

Export Handling

The export module is tailored to handle procedures and working routines related to international sales and the distribution of meat products. This includes: Order receipt, execution and invoicing, follow-up on debtors, payments booking and settlement of accounts, handling of export documents and multiple currencies, hedging and credit rating, freight and insurance, reports and statistics.

The export module especially supports trading with countries which receive export subsidies such as restitution in connection with, for example, export from EU countries. This type of trade often involves complicated calculations and complex administrative business procedures which ensure that the legitimate restitution is paid to the company. This includes procurement and administration of licenses, preparation of export documents, and reports to the customs authorities.

Debtors

All international customers are registered on customer cards on which information is distributed to logical groups on different tabs. These contain information on sales and delivery conditions, currency, language of the order and invoice, terms of payment, charges and conditions for calculating interest. The customer cards also contain information concerning the credit offered to the customer, invoice discounts and other basic information concerning company-customer relations.

The information needs to be registered only once, i.e. when the customer card is created. Such data are then transferred to any new order received from a customer.

Integration with the financial accounts takes place through posting groups which combines business and product posting groups with sales and VAT accounts, receivables account, account for cost of

sales, and various discounts, charges, and interest accounts. This facilitates the posting of items when the order is invoiced.

Export handling

Order handling, invoices and credit notes constitute the core of the entire export sales control. When one of these documents is created, all master data are automatically transferred to the correct sales receipt. It is, of course, possible to change data if a specific transaction requires this. The order handling subsequently jumps to the next screen where item lines are filled in with quantities and prices, after which the order is executed.

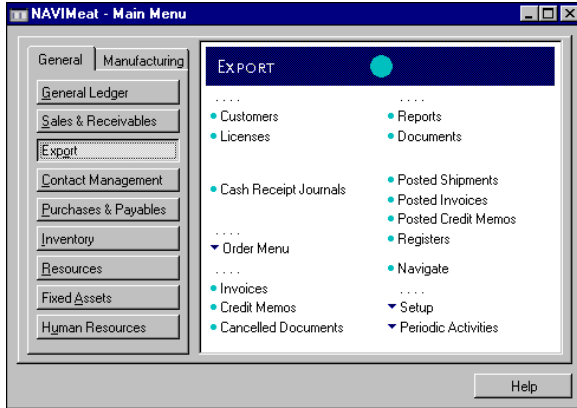
When an order is received and registered, it proceeds to the following stages: Confirmation, handling, invoicing and booking. This can be done manually or automatically, in one or more stages depending on the company's choice and the status of the order. It is also possible to copy information from one receipt to another, for instance from an invoice to a credit note.

Agents/commission

In connection with export sales, commission can be reserved for one or more agents, either by a percentage per kilo of the order or by a percentage of the entire order. It must further be determined whether the commission is calculated before or after the discount is deducted. The corresponding posting of the commission takes place in connection with the booking of items on the order.

Stock check

When an order or invoice line is entered, the system checks whether the necessary items are in stock. If this is not the case, the customer is informed. The



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stock check takes into account items that are reserved for other orders and stock locations that may not be immediately available.

Combi packs and combi products

In connection with combi packs and combi products, the system ensures that the correct reports are sent to the customs and tax authorities via the item tariff numbers. This tool also ensures that the correct restitution connected with one or more of the products is added to the order and received by the company.

Multiple addresses

The system can handle three types of addresses in connection with export sales: The customer's address i.e. where the order comes from; the debtor's address to which the invoice will be sent; and the delivery address. It is possible to operate with an infinite number of delivery addresses for each customer. This information is stored in an index and can be added to the individual order when required.

Discounts

The export module handles four different discount functions, which the user can combine as desired:

- Quantity discounts
- Customer/item discounts
- Sales invoice discounts
- Payment discounts

A quantity discount is created on the item cards on which the debtor/item discount is also defined in connection with debtor discount groups that are each assigned a discount percentage. These two debtor/item-related discounts are transferred to the sales lines on the order and can be changed by the user if necessary. The invoice discount can be activated and

calculated when an order or invoice is created. However, the percentage for the invoice discount is entered on the customer card. Payment discount is also given when an order or invoice is created.

Freight and insurance

Freight and insurance costs on the order are transferred as a purchase proposal to a purchase order. Freight and insurance due are posted as provisions in the accounts in connection with the posting of the order.

