



October 6, 2008

Dear Valued EDI Supplier,

Topic: Kroger RASC EDI business requirements update

You are receiving this notification because your origination is sending 810 or 880 EDI invoices to warehouse payables, Kroger.

RASC EDI team is no longer providing emails or phone calls when your invoices reject in our auto pay system or at EDI level. **It is a requirement that you process all 824 sent from Kroger EDI** to know if you must correct your invoices when they are fatal / rejected. All fatal / rejected invoices will not be processed for payment by the auto pay system and must be corrected and accepted without errors by EDI and the auto pay system to have an accepted invoice by Kroger.

There are some instances where you will not receive an 824 reject or a 997 rejection and the invoice will not pay automatically.

Example- showing you shipped the product to Shelbyville by using Shelbyville's DUNS number but really the product was shipped to Louisville. This will cause your invoice to be loaded to the wrong division in the accounting system and not be paid.

Invalid DUNS number is where you sent in a DUNS number that doesn't match to anything. These invoices are sent to the accounting system but are not paid due to not matching. Kroger has been sending 824 warnings on this but we may discontinue this process in the future. – The correct DUNS numbers for where product is being shipped to is HIGHLY important to the business process. We also require the Bill To Duns number to match to the division responsible for that payment. Please see the website for a current list of DUNS numbers at <http://edi.kroger.com> under the locations section.

EDI or manual invoices that are accepted after the 90 days of ROG will still be assessed manual processing fee of \$150. It is your responsibility to submit EDI invoices correctly and on time to be accepted by EDI and the Kroger auto pay system to avoid manual processing.

Please see http://edi.kroger.com/programs_kr_005.htm for more information on 824. Also you may see http://edi.kroger.com/programs_kr_003.htm for updated code descriptions.

Paper / faxed / Emailed invoices that are sent to RASC for payment that where to be sent EDI will be assessed manual processing fees of \$150.00. If the PO was sent via EDI you must submit your invoice via EDI.



INVOICE RECEIVING REQUIREMENTS

1. **Data must conform to EDI Standards – All mapping requirements must be followed.**
2. **Special Business Requirements**
 - a. Invoice documents must contain the purchase order number sent on the original purchase order transmission
 - b. Purchase orders can be split into multiple invoices only if:
 - Each invoice number is unique
 - Each invoice is a separate EDI document
 - All information within each invoice only pertains to that invoice.
 - c. Vendor must send
 - Purchase order number unique five (5) digit number assigned when the purchase order is cut.
 - Ship-to Dun & Bradstreet number and suffix (our suffix is a four (4) digit number that indicates the WHS number and location, N1*ST).
 - Ship-to N1*ST must include 01 - 04.
 - Bill-to Dun & Bradstreet number and suffix (our suffix is a four (4) digit number that indicates the Bill to number, N1*BT)
 - Bill-to N1*BT must include 01 - 04.
 - UPC number (Case UPC that the buyer ordered).
 - Remittance vendor (N1*RE) with Duns number. – **VENDOR NAME WE ARE REMITTING PAYMENT TO.**
 - Description of product (G69) / (PID)
 - Terms of Sale (G23) / (ITD) for each invoice. Cash discount must have elements 01,02,05,06,07,08,09,10,11,12 for 880 and elements 1 – 10 for 810. No cash discount please send G23 with 01, 02, 08, 09 or ITD 01, 02, 06, 07
 - G73 / SAC15 Allowance or Charge description if you send G72 / SAC
 - G1701 & G1703 / IT102 & IT104 must be positive Units and Cost. Please do not send zero units or zero cost on invoices, as they will reject in the accounting auto pay system.
 - Line item totals minus all allowances and adding charges makes up the G3301 / TDS01. **Out of balance invoices are the #1 reason for invoices rejecting by the auto pay system.**



3. Data Assumptions

- a. All invoices received are unique and new.
 - If invoice, warehouse, and purchase order number have been received, then the original invoice will be overwritten.
- b. All UPC's within the invoice are unique.
 - If the invoice contains duplicate UPC's then the quantities will be added and the lower cost used to calculate invoice and this can cause your invoice to reject.
 - 5010 versions must only contain GTIN and on 810 have the qualifier of UK.

Please work with your credit and A/R departments to have invoices correct to avoid late payments.

Additional requirements for doing business with Kroger as an EDI trading partner.

812 documents are provided to send your company all invoice deductions done by our auto pay system when an EDI invoice is processed. If you are doing promotions those billings are also available to be sent EDI 812. If you are currently not accepting this document please contact Dan Shaw (dan.shaw@kroger.com) when you can be setup to receive the 812 document. This will allow you to process credit / debits into your system and to avoid the cost of mailing these documents to your company. You will have to come up with a process to send this information to all parties that need this information. EDI is our main way of sending this information and we do not provide it by email or a website at this time.

Kroger 880/810 contacts :

Vendors (remit to name)

A-K – Ranada Daniels ranada.daniels@kroger.com

L-P – Linda Treby – Linda.treby@kroger.com

Q-Z – Felitha Dennis – felitha.dennis@kroger.com

Kroger EDI team (all other documents) – edi@kroger.com

Thank you,

RASC EDI TEAM