

DEVRY INC SUPPLY MANAGEMENT POLICY

Overview

This policy governs employees conducting Supply Management activities within the institutions comprising DeVry Incorporated (hereafter referred to as DeVry Inc).

This policy is a controlled document. The version located in the **Finance** section of the DeVry Commons is the current, controlled version. Any copies made from the document in the DeVry Commons are considered uncontrolled and are to be used for casual reference only.

Purpose

The purpose of this policy is to describe the rules and standards under which goods and services will be procured for DeVry Inc. The policy applies to all those who requisition and/or purchase such goods and services for DeVry Inc affiliates.

The policy is written to ensure all purchases for DeVry Inc. using DeVry Inc. funds are standardized under sound supply policies and adhere to the goal of achieving total value for DeVry Inc and for its students.

Responsibility

It is the responsibility of Supply Management at the home office, departments at all academic and administrative facilities responsible for supply activities, and all within DeVry Inc. authorized to spend the company's funds, to purchase goods and services for DeVry Inc. that support the following principles:

- purchase from a financially sound business capable of meeting DeVry Inc.'s needs over a potentially long-term business relationship;
- manage relationships with suppliers to achieve excellent quality and optimal service, including sales and administrative support, value-added services, cost reduction ideas, as well as finding and researching alternate sources of supply and services
- supporting the strategic objectives of internal customers, internal suppliers and DeVry Inc as a whole.

It is the responsibility of Supply Management located at the home office to evaluate supplier performance and communicate that performance to other supply functions within DeVry Inc. Where regional institutions use suppliers local to their areas, it is the responsibility of the purchasers at those institutions to ensure suppliers are performing in a manner that will bring total value to DeVry Inc.

It is the responsibility of Supply Management professionals within DeVry Inc to achieve, maintain and use relevant professional knowledge, and to translate that knowledge into the best supply management practices for DeVry Inc.

It is the responsibility of the Supply Management team, including the home office and regional facilities, to plan the Supply Management strategies annually based on the corporate goals. Review of results against the Supply Management goals will be held quarterly by the Supply Management team. The goals and results impacting other DeVry Inc locations will be shared with those locations on a quarterly basis.

It is the responsibility of those not in the Supply Management department or function, but who spend the funds of DeVry Inc., to adhere to this policy.

Definitions

DeVry Inc: The organization consisting of DeVry University, Keller School of Management, Becker Professional Education, Chamberlain College of Nursing, Ross University, Carrington College, Carrington College of California, Advanced Academics, Inc and DeVry Brasil.

Supply Management: At the home office, a specific department responsible for Supply Management goods and services for the DeVry Inc organization. The department is staffed with Supply Management professionals, i.e. DeVry Inc employees with the primary responsibility, experience and knowledge in supply management.

For the purposes of this policy, “Supply Management” also covers the individuals at locations other than the home office (usually Business Managers) responsible for supplying goods and services for certain locations.

Sourcing Team: Usually organized for a specific project or program. The team may consist of the requisitioner or end user, Supply Management, a subject matter expert, and a management leader responsible for meeting the goals of the specific task.

Home Office: Located in Downers Grove, Illinois

Total Value: The combination of price, cost, efficiency, quality and overall advantage to the organization that is brought by a process, a good and/or a service.

Preferred Vendor: A company that provides goods and/or services in a manner that eliminates rework, waste and optimizes the customer’s resources. A preferred supplier provides *total value*.

Vendor: A company, either new to DeVry Inc or requested by a business owner, that supplies goods and services.

Related Policies

Please reference the Legal department Contract Review Process Communication for requirements of Legal review of Supply Contracts.

Ethics

Ethical behavior builds trust and credibility, two characteristics essential to people engaged in business, including Supply Management. All in the Supply Management function, regardless of the department to which they are assigned, adhere to standards of ethics that lead to fact-based, objective sourcing practices, which then lead to the achievement of total value from DeVry Inc suppliers. Ethical standards must meet or exceed the DeVry Inc. Vendor Code of Conduct. Vendors will be advised to read the Vendor Code of Conduct.

Objectives of Supply Management within DeVry Inc.

Supply Management initiates, conducts and concludes negotiations affecting commitment of the company's funds for services and goods. The long-term strategic aims of the business are included in the negotiations for price, terms, delivery, quantity, quality, and other relevant considerations.

Supply Management's professional expertise is in supply management; end users (requestors) have equally valuable realms of skills and experience. Consequently, Supply Management works together as an equal team member with the end-user of the goods and/or services in order to achieve optimal results.

