

Configuration

