goods or services, request the purchase order number and resend the invoice with that reference. Always make sure that the TAP Employee is authorized to do so.

#### **When does the No PO, No Pay policy come into effect?**

The No PO, No Pay policy goes into effect in January 2021.

#### **If I have any questions, who can I contact?**

If TAP Group suppliers need additional clarification, they can make contact via chat or to the e-mail [suppliersupport@tap.pt](mailto:suppliersupport@tap.pt).

#### **Please note that:**

- For your information, when a PO is approved internally it will be sent as a .pdf via e-mail to the contact provided by your company. As a reminder, it is your company's obligation to ensure all contact information and banking information are accurate.
- Be sure to check the purchase order information (unit of measurement, currency, and quantity)  
 Unit of Measurement: If the PO is issued in kilograms, use kilograms as the unit for your invoice. Using tonnes will create unnecessary discrepancies and your invoice will have to be approved before it can be released.  
 Currency: Please make sure the currency of your invoice matches the currency used in the PO. Otherwise an incorrect payment might be made due to foreign currency exchange rates.  
 Quantity: The quantity on the invoice should not be higher than that stated on the Purchase Order. Otherwise, it will create a discrepancy that has to be coordinated with different parties for resolution. If a material number has been provided, please include it on the face of the invoice.

- State the PO Line Item number and delivery note on each invoice line  
Line Item: A Purchase Order (PO) may have multiple line items which are numbered as 10, 20, 30, and so on; stating both PO and Line Item number for each invoice line allows us to post your invoice much faster (in some cases even automatically on receipt). It will be beneficial if PO line items on the invoice follow the same split as the Good Receipts. The items on the invoice must match the items on the order. In case of non-compliance, we reserve the right to return such invoices to you.

- Delivery Note (where applicable): If you provide goods or services to TAP Group, the delivery note is a critical piece of information that will allow us to match your invoice to the appropriate goods receipt recorded on the PO.

**The format of the invoice must match the format of the Purchase Order. The following guidelines should be observed:**

- For goods, the total for each line must represent the extended amount for that good.

- Charge for services and expenses must be itemized on separate lines.

- Always review the ‘comments’ section on the Purchase Order for additional processing instructions.

- Always quote the Purchase Order number (which starts with 45XXXXXXXX).

- Know your contact person at TAP Group. This is especially critical for invoices that cannot be processed using Purchase Orders – as the absence of this results in delays or errors in processing.

- Include and indicate your VAT Registration (Tax ID) Information.

- Check if invoice amount is correct and the breakdown of the total invoice amount is provided. Incorrectly calculated invoices, like VAT or the total amount, will require further coordination and may result in delays to the process. Correct tax rate should also be reflected on the face of the invoice.

This purchase order was delivered by Airbe Network. For more information about Airbe and Airbe Network, visit <https://www.airbe.com>.



**From:**  
TAP SA - Sede  
Rua C de Azeiteiros de Luís Ed  
Lisboa  
1700-009  
Portugal



**To:**  
AIR CONSULTING SA  
R. Carlos Filipe, 10 BLDIO 1.0  
CARMOZINHA  
2706-221  
Portugal

**Purchase Order**  
Sheet: 322900000  
Amount: 100,000.00 EUR  
Version: 1

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**Payment Terms**  
NET 30

**Comments**  
Contract Type: Terms and Conditions  
Read all payments made by Airbe are subject to Airbe's Terms and Conditions of Purchase in effect at the date this purchase order ("Order") is issued to you, which can be found at the Airbe website under "order" available in the top menu.  
In respect to the Terms and Conditions of Purchase, please contact the Airbe Purchasing Department.  
All payments must be made in accordance with the terms and conditions of any other party associated with Airbe purchase.  
Dear Sirs, We request the supply of goods and/or services of the current purchase order, in compliance with the specifications, general purchase conditions and particular purchase conditions.  
Important note: Considering that an invoice will only be paid with the respective purchase order (PO) number, we request you to comply with this provision in order to avoid any returns and subsequent payment delays.  
The amount is subject to VAT at the legal rate in force.

**INVOICE SHIPMENT ADDRESS:**  
TAP Portugal  
Rua C de Azeiteiros de Luís Ed, Lote 19-A,  
1704-901 Lisboa, PORTUGAL

**Other Information**  
Trade Code Currency: EUR  
Supplier System ID: AIR\_2719693  
Reseller Email Address: SFL@TAP.PT  
Reseller Name: Susana Filipe  
Company Code: 0000  
Purchase Line Name: PCER

**Formalizations:** <https://www.tapportugal.com/pt/lobby-cao/formalizacao>

SHIP ALL ITEMS TO	BILL TO	DELIVER TO
<b>TAP SA - Sede</b> Rua C de Azeiteiros de Luís Ed Lisboa 1700-009 Portugal EORI: SFLP@TAP.PT	<b>TAP SA - Sede</b> Rua C de Azeiteiros de Luís Ed Lisboa 1700-009 Portugal	<b>Edificio 15 Area 01, Sala 119</b> 160, SA - Sede

Line #	Deliveries	Part # / Description	Type	Return	Qty (Units)	Need By	Unit Price	Subtotal
1		Not Available Implementação de Serviço de Guest Burring	Service			1 Jan 2021	100,000.00 EUR	100,000.00 EUR
<b>Service Period</b> Service Start Date: 1 Jan 2021 Service End Date: 31 Mar 2021								
<b>Other Information</b> Contract Registration or Reference: None of the above Detailed Description: Implementação de Serviço de Guest Burring Special Code Short Description: Implementação de Serviço de Guest Burring Classification Domain: unproc Classification Code: 80022007								
2		Not Available Implementação:	Service		1 (0CA)	1 Jan 2021	100,000.00 EUR	100,000.00 EUR
<b>Other Information</b> Req. Line No.: 2 Requestor: Susana Filipe PR.No.: PR00 Short Description: TAP SA - Sede Plant ID: 0001 Classification Domain: unproc Classification Code: 80022007								
<b>Incoterms Information</b> Incoterm Code: Incoterm Location:								

Order submitted on: Wednesday, 15 Dec 2020 7:02 AM GMT+00:00  
Received by Airbe Network on: Wednesday, 16 Dec 2020 7:43 AM GMT+00:00  
This Purchase Order was sent by TAP AIR PORTUGAL ANO147109127 and delivered by Airbe Network.

**Sub-total: 100,000.00 EUR**