

## Shell Exploration & Production Company



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June 8, 2006

To: Supplier Focal Point(s)

Subject: SEPCo Invoice Payment Status

As communicated in mid-May, this is an update on invoice payment status related to Shell Exploration & Production Company's (SEPCo) conversion to a global Shell EP configuration of SAP known as SAP Blueprint (BLP).

We continue to ramp up the payment of invoice documents and have added additional staff to this effort. SEPCo has taken a decision to "ring fence" all invoices dated prior to May 21 and provide additional focus on that volume as the "backlog". We are dedicating additional staff and implementing specific steps to further expedite clearing this volume. Through these actions we expect to process a significant amount of the remaining "backlog" during June. As noted previously, payments for all backlog invoices will be promptly released.

To ensure that ongoing processes are functioning properly, we are also dedicating other staff to focus on the handling of current documents (dated after May 21). There are several things we need suppliers to do to ensure that current invoice documents can be handled promptly.

- Note the updated Zip Code on the Invoicing Requirements document provided with this communication. The US Postal Service changed the Zip Code for the invoice mailboxes and is supposed to be forwarding documents. However, if you have had any invoice documents returned by the US Postal Service, please resubmit using the new Zip Code.
- Ensure that all the required information on the Invoicing Requirements document is provided on your invoice.
- If there are areas of our business where you are not being provided the required invoicing information by SEPCo representatives, please identify that area to your SEPCo Supply Chain Management focal point or to the Vendor Inquiry email address.

Concerning older invoice documents (primarily pre-Blueprint) that you still show as open and have confirmed are not already available for handling among SEPCo's scanned documents, please use the following instruction for submitting those documents.

- Submit to the appropriate business area scanning mailbox. Invoices need to reference the original date, Purchase Order or Blanket PO number, the original coding provided by SEPCo and the name of the individual requesting the work.
- SEPCo will address all submitted invoices. However, invoices dated from August 2005 through May 2006 will be addressed before invoices dated prior to August 2005.

The [sepocontractor.com](http://sepocontractor.com) website (SAP Blueprint link on left side of home page) is being used to post this communication and periodic updates. Additionally, if your company has not received or implemented the requirement for mailing invoices to SEPCo's scanning mailboxes the updated instructions are also available on the same link.

We value our relationship with the supplier community and will continue to take the necessary actions to get our payment process to a stable level. The new system and processes will work as designed to provide the desired transparency for the status of invoices submitted to SEPCo.

Again, we appreciate your continued patience as we work through this temporary situation.



Russell O'Brien  
Controller, EP Americas



Rodney Guttenberg  
SCM Manager, EP Americas