



Ph. 610-272-7900 | Fax 610-272-7040 | Info@ComponentEnterprises.com | www.ComponentEnterprises.com

MAY 2012

TO: OUR CUSTOMERS

RE: F.O.B. & CERTIFICATE OF TRANSIT INSURANCE

Please be advised that Component Enterprises' Terms of Sale are F.O.B. **Origin**, either Freight *Collect* or Freight *Prepaid & Add* (PPA).

F.O.B. **Origin**, stipulates that you, the buyer, assume title and take possession of the goods the moment the carrier picks up the parcel from the originating location. Therefore, any Transit Insurance for the parcel is the sole responsibility of you, "the buyer".

Freight *Collect* - specifies that you, the buyer, are responsible for the freight charges and that you will be billed directly by the carrier; either C.O.D. or on account, if pre-arranged.

Freight *Prepaid* - specifies that the freight charges will be paid by the "seller" and added to the invoice, along with the material, insurance, and any accessorial charges.

In either case, this means that you, the customer/buyer, take possession of the goods upon shipment and thus are responsible for the material while in transit, and until the shipment has reached its destination.

In order for us to comply with any **Do Not Insure** purchase order requests, we will need a copy of your 'Certificate of Insurance' specifically stating your Transit coverage, as well as your acknowledgement below that you take full responsibility for payment of any invoice, in full, should a shipment become damaged or lost. Thus, any claims made by you would be between you and your insurance carrier.

Your signature below indicates your acceptance of these terms.

Please sign and return by fax (610) 272-7040 or email Transit@ComponentEnterprises.com

Acceptance:

Company Name

Date

Authorized representative (Print Name)

Signature