Module 5 - Freight Settlement (Invoicing)
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Please refer to this procedure for the creation of invoices and for the management of billing disputes. The module related to invoicing is called « Freight Settlement » in LBN.

Freight Settlement Module (Invoicing)

1) In order to manage invoices in LBN, select the Freight Settlement Module from the Homepage. It is possible to submit an invoice for a Freight Order only when all the events are updated (including pick up).

2) Then click on the Invoice Freight Documents tile.

You will then notice that there are 4 different Tabs when you are on the Freight Documents screen.

- **To be Invoiced**: refers to Freight Orders that are ready for billing.
- **Invoicing in Process**: refers to Freight Orders for which the invoice is being created, but not yet submitted.
- **Completely Invoiced**: refers to Freight Orders for which the invoice has successfully been submitted.
- **All**: is a combination of the three above (To be Invoiced, Invoicing in Progress, Completely Invoiced).
Creation of an invoice

3) In order to create an invoice, click on the **To be Invoiced** Tab and select the **Freight Order** that is ready for invoicing by checking the box on the left. The **selected Freight Order** will then be highlighted in light blue as shown below.

```
<table>
<thead>
<tr>
<th>LBN Shipper</th>
<th>Mar 3, 2022, 12:00 AM CST</th>
<th>Mar 3, 2022, 3:31 PM MST</th>
</tr>
</thead>
<tbody>
<tr>
<td>LBN Shipper</td>
<td>Mar 13, 2022, 11:00 PM CST</td>
<td>Mar 15, 2022, 8:21 PM EST</td>
</tr>
</tbody>
</table>
```

4) Then click on **Create Invoice**.
5) Once you have selected the Freight Order and clicked on Create Invoice you can see the Invoice details. Under the Invoice Details Tab at the top you can see (a) the Invoice #, (b) the Ordering Party, The Payment Terms, the Gross Invoice Amount and the Invoice Status.

In this example, you can see the invoice is at the Draft Status, because the invoicing process is not completed.

Under the Invoice Details Tab at the bottom of the screen you can see (a) the Invoice # again and the Invoice Date. It is mandatory that you change the invoice number for the Freight Order number. You may also change the Invoice Date.

Then to the right under Administrative Data you can see (b) the date the invoice was created on, by whom it was created, at what time it was changed and who changed it.

Last, you can see (c) the Freight Order linked to the Invoice and you can click directly on its number in blue which is a link to view the Freight Document Details.
6) Now to see the charges details, click on the Charges Tab. In the first column displayed you see the name of the charge.

In this example below we see 3 different charges. The first two types of charges (Base Charge & Percentage Fuel Charge) are standard to any Freight Order. They will always appear under the Charges Tab. The third one (Administration Fee) falls into the category of accessorial fees and is not standard to each Freight Order.

- Base Charge (Line Haul)
- Percentage Fuel Charge
- Administration Fee
If we look more into **details**, there are 4 main columns on this screen.

a) Charge type description  
b) Rate per standard mile or percentage  
c) Total Standard Mile for that Freight Order  
d) Total amount for each charge type

➔ Please note that you can **download** your invoice in **Excel** or Delete it at this point (see arrow below).

At this stage, if we go back to the initial page of this Module we would find this Invoice under the **Invoicing in Process** Tab because we clicked on **Create an Invoice** (previous step # 3, page 4), but we have **not submitted it**.

Now at this point, if you **agree** with the **Final Amount** listed in column **d** as shown below. Click on **Submit**. Your invoice will then be submitted and would be listed under the **Completely Invoiced** Tab.

➔ You can also click on **Save**, if you want to save your invoice only.

However, if you **do not agree** with the rates you can **dispute** them. This will be documented at step # 6 and starting at page 11 of this document.
➔ It is possible to add a note manually that can be used for accounting purposes. For example, you could enter your internal invoice number.

Click on the Notes tab as shown below. Then click save if you want to save your memo only. Otherwise, you can click on submit to submit both your memo and your invoice at the same time.
Adding an additional charge to the invoice

7) In order for you to add tax amount or any additional charges. Click on Add located to the far right beside the Final Amount column.

After that you can choose from Adding a Charge or a Tax amount.
Adding an unexpected charge to the invoice

1) To add an **Unplanned charge**, click on **Add** and select **Charge** (previous screen). Then a new screen will appear and click on this icon located under the Freight Order Number.

2) Then a drop-down list of **Unplanned Charges** will show-up. Click on the charge that applies from the pre-existing list or use the **Search bar**.