Determining the specifications of goods and services is the responsibility of the end user and/or requisitioner, while Supply Management has the overall responsibility to seek out the best sources for achieving total value. Final vendor selection will be made by joint decision between Supply Management and the end user, and are based on total value to DeVry Inc, as well as sound supplier management strategies.

Supply Management ensures that all Supply Management and related transactions conform to DeVry Inc policies, including all internal Accounting controls, and Generally Accepted Accounting Practices (GAAP).

Procedures

Supply Management procedures include the training manuals for the Lawson system and the ReqLogic system used by Carrington College.

Supplier Relationship Management (SRM)

Supply Management establishes relationships with suppliers that will achieve total value. All discussions, requests, offers and transactions are structured to maintain those relationships where they are beneficial to DeVry Inc, or to remediate or eliminate those suppliers that no longer meet DeVry Inc's objectives.

All stakeholders must work in conjunction with Supply Management to build, maintain, remediate or eliminate supplier relationships. We are most effective when we speak with one voice. To follow are guidelines to ensure the relationships with suppliers are managed consistently throughout DeVry Inc.

A. Communication Guidelines

1. Supply Management will work with the requisitioner/end user on sourcing in situations requiring technical or specialized business expertise, then will generally take the lead on requests for pricing, proposals and information.
2. Supply Management will involve the relevant suppliers in the design stage or conceptual stages of projects and programs in order to control the cost of the end product or service. Early supplier involvement is integral to keeping costs out of a concept vs. negotiating it out after the concept is fully developed.
3. In information-gathering sessions with representatives of supplier firms, both Supply Management and non-Supply Management personnel will avoid commitments to material, equipment, service, or source of supply. In recognition of the need for confidentiality, Supply Management and non-Supply Management personnel shall avoid providing any information regarding competitive performance or price. Both Supply Management and non-Supply Management personnel may, however, share specification information with suppliers that is necessary for adequate review of the goods or services needed.
4. Supply Management will work with business owners to manage relationships with key vendors.

B. Preferred Vendors

While all suppliers must be managed to some level, the standards of SRM are applied only to preferred vendors, i.e., those with consistently superior performance, that offer DeVry Inc high value, and that have products/services that are integral to the financially-sound operation of DeVry Inc. In recognition of the time and effort spent by these suppliers in maintaining high standards of quality, value and customer service, DeVry Inc Supply Management and end users will look to this group first unless other DeVry Inc business needs warrant a deviation.

There is a distinct difference between utilizing preferred suppliers and being locked into a sole-source or single-source supplier situation. Preferred suppliers meet DeVry Inc's standards for supplier performance. Where practical, more than one preferred supplier will be established for a major purchase category. Sole source suppliers, in contrast, are used due to their unique products or services. Single source suppliers are used because their knowledge of the customer's needs makes

purchasing from them easy and, it is assumed, cost-effective. Supply Management will monitor and measure the performance of preferred suppliers to ensure they are offering total value.

Preferred suppliers are identified for major categories of goods and services. Use of preferred suppliers leads to consistent sourcing standards throughout DeVry Inc. Deviation from the preferred supplier lists must be based on special circumstances, including but not limited to:

- Immediacy of need that the preferred suppliers cannot accommodate
- Special, one-time purchases with lower-than-market pricing
- Current, unresolved issues with one or more suppliers for that category on the preferred suppliers' list

Any deviation from use of preferred suppliers must be justified in writing to the appropriate buyer at Supply Management in the home office. If preferred suppliers for a category have not been developed, suppliers will be chosen based on sound Supply Management practices.

The standards for preferred suppliers follow. A supplier must have all of the standards listed to be considered a preferred supplier.

- Offers proven, cost-effective pricing
- Maintains consistent quality in products, services, customer service and administration of the DeVry Inc. account
- Flexibility to meet the changing needs of DeVry Inc.
- Both the willingness and capability to reduce or control its own costs in order to lower or maintain pricing to DeVry Inc.
- Its operations are run under a philosophy of continuous improvement, which is exhibited through continuous improvement of the products and/or services provided to DeVry Inc.
- Financial strength and support sufficient to continue operations and grow its business to meet the needs of DeVry Inc.
- Exceeds expectations in its area(s) of expertise and consistently provides that expertise to DeVry Inc.

Preferred suppliers may be proposed by either Supply Management or the user function within DeVry Inc. The individual proposing the preference must provide evidence that the supplier has performed to the above standards within the previous twelve months.

