

Payment Process Definition

Tyson Foods payment terms are processed under the following rules and are dependent upon system constraints. For every payment made, funds will not be released until the final date of the payment term. However, if the final day of the term falls on a weekend or holiday, payment will not be made until the following business day. For example, if the payment term is Net60, payment will be made on day 60. If day 60 falls on Saturday then payment would be made on day 62, or next business day.

Note: Tyson may add up to four business days to the applicable due date for payments made by either EFT or ACH. Therefore, funds will be released on the 4th day following the final date of the payment terms agreed upon for cash discounts and payments. For example, if the payment term is 2%/10 net 30, the payment will be made on day 14 and a 2% discount will be taken.

Payment term date calculations below do not include or account for any days it may take for funds to clear once we have released them, or for checks to be received if they have been mailed.

Payment processes may change, and Tyson reserves the right to change any definition listed here. If Tyson makes a change to a payment process, Tyson will notify the Provider prior to the change occurring. Any changes made to terms will be effective on orders placed after the effective date and not for any outstanding orders or invoices.

Invoices for Legacy Tyson, (non – fresh meat plants (SAP plants)) and Legacy Hillshire/APF plants that have converted to SAP system P41:

Calculation of payment due dates will be based on invoice date + term.

Invoices for Legacy Tyson Fresh Meat plants (STORES plants):

If your negotiated term includes an early pay discount percentage, for example 2%10 Net 60, then the payment due date calculation will be Stamped Date (the date the invoice is received by Tyson) + term. If your negotiated term is a straight net term, then the calculation will be invoice date + term.

Invoices for Legacy Hillshire plants (Hillshire SAP plants) and Legacy APF plants (that have not converted to SAP system P41):

Calculation of payment due dates will be based on invoice date + term.

If you choose to receive payment via EFT, two payment releases will occur weekly. Any payments due Monday-Wednesday will be made on the Monday of that week. Any payments due Thursday- Sunday will be made on Thursday of that week. No additional days will be added to your term.

If you choose to receive payment via check, payments will be made once a week on Monday. If the payment due date falls on a later day of the week, that payment will be made the following Monday.

Invoices for Legacy Keystone plants:

Calculation of payment due dates will be based on invoice date + term.

Payments occur once per week. No additional days are added to your term.

Invoices for Legacy API/Ampro plants:

Calculation of payment due dates will be based on invoice date + term.

Payments are only by check. Ampro pays twice a week on Tuesday and Thursday. For non-raw materials the API locations of Cumming and Hanceville pay once per week and the Cuthbert location pays daily. For raw materials all three of the API locations pay once per week. No additional days are added to your term.