★ Please see below the list of all these Unplanned Charges and their definition.
## Unplanned Charges

<table>
<thead>
<tr>
<th>Charge Type</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration Fee (Additional Stop)</td>
<td>These charges typically occur when a shipment has two or more destinations, requiring a driver to make several stops along the way. Multi-stop loads sometimes cause delays because each destination could have hiccups.</td>
</tr>
<tr>
<td>Administration Fee (Carbon)</td>
<td>Shipments are subject to a carbon tax due to environmental emissions.</td>
</tr>
<tr>
<td>Deadhead (excess shipment miles)</td>
<td>Deadheading often happens when a carrier returns or backhauls the empty cargo container to the point of origin.</td>
</tr>
<tr>
<td>Administration Fee (Ferry)</td>
<td>Shipments that use a ferry for movement are subject to fees.</td>
</tr>
<tr>
<td>Administration Fee (Whales Protection)</td>
<td>Shipments that cross whale populated zones are subject to fees, due to whale protection laws.</td>
</tr>
<tr>
<td>Dangerous Goods Fee</td>
<td>Hazardous Materials (HazMat) are properly documented during transport. This includes extra paperwork and added risk, which the carrier adds accessorial charges for.</td>
</tr>
<tr>
<td>Administration Fee (TONU)</td>
<td>If a load falls through after a predetermined cut-off time or a truck is canceled after such time, you may be charged a fee. A Truck Ordered Not Used (TONU) fee can occur due to requesting the wrong type of equipment or a shipment not being ready on the expected date.</td>
</tr>
<tr>
<td>Administration Fee (Damage)</td>
<td>Any type of damage done to the vehicle will result in some extra charges.</td>
</tr>
<tr>
<td>Layovers</td>
<td>A charge will apply if the truck is unable, for whatever reason, to be unloaded/loaded during its slated delivery day. Similar to a redelivery, a layover can mean the loss of an entire day's worth of productivity and will have a domino effect on their ability to earn.</td>
</tr>
<tr>
<td>Special Equipment</td>
<td>Shipments that require special equipment are subject to fees.</td>
</tr>
<tr>
<td>Administration Fee (Tax)</td>
<td>Shipments are subject to taxes.</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Waiting Charges</td>
<td>A trucking wait fee is assessed by the trucker if the amount of free waiting time expires.</td>
</tr>
<tr>
<td>Administration Fee (Other accessorial)</td>
<td>This category can be used for other accessorial charges.</td>
</tr>
<tr>
<td>Administrative Fee (Detour)</td>
<td>If upon arrival at a shipper or receiver, the carrier is told to drive to a different location, then divergent miles may be charged. There will typically be a ceiling mileage of which the carrier is willing to drive, but if surpassed they need to accommodate for fuel and lost time.</td>
</tr>
<tr>
<td>Administrative Fee (Driver Assistance)</td>
<td>A shipment that requires the driver’s assistance for other tasks such as unloading the truck will be subject to fees.</td>
</tr>
</tbody>
</table>
3) Once you have selected the **Charge** enter the **Rate** manually. In this example, we are adding **200,00 USD$** in Waiting Charges.

Below, we can see the **Charge Description** (Waiting Charges), the **Rate Amount/Unit** (200,00$) and the **Final Amount** that was automatically updated. The rate went from 919,70$ USD to 1119,70$ USD.

4) Then click the **Save** button to save the invoice as a draft or click **Submit** when you are ready to submit it. You can also click on **Cancel** to abort the creation of the invoice.

**Note 1:** Tax addition will not generate a Dispute but any Additional charges will generate a Dispute that will need to be reviewed and approved by the Carrier Management team.

**Note 2:** Carrier Management Team will approve dispute charges within **24 to 48 hours working days.**
Dispute an invoice

1) To **dispute** an **invoice** you must click on the **Freight Settlement** Module. Then on the **Invoice Freight Documents** tile as shown at step# 1 and 2 of page 3.

2) Select the **Freight Order** from the **To be Invoiced** tab.

   ➔ Throughout the upcoming example, we will be showing the invoice dispute process by adding a layover charge.

3) Once the Freight Order is **selected** and **highlighted in blue**, click again anywhere in the FOs rectangle and after click on **Create Invoice**.

4) Then you need to click on the **Charges** Tab and click on **Add** and select **Charge**.
5) Once you have selected Charge (previous step) click on this icon located below the Freight Order number as shown in the example below, in order to select the charge description that better fits the situation. As mentioned previously, in this example we chose a layover fee and we are adding an amount of 350,00$ USD to the current invoice.

6) Once you have entered all of the additional charges click on Submit.

Once a charge has been manually added and submitted, it will send a notification to the Carrier Management Team.

➔ If the Carrier Management Team accepts the additional charge then the invoice will be generated and updated without further delays.

➔ If the Carrier Management Team rejects the additional charge it will create a Dispute. They can either reject the charge entirely or suggest another rate.
In the provided example, the Carrier Management Team is rejecting the layover fee of 350,00$ USD by proposing an alternative rate. As explained previously, this will generate a Dispute.

7) In this case, you will need to select the Manage Disputes tiles from the Freight Settlement Module.

8) After click on the To be approved Tab and you will see the Invoice Disputes. In this demonstration, we only have 1 pending dispute.
9) Once you have clicked on the **To be approved** Tab. You need to click on the Dispute itself and another screen will be displayed and you will see the **dispute’s details**.

Below we can see the **350,00$ USD** we had originally added as a Carrier and the **Ordering Party’s proposal** of **300,00$ USD**.

10) In this example, we are to **accept** the rate proposal offered by the ordering party. We will then change the **Rate Amount to 300,00$ USD** manually and press **Submit** when done.

Now we can see that the **Status** went from **Disputed by Carrier** to **Accepted by carrier**. The invoice would now be treated as per the regular process.