Prior to listing a supplier as preferred, the business managers at all DeVry Inc locations will be polled by the home-office Supply Management department to gather agreement, or to discover any issues with the supplier. Major outstanding issues with a supplier will be resolved before the supplier is added to the preferred

list. “Major” issues are defined as continual service or materials’ problems that hinder the performance of the supplier and its value to DeVry Inc.

Preferred suppliers will be measured to the following performance factors, at minimum:

- Delivery and quantity accuracy
- Contribution to DeVry Inc.’s strategic goals (cost reductions, net income improvement, increased enrollment)
- Value-added ideas and implementation of same

Measurements will be monitored quarterly for compliance to these factors.

C. Other elements of Supplier Relationship Management

- Working with requisitioning departments and functions to develop supply strategies in order to optimize suppliers’ schedules and skills
- Recognizing suppliers’ contributions to the success of DeVry, Inc., by rewarding deserving suppliers with increased business and forms of recognition
- Utilizing suppliers’ value-added services wherever beneficial to DeVry Inc to achieve full advantage of the relationship

Types of Agreements

National Agreements

National agreements are agreements with suppliers negotiated at the home office or with the participation of the home office in conjunction with other locations of DeVry Inc. National agreements will be used whenever they meet the needs of the business.

Such agreements will be negotiated with major suppliers to:

- ensure continuity of supply
- to get the best price, terms, and performance over a stated time period
- to spend DeVry Inc’s Supply Management resources on finding and maintaining a high-performing supplier base
- obtain the highest standards of quality

“Major supplier” must meet at least two of the criteria below:

- the importance of what the supplier provides to DeVry Inc;
- a minimum annual dollar volume of \$50,000
- the item volume the supplier sells to DeVry Inc.
- the strategic value the supplier brings to DeVry Inc.

Since national agreements are structured to include the requirements of all or most DeVry Inc locations, purchasers at all locations should use the national agreements unless there is a compelling reason to deviate. If the reason includes issues with supplier performance, the campus or center experiencing the problems will contact Supply Management in the home office, who is committed to working with the location and the supplier to resolve the issues.

Prior to negotiating a national agreement, the business managers at all DeVry Inc locations will be polled by the home office Supply Management Department to gather agreement or discover any issues with the supplier. Major outstanding issues with a supplier will be resolved before the national agreement is negotiated. “Major” issues are defined as continual service or materials’ problems that hinder the performance of the supplier and its value to DeVry Inc.

Local/Regional Agreements

Purchasers of DeVry Inc. negotiate agreements with local suppliers for goods and services that are best provided on a local level. Examples are:

- Catering and restaurants
- Facilities’ repair and maintenance
- Landscaping
- Security
- Pest Control
- Janitorial services and supplies

Local and regional Purchasers will negotiate agreements with major suppliers where volume warrants and where the length of the agreement accommodates total value.

Supply Management without Agreements

Not all purchases require formal agreements. A purchase order is an individual contract for that specific purchase; in many cases, the purchase order is sufficient.

Bidding and Negotiations

Bidding and negotiations with suppliers are separated into two categories:

1. Preferred suppliers. Most preferred suppliers will supply DeVry, Inc. with significant volume—significant in transactions, dollar value, or both. Some are preferred because they are sole suppliers or single suppliers, meaning the choice is limited by technology or unique requirements.

As an element of obtaining total value from our supplier relationships, Supply Management strives to maintain an alliance relationship with suppliers. In preferred supplier relationships, quoting every individual

purchase among multiple suppliers is most often unnecessary. Doing so may create inefficiencies and work against solid supplier relationships.

Supply Management, with the agreement of the requisitioner, will aim to use the preferred supplier base whenever possible. Supply Management will negotiate terms and conditions with preferred suppliers that will cover most purchases. An exception may be where large volumes on specific projects open opportunities for better terms and conditions.

Supply Management will, unless market conditions make it impractical, negotiate pricing for goods and services that are firm for one year, even with multi-year agreements, and will test the market prior to the pricing expiration to ensure the supplier remains competitive.

2. Requested vendors and new vendors. The sourcing team (may be limited to the requisitioner and purchaser) will decide the appropriate suppliers. When one or more of the suppliers are not part of the preferred suppliers' base, Supply Management will issue a request for proposal (RFP) to the suppliers for the required goods or services. The choice of suppliers will be a decision among the members of the sourcing team. If the goods or services will be required regularly, Supply Management will work with the supplier to develop it into a preferred supplier. If the goods or services carry infrequent requirements, the suppliers will be used on an as-needed basis only. Supply Management will search among the preferred supplier base for a potential replacement for those infrequent requirements and, with the agreement of the requisitioner, will transition the requirement to the preferred supplier.

