Contents

Lockheed Martin e-Invoicing Policy ........................................................................................................ 3
1. Why is Lockheed Martin Corporation (LMC) mandating Electronic Invoicing? ..................... 3
2. Why do I have to do electronic invoicing? .................................................................................. 3
3. What are the benefits of Electronic Invoicing to my company? ............................................. 3
4. Who is Direct Commerce (DCI)? ............................................................................................... 3
5. What types of invoices must be submitted through this DCI e-invoicing application? ........ 3

Getting Started .................................................................................................................................... 4
6. How do I invoice using DCI Electronic Invoicing Application? .......................................... 4
7. How do I get started? .................................................................................................................. 4
8. How do I log in to Exostar or the LM P2P Portal to get to the DCI eInvoicing Portal? .......... 4
9. What is the first thing I should do when I get access to the DCI eInvoicing Application? .... 5

About Electronic Invoicing ................................................................................................................... 5
10. Can I attach documents to my invoice? .................................................................................... 5
11. What if we submit a paper invoice and an electronic invoice? ............................................. 5
12. How do I correct errors on my invoices? ................................................................................ 5
13. What if I submit an incorrect invoice amount? ....................................................................... 6
14. Can I submit more than one invoice against a PO? ............................................................... 6
15. My total invoiced amount is not updating at the bottom of the screen. Why? ...................... 6
16. How do I know if my invoice was successfully submitted? .................................................. 6
17. Why hasn’t my invoice status changed? ................................................................................. 6
18. What if my invoice gets rejected via the DCI eInvoicing Application? ................................. 6
19. What if I can’t turn off my ERS paper invoices? .................................................................... 6

About My Purchase Orders .................................................................................................................. 7
20. How often are Purchase Orders updated on the DCI eInvoicing Application? ................ 7
21. Will LMC continue to mail me my Purchase Orders or will PO’s only be posted on the Electronic Invoicing Application? ....................................................................................... 7
22. What if I can’t find my PO on the Application? ...................................................................... 7
23. Are my payment terms affected by this new system? .............................................. 7
24. Will my payments be posted on the DCI eInvoicing Application? .............................. 7
25. Do I get notified when a Payment is posted to the DCI eInvoicing Application? ............... 7
26. When will I be paid for an invoice I have submitted through the DCI eInvoicing Application? 8
27. Does Direct Commerce (DCI) deliver my payment? Does DCI do EFT? ....................... 8
28. How do I locate remittance information in the DCI eInvoicing Application Tool? .............. 8

Getting More Help ........................................................................................................... 8

29. What is DIALOG and why do I want to use it? ............................................................... 8
30. How do I get trained on the DCI eInvoicing Application? ............................................. 8
31. Who can I contact for Accounts Payable and P2P questions? ....................................... 9
32. Who do I contact regarding questions about how to use the application? ....................... 9
Lockheed Martin e-Invoicing Policy

1. Why is Lockheed Martin Corporation (LMC) mandating Electronic Invoicing?

Electronic Invoicing eliminates costly paper processing expenses, reduces rework and facilitates timely and efficient invoice payment. Invoice disputes are reduced and P2P processes are streamlined. By implementing Electronic Invoicing, Lockheed Martin Corporation (LMC) is improving its business practices to better serve its customers and suppliers.

2. Why do I have to do electronic invoicing?

There are a number of compelling reasons and benefits to electronic invoicing including the following:

- eliminate costly paper and mailroom processing expenses
- enable timely invoice payment by reducing errors
- receive and view your company purchase orders online via a secured E-Invoicing Application
- submit accurate invoices that match the purchase order correctly
- look up invoice status and payment information
- resolve invoice disputes quickly via online "dialog" features
- receive PO and invoice notifications directly to your email

3. What are the benefits of Electronic Invoicing to my company?

- Fast and accurate invoice submission
- View Purchase Orders
- Submit credit memos
- View invoice status
- View payment status
- Get questions answered quickly via Dialog
- And there is no cost to your company!

4. Who is Direct Commerce (DCI)?

Direct Commerce Inc (DCI) is a market leader in the Electronic Invoicing industry. Lockheed Martin Corporation (LMC) retained DCI to design a secured Internet-based Electronic Invoicing Application that meets LMC's business requirements. Via the DCI Electronic Invoicing Application, DCI validates and delivers purchase orders and invoices between your Accounts Receivable (AR) department and LMC Accounts Payable (AP). Direct Commerce is paid by LMC so there are no charges to your company for this program. You can learn more about us at http://www.directcommerce.com.

5. What types of invoices must be submitted through this DCI e-invoicing application?

All paper invoices submitted to LMC Lakeland, Florida via email or mail or fax must now go through this e-invoicing application. Excluded invoices include Contract Labor, P-card or ERS invoices.