Sales at average prices

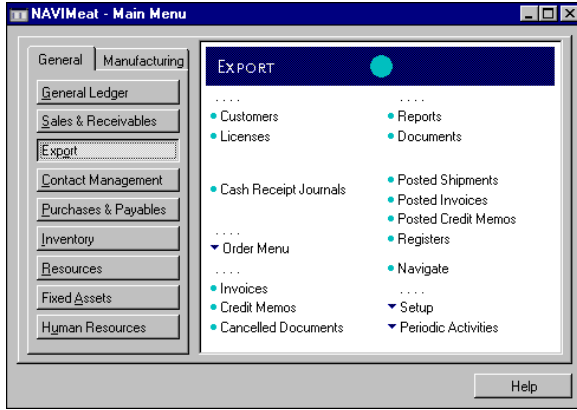
The export module contains a special tool that handles sales at average prices of a number of different products belonging to the same consignment, for example a container. This, for example, takes place in connection with sales to Japan where a kilo price is negotiated for a quantity of items belonging to one consignment.

Triangular trade within the EU

Triangular trade within the EU is specified as a special transaction type where the system collects information to be used in connection with reporting to the list system.

Handling of orders and sales units

The export module handles various order and sales units in the same document and thus facilitates conversion. Export sales operate with kilograms, pieces, and cartons. The company can, however, easily handle situations where a received order is specified in cartons, retrieve a number of kilograms from stock and finally forward the correct number of cartons.



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To avoid problems in connection with payment, NAVImeat always indicates the number of kilograms on each order even though it is sold and invoiced as pieces.

EDI orders

Besides manual receipt and execution of orders, the company can also receive orders via EDI. EDI orders are transferred to the order receipt where they are verified and then handled as any other order.

Contracted orders

A contracted order is an order where the delivery of the main order is divided into a number of subdeliveries. The deliveries have been agreed in advance according to a preliminary timetable. The contracted order is then checked to ensure that the correct delivery takes place at the correct time. The subdeliveries are subtracted from the main order when they are delivered. Contracted orders can also be hedged and a check is made to ensure that the basis for documentary credit trade is correct.

License control and restitution

Export with restitution to selected countries and regions is often handled on the basis of licenses. These licenses, defined by quantities and validity dates, are issued to approved export companies by national or international authorities – for example the EU.

As the existence of current and valid licenses is a prerequisite for receiving restitution payments, reliable and efficient control of these is necessary, and for that reason the export module contains a tool for handling licences and restitutions.

Each license is created on a license card containing its creation and expiry dates. It is possible to decide whether the quantities should be written manually or automatically. You also define for which zones and/or regions and item tariff numbers the individual license is valid, whether the license concerns pork or beef, and whether the type of export concerns pure restitution or is withdrawn from an export warehouse. The remaining quantity of a license that has not been fully utilised can be transferred to a warehouse and used at a later date.

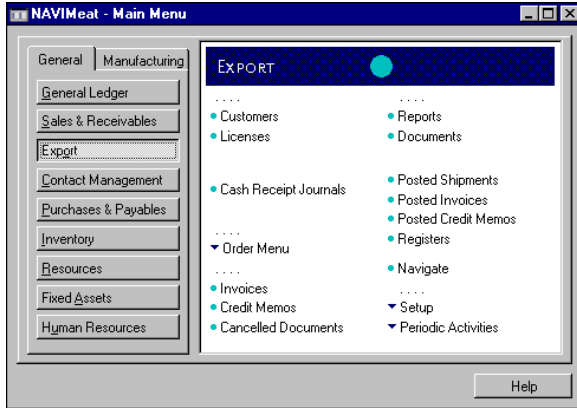
The restitution rate for the individual item tariff number is created and updated in the module's setting and transferred to the license, so that the correct restitution for the specific item line can be calculated.

Prior notification

As an approved exporter, the company must fulfil certain obligations to receive export restitution in connection with export to an approved region. The company, for example, is to send a prior notice of the consignment to the relevant customs authority. A prior notice contains information on tariff number and quantities as well as the date and place of loading. If combi packages or combi products are included in the consignment, the notification also includes the tariff number of such goods.

Hedging and currency handling

Orders in foreign currencies can be hedged. This also applies to contracted orders. Certain reports and statistics make it possible to gain an overview of the company's forward transactions and through this make changes in the forward transaction portfolio if the order is changed significantly, or simply cancelled.