Bidding pricing and terms from suppliers is important to reducing and maintaining costs. However, a primary reason for establishing national agreements and preferred supplier standards is to utilize the bidding tool only when necessary. Within the context of national agreements and use of preferred suppliers, bidding every requisition for products and services can be wasteful and counterproductive to the goal of achieving total value.

Types of Transactions

General Requirements

Regardless of the type of transaction, F.O.B. (Free on Board) point is Destination, with DeVry paying the freight unless the supplier delivers using its own fleet. See Exhibit B, Free On Board, for common F.O.B. terms and definitions.

The boilerplate terms and conditions will be sent with each order, whether the order is transmitted via post or electronic methods.

All transactions except for consulting, utilities, logistics and financial services and those transactions where expenditures can be controlled sufficiently through a negotiated, current agreement, require a purchase order if the transaction exceeds \$500 total, or lower, as determined by local requirements. Invoices will be monitored for purposeful splitting of transactions intended to avoid the purchase order requirement.

Payment terms of Net 45 days (Net 30 days is also acceptable). Discounted terms are encouraged (e.g., 2% Net 10 days).

Purchase Orders from Requisitions

Supply Management receives requisitions from the requisitioner or end user. Some locations and functions are now using Requisition Self Service (Lawson's requisition system) or ReqLogic (the system used with Great Plains), both of which are electronic requisition methods. Where those methods are not yet in place, paper requisitions are still used. The procedure for completing a requisition can be found on the DeVry Inc Supply Management website (*insert website*). The requisition may be paper or electronic. The requisition may or may not have pricing information, but must contain the date needed (must be a defined date; any requisitions with non-date designations like "To Be Determined" (TBD) or "as soon as possible" (ASAP) will be returned to the requisitioner/end user.) The requisitioner/end user will have worked with Supply Management prior to writing the requisition to avoid indeterminate required dates and lack of sufficient estimated pricing.

The requisitioner will have chosen the supplier either from the Preferred Supplier list or, if none of the suppliers on the list meet the requirements or there is no list for the purchase category, from other sources. The requisitioner will have worked with Supply Management prior to issuing the requisition to investigate any new suppliers for performance capabilities. Pricing will have either been taken from an already-established agreement or was derived from the result of a request for quotation ("Request for bid" or "request for proposal" are assumed to be the same process as "request for quotation" for the purposes of this policy).

Account codes, department codes, Capital Expenditure Authorization (CEA) and Leased Expenditure Authorization (LEA) numbers are to be provided by the requisitioner on the requisition. These numbers are carried over to the purchase order for ease in receipt and payment.

All purchase orders will be issued to suppliers through the Lawson system for most affiliates and through ReqLogic for Carrington College. For those using Lawson, the Document Express system will issue the orders, either via print or email, in a format that will not allow alteration.

Business travel

The rules governing business travel transactions are not covered under this policy. See DeVry Inc Travel and Expense policy in the DeVry Commons.

All requisitions must bear signatures from those within the respective departments who have sufficient signing authority. Any requisitions without such signatures will be returned to the requisitioner/end user. Signing authority limits can be found in Microsoft Outlook's Accounting Public folder. It is not included with this policy as it is a separate controlled document.

Regardless of whether pricing and/or supplier is advised on the requisition, Supply Management may contact the notated supplier, or another, to negotiate pricing and/or terms.

Once this negotiation is completed, Supply Management will create a purchase order. The order is then distributed via email to the supplier, the end user and to the appropriate Accounting and Receiving departments.

No Requisitions

Most purchases require a requisition, whether the requisition is generated on hard copy or electronic. Only when another document with approvals equal to or greater than those on a requisition is provided to Supply Management will orders be placed without a requisition. CEA and LEA approvals provide sufficient authority for spending of DeVry Inc funds without a requisition, unless the CEA or LEA is released in stages instead of on one purchase, or as determined by local requirements. If released in stages or increments, a requisition is necessary. An exception to this section is for purchases made using Requisition Self-Service (RSS). RSS requires all CEA and LEA purchases to utilize the requisition process.

Once a purchase order is issued, the vendor on the purchase order will not be changed, regardless of the capability of the financial system.