Revision date: October 2, 2012
Getting Started

6. How do I invoice using DCI Electronic Invoicing Application?

The DCI Electronic Invoicing Application is shown as a link on the LMC Supplier Portal (a.k.a. LM P2P Portal). Direct Commerce offers multiple ways for suppliers to submit e-invoices within the DCI Electronic Invoicing Application:

a. web form: via the LM Supplier Portal, suppliers click on the DCI Electronic Invoicing Application link, then click on the List Open Purchase Order Link on the HOME page. To "flip" the PO into an invoice, click on the Create Invoice button. Supplier edits the invoice (click |edit| at the line item level to edit each line if needed. Once the invoice looks correct, click "submit". The Application is very intuitive but Direct Commerce also offers training webinars for more help. Contact training@directcommerce.com to register for a webinar.

OR

b. transfer invoice files automatically*: for vendors who are most sophisticated, Direct Commerce allows Application Programming Interface (API) access for protocols such as FTP and HTTPS.

*If your company submits more than 50 invoices a month and it wants to upload invoices or transfer invoice files automatically, please email support@directcommerce.com with your request and Direct Commerce will start this process with your IT group.

7. How do I get started?

a. Ensure the AR manager has a user name and password to log in to LM Procure to Pay Portal via Exostar. (If you do not have access to Exostar, please contact your company’s Organization Administrator for access.)

b. Click on http://www.myexostar.com and then bookmark this link for future reference

c. Click Lockheed Martin Procure to Pay “Open Application”

d. From LM P2P Home > Click Accounts Payable then click on the DCI e-Invoicing link (shown in the left navigation bar)

e. Once you have accessed the DCI eInvoicing Portal, click on the List Open Purchase Orders link within the Activity Center

f. Click "Create invoice" on the Purchase Order to flip it into an invoice. From there, if you need to make edits, do so otherwise hit "submit."

8. How do I log in to Exostar or the LM P2P Portal to get to the DCI eInvoicing Portal?

http://www.myexostar.com

Click the link labeled "MAG" under Products & click "Login." Click "ok" & enter your credentials. At the
next screen, on the "Applications" tab, click the link labeled "Open Application" next to the Lockheed Martin application. You will be signed into the LM P2P Vendor Portal. You will click on the Accounts Payable link under the Detailed Navigation panel. Select the DCI eInvoicing link directly below Accounts Payable. A middle pane will appear with a link to DCI eInvoicing. You will then click the link to access the application.

9. What is the first thing I should do when I get access to the DCI eInvoicing Application?
The first thing you should do once you get access is fill out Incomplete User Information. On the HOME page, if your user information is not complete you will see a text box titled “Incomplete User Information”

   a. Click the here link in this text box.
   b. Enter first, last name, email and phone, then click Save.

Completing this information enables LMC to view your contact for follow up on your questions. If LMC does not have this information completed, LMC does not know who to contact if supplier questions are submitted.

About Electronic Invoicing

10. Can I attach documents to my invoice?
Yes, you can attach PDF documents to your invoice (up to 20 MB file size). The attachment feature appears at the bottom of the invoice. You will be able to browse for your attachment and then click the |add attachment| link to upload the attachment to the invoice (similar to how you attach a file to an email).

11. What if we submit a paper invoice and an electronic invoice?
Once you begin using the DCI eInvoicing application, do not submit paper invoices to Lockheed Martin Corporation (LMC) as this can cause confusion regarding your invoice status. Paper invoices received at LMC will be considered a duplicate and rejected.

12. How do I correct errors on my invoices?
To correct errors on invoices in a draft status, you need to log into the LM Procure-to-Pay Portal to get to the DCI eInvoicing Application. Use quick search to find the invoice number or click on DRAFT in the left navigation to search for your invoice. Once you have found the correct invoice to edit, click on the EDIT button at the top right corner of the invoice (BEFORE SUBMITTING) and make your corrections. To edit a line item, click the |edit| link at the line item level to edit Qty or Value. Click Save at the line level and review all changes before hitting the Submit link. Once an invoice is submitted, it cannot be edited or retracted.
13. What if I submit an incorrect invoice amount?
If you have submitted an incorrect invoice send a DIALOG message to LMC and ask for the invoice to be rejected.

Funds will be added back to the PO once the invoice status is changed to rejected (typically the next business day).

14. Can I submit more than one invoice against a PO?
You can submit invoices until the PO is depleted. (A depleted PO means that there are no remaining funds on the PO or it has been closed by LMC.) Once the PO line items are depleted, the PO becomes closed and you will no longer be able to create invoices from the PO; however, you will be able to apply credits to the PO.

15. My total invoiced amount is not updating at the bottom of the screen. Why?
You must click “save” at each invoice line item in order for the total amount to update.

16. How do I know if my invoice was successfully submitted?
You can tell if the invoice status changes from “draft” to “received” on the DCI e-Invoicing application. There is no notification that is emailed to you after an invoice is submitted. In addition, you can check the history section at the bottom of the invoice to see when the invoice was submitted to LMC.

17. Why hasn’t my invoice status changed?
Current invoice status is updated overnight. For example, if you submit an invoice in the morning, the status will not change from “received” until the next business day.