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This minimises the company's risk in connection with international trade in foreign currencies by ensuring the correct currency hedging, and by using this tool to maintain the optimum forward transaction portfolio.

Handling multiple currencies

The system handles all the currencies in which the company trades. Sales, payments, and outstanding accounts are handled in the required currency which, when booked, is then converted into local currency on the basis of the exchange rates in the currency table of the finance module. This dynamic control of currency transactions efficiently handles international trade and the differences in exchange rates that always accompany this. Combined with currency hedging, this provides the best possible control and covering of risks in connection with export transactions.

Credit evaluation

When an order or invoice is created for a customer, the system automatically checks the customer's credit rating. A check is made to determine whether the customer's maximum credit and/or balance have been exceeded. The credit may consist of the company's own credit limit for the customer and, for example, external export credits from public authorities or private organisations. The system also reviews the customer's entries and warns the user of outstanding amounts. If the customer's credit limit has been exceeded or the customer has outstanding amounts, the user can ignore the warning from the system and go ahead with the sale. But the user can also choose to halt sales to the customer temporarily.

Documentary credit trading

It is possible to print out a pro forma invoice for customs reports in connection with documentary credit

trading. Export documents indicating the dutiable value for the agreed order can thus be printed out.

Follow-up on debtors

The export module contains several facilities for the efficient control and follow-up of debtors: An output of accounts and reminders, the automatic generation of credit notes from booked invoices, the addition of interest and the output of interest notes. The addition of interest is defined by the user: The outstanding balance method, or the average daily balance method.

Settlement of postings

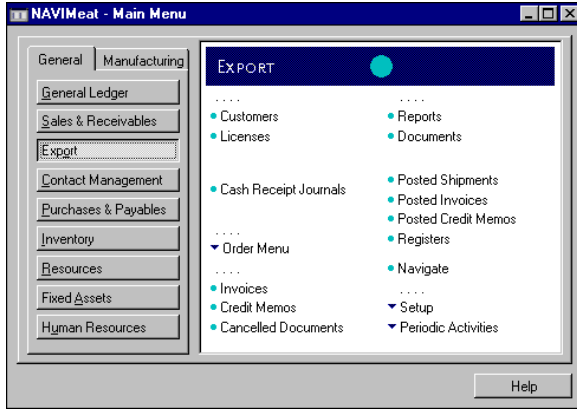
When payments are registered in the payments draft, they can be linked with invoices and credit notes so that each debtor's postings are settled and closed. This can be carried out by the balance method or the open post method. When debtor postings in foreign currencies are settled, exchange rate differences are calculated and booked simultaneously so that the financial accounts are fully updated and always balance.

Statistics and forward transaction list

The module contains several statistics for each customer which contain data concerning the present balance, amounts on order, payments due, total purchases, profit margins, and discounts. This information can also be presented as a forward transaction list per day, week, month, quarter, year, or accounting period.

Export documents

The customer card indicates which export documents must be printed out in connection with sales to the customer. These are automatically printed out when processing the given transaction. All general



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information printed on documents is created once and can then be changed if required when processing the individual order. The export module, for example, prints the following documents: CMR consignment note, YM, YM-bis and T5.

Output and reports

It is possible to indicate on sales receipts whether copies of delivery notes, picking notes, and invoices should be made automatically or manually. Furthermore, it is always possible to print out an order confirmation and a pro forma invoice inclusive or exclusive of amounts. You can also choose to print out the picking note at an external location, such as a cold store, so that the order can be packed as quickly as possible.

A number of reports provide the user with an overview of and documentation for the completed transactions: Information concerning debtors and postings, sales receipts, and documents, customer/item statistics, volume of orders, sales staff statistics and commissions. In addition, the system provides

reports that optimise the company's forward transactions. The system also contains information about VAT returns and INTRASTAT, and makes it possible to retrieve this information automatically for electronic reporting, or for manually elaborated reports.

Efficient export handling

The export module contains a number of tools enabling the company to carry out and monitor its international trade efficiently by making the best possible use of restitution opportunities, minimising capital loss, reducing loss in connection with automatic creditor evaluation, etc.

In general, the module ensures the correct handling of financially critical business procedures connected with international trade in particular. In this way, the module can directly increase earnings in the company's export department. The efficient handling of export orders and the administrative procedures connected with these can, furthermore, make the export area more streamlined and focused on its core business: International sales and distribution.