In order to better control invoices and payments, all purchase orders are to be closed on the financial system in the instances where the system does not perform an automatic close function (e.g., a service). Manual systems will conform to this requirement as best suits their tracking method and DeVry internal audit requirements.

Procurement Card Use

The Bank of Montreal (Harris Bank) MasterCard may be used in lieu of requisitions and purchase orders under the following circumstances:

- Purchases for goods and services totaling less than \$500, or as determined by local requirements. (Procurement card transactions will be monitored to ensure transactions are not purposely divided to hold individual transactions under \$500. Those found violating

this restriction will be subject to reprimand, per the Procurement Card Policy.)

The next group of goods and services are also allowed to be purchased on a procurement card. They require a requisition or a capital expenditure approval as the basis for the purchase, and may exceed \$500 per transaction.

- For electronic orders from a supplier's website, exclusive to DeVry Inc, and when an agreement is in effect between Devry Inc. and the supplier covering the price and terms of the purchases
- For purchases of goods and services that must be procured immediately and/or under emergency situations. In this case, the requisitioner/end user must justify the purchase to his/her manager at the first opportunity.
- Catering for business functions and student events.
- Numerous small-dollar purchases, e.g., for Facilities needs, student transcripts
- Repetitive purchases for the same, amount that are controlled by another budget process. Lease payments for copiers are an excellent example.

All necessary account and department codes, as well as requisitioner or end user information, must be provided on the receipt from a procurement card transaction for reconciliation of the purchases to the monthly budget-vs. actual review and for ease in coding transactions on the Bank of Montreal website, Details On Line, www.bmodetailsonline.com.

Accountability

Supply Management at the home office and Supply Management functions at the campuses will work with local Receiving and Accounting groups to ensure accountability for all goods and services. Pricing discrepancies will be investigated and resolved by Supply Management. Quantity discrepancies will be resolved by the local Receiving department.

No Purchase Orders Allowed

Supply Management will not process purchase orders under the following conditions:

- Unapproved CEAs or LEAs
- From check requests, either before or after the goods have arrived or the service has been provided
- From an invoice on goods already received or services already provided
- Requisitions with insufficient approvals

Review of Pending or Potential Agreements by the Legal Department

Supply Management will review suppliers' drafts of potential agreements to ensure DeVry Inc.'s business interests are optimally represented. The draft will then be sent to DeVry Inc.'s Legal department for review to ensure DeVry Inc.'s legal interests are equally well-represented. Please reference the Legal Department's Contract Review Process Communication.

Supply Contracts must be sent to Supply Management for review of business requirements at the same time they are sent to the Legal department for legal review. The Supply Contracts may be sent to the Director, Supply Management or to the Sr. Manager of Supply Contracts.

Supply Contracts to be reviewed by Supply Management **must meet at least one** the following requirements:

- At least \$50,000 in spend covered by the Supply Contract
- The Supply Contract must cover multiple years
- The Supply Contract covers a new category of supply or a significantly revised category of supply

Supply Management must keep either the original or a copy in their electronic files, with the original sent to the Legal Department..

The Legal department is issuing Supply Contract forms covering the terms and conditions most important to DeVry Inc. National agreements' negotiations will begin with that form. The form will also be used at local campuses to cover major agreements.

Supply Management Skills

The skills necessary for Supply Management professionals are listed in Exhibit A, "Basic Skills Table." Employees in Supply Management at the home office and those at campus locations who are fulfilling Supply Management functions are encouraged to acquire instructions in these skills.

Supply Management will also stay apprised of the latest concepts and practices in the Supply Management profession and will incorporate that knowledge into their performance for the benefit of DeVry Inc and themselves.