18. What if my invoice gets rejected via the DCI eInvoicing Application?
If you have questions about why an invoice was rejected, use the DIALOG feature (scroll to the bottom of the invoice) to send a message to LMC directly asking for the reason. LMC will get back to you within 48 hours of your request. Some typical reasons why your invoice might be rejected include:

1. Vendor submitted the wrong invoice amount.
2. LMC considers the invoice a duplicate of an invoice previously submitted

If you are a file upload supplier, please note that invoices submitted to DCI for validation will be sent directly to LMC. If the invoices pass all validation requirements, the invoice status goes to Received. If the invoice(s) does not meet the LMC validation rules, then it is saved as “incomplete” in the DRAFT folder on the application. You will need to log into the DCI e-invoicing application and correct the invoice in order to get it submitted to LMC.

19. What if I can’t turn off my ERS paper invoices?

Revision date: October 2, 2012
You should not be sending LMC paper invoices. Effective Q1 2013 LMC will stop accepting any paper invoices. If in the interim, if you cannot turn off ERS paper, the ERS document will be scanned however the ERS invoice will be marked as rejected.

**About My Purchase Orders**

20. **How often are Purchase Orders updated on the DCI eInvoicing Application?**
Lockheed Martin Purchase Orders are updated every evening on the DCI eInvoicing Application.

21. **Will LMC continue to mail me my Purchase Orders or will PO’s only be posted on the Electronic Invoicing Application?**
The DCI eInvoicing Application impacts the method of invoice transmission only. Your PO’s will continue to be sent to your organization as currently delivered.

22. **What if I can’t find my PO on the Application?**
Most common reasons why a PO is not visible:

1) Supplier is using the wrong PO number
   a) Typed in wrong PO number
   b) Using a PO number not assigned to your company
2) PO was closed prior to Go Live (9/3)

Contact your LMC Buyer and find out if the PO has been “procuremently” closed. If closed, the LMC buyer should issue a new PO or reopen the old PO.

**About My Payments**

23. **Are my payment terms affected by this new system?**
Your company invoicing terms are not affected however you will save time and reduce rework as invoices no longer have to go through the postal service and possibly get delayed at LMC due to incorrect information.

24. **Will my payments be posted on the DCI eInvoicing Application?**
Yes. LMC has a planned enhancement to add payment data (remittance details) for invoices paid using the DCI eInvoicing Application to be posted to the application on or before October 31, 2012.

25. **Do I get notified when a Payment is posted to the DCI eInvoicing Application?**
Currently, you are not sent payment notifications however this is an enhancement that may be considered by LMC.

Revision date: October 2, 2012
If/when this feature is enabled, payment notifications are sent to your email address. You will be able to turn on or off these notifications by clicking on SETTINGS > USER SETTINGS and uncheck any notifications you do not want to receive.

26. When will I be paid for an invoice I have submitted through the DCI eInvoicing Application?
You will need to note your PO payment terms and calculate the due date from the invoice submitted date.

LMC is considering adding “schedule to pay” data to the DCI eInvoicing application as an enhancement but the timing of this project has not yet been determined.

27. Does Direct Commerce (DCI) deliver my payment? Does DCI do EFT?
Direct Commerce (DCI) displays payment information starting in November 2012 but does not facilitate Electronic Funds Transfer. You will see important remittance details via the DCI Electronic Invoicing Application, such as paid invoices and adjustment amounts. Your actual payment is done via your standard payment process already established.

28. How do I locate remittance information in the DCI eInvoicing Application Tool?
Effective November 2012, LMC is expected to send remittance details to the DCI e-Invoicing application. You will be able to search for this data using Advanced Search or clicking on the PAID link in the left navigation.

Getting More Help

29. What is DIALOG and why do I want to use it?
Dialog is an email message sent to LMC and is posted in the DCI e-Invoicing Application. It is the fastest way for you to get a response from LMC. However, you need to make sure you have completed your contact information (see question 9).

To submit clear, concise Dialog message please enter you Vendor name and PO number in subject line. In the body of the message please make sure you state your Invoice #, dollar amount of invoice, and other helpful information. It is a good idea to add your name, email and phone number in the body of the message as well.

30. How do I get trained on the DCI eInvoicing Application?
After reading our Quick Start Guide, most suppliers do not need training as it is very intuitive system. Direct Commerce does offer a supplier FAQ and pre-recorded webinar link that can be emailed to you. In addition, Direct Commerce offers free online training to help you understand the benefits and usages of electronic invoicing. This training usually takes 45 minutes to 1 hour, and we use web-based tools and
conference calling to make it an interactive session. We also have a testing system that's always available to help you practice before you send live transactions through to your buyers. Contact training@directcommerce.com to schedule a training session.

31. Who can I contact for Accounts Payable and P2P questions?
Use the DIALOG feature at the bottom of your invoice and check the Send to AP box. Dialog messages will be forwarded to Accounts Payable at Lockheed Martin.

32. Who do I contact regarding questions about how to use the application?
You can contact our support team at: support@directcommerce.com.