**EXHIBIT A:
Basic Buyer/Supply Manager Skill Set**

SKILL/EDUCATION	EMPHASIZE	PLANNED RESULT(S)
Negotiating Agreements	Creativity: (a) find areas of mutual need (b) cooperative problem resolution	(1) Long-term, win-win contracts with key suppliers. (2) Productive agreements with other suppliers; fewer issues causing non-value-added resolutions
Product and Service Costing	Total cost; focus on primary cost drivers	Lower-cost agreements
Bachelor's Degree in business, engineering, accounting, finance or communication. Equivalent experience and demonstrated skill may be substituted for the degree.	Professionalism; problem-solving; decision-making; oral and written communication	Determining total value; Credibility with both internal and external stakeholders; facilitate relationships, internally and externally
Business Law (for U.S., especially include Uniform Commercial Code)	Contract language; negotiation topics; appropriate discussions with suppliers, topics to avoid	Solid contracts; avoid unwanted, unintentional commitments; improved risk management
Verbal and Written Communication	Avoid creating problems inadvertently in internal and external discussions; clear, concise written communication	Efficiency; Issue avoidance; Professionalism and credibility
(Supplier) Quality Auditing	Determine if supplier has closed-loop quality system to ensure materials/service conformance; avoid non-value-added inspections, rejections	Improved supplier quality; close working relationship between Quality and Supply Mgt.
Technical knowledge	Goods or service in supply manager's purview	Improved total cost of ownership

EXHIBIT B

FOB DEFINITION - SHIPPING TERMS OF SALE

FOB, Free On Board, is a transportation term that indicates that the price for goods includes delivery at the seller's expense to a specified point and no further. The FOB term is used with an identified physical location to determine 1) the responsibility and basis for **payment of freight charges**, and 2) the point at which **title** for the shipment passes from seller to buyer. The FOB location terms, **Origin** and **Destination**, may be qualified by modifiers. The modifier determines the payment of the transportation charges. Modifiers denote nothing about the title of the goods or filing of claims. The most three common modifiers are: **Collect**, **Prepaid & Add**, and **Prepaid & Allow**. **Collect** The carrier collects the transportation charges from the buyer. **Prepaid & Add** The seller prepays the transportation charges, but adds the charges to the invoice for reimbursement from the buyer. **Prepaid & Allow** The seller prepays the transportation charges and they are already included in the contract price.

TITLE & CONTROL OF GOODS

FOB ORIGIN

The buyer assumes title and control of the goods the moment the carrier signs the bill of lading. The buyer assumes risk of transportation and is entitled to route the shipment. The buyer is responsible for filing claims for loss or damage.

FOB DESTINATION

The seller retains title and control of goods until they are delivered and the contract of carriage has been completed. The seller selects the carrier and is responsible for the risk of transportation. The seller is responsible for filing claims for loss or damage.

PAYMENT TERM VARIATIONS

POINT OF ORIGIN

FOB Origin Unless qualified in the FOB clause, the buyer is responsible for freight charges.

FOB Origin Freight Collect Buyer pays and bears freight charges.

FOB Origin, Freight Prepaid Seller pays and bears freight charges.

FOB Origin, Freight Prepaid & Add Seller pays and invoices buyer for freight charges.

DESTINATION

FOB Destination Unless qualified in the FOB clause, the seller is responsible for freight charges.

FOB Destination, Freight Collect Buyer pays and bears the freight charges.

FOB Destination, Freight Prepaid Seller pays and bears the freight charges.

FOB Destination, Freight Collect & Allowed Buyer pays freight charges and deducts the amount from seller's invoice.

FOB Destination, Freight Prepaid & Add Seller pays the freight and adds the freight charges to its invoice to the buyer.

fob Rev 01/01 9

ANOTHER ILLUSTRATION OF THE MEANING OF THE TERMS OF SALE

FOB Origin Buyer -- Pays freight charges

Buyer -- Bears freight charges
Buyer -- Owns goods in transit
Buyer -- Files claims (if any)
FOB Origin, Freight Collect Buyer -- Pays freight charges
Buyer -- Bears freight charges
Buyer -- Owns goods in transit
Buyer -- Files claims (if any)
FOB Origin, Freight Prepaid Seller -- Pays freight charges
Seller -- Bears freight charges
Buyer -- Owns goods in transit
Buyer -- Files claims (if any)
FOB Origin, Freight Prepaid & Add Seller -- Pays freight charges
Buyer -- Bears freight charges
Buyer -- Owns goods in transit
Buyer -- Files claims (if any)
FOB Destination Seller -- Pays freight charges
Seller -- Bears freight charges
Seller -- Owns goods in transit
Seller -- Files claims (if any)
FOB Destination, Freight Collect Buyer -- Pays freight charges
Buyer -- Bears freight charges
Seller -- Owns goods in transit
Seller -- Files claims (if any)
FOB Destination, Freight Collect & Allow Buyer -- Pays freight charges
Seller -- Bears freight charges
Seller -- Owns goods in transit
Seller -- Files claims (if any)
FOB Destination, Freight Prepaid Seller -- Pays freight charges
Seller -- Bears freight charges
Seller -- Owns goods in transit
Seller -- Files claims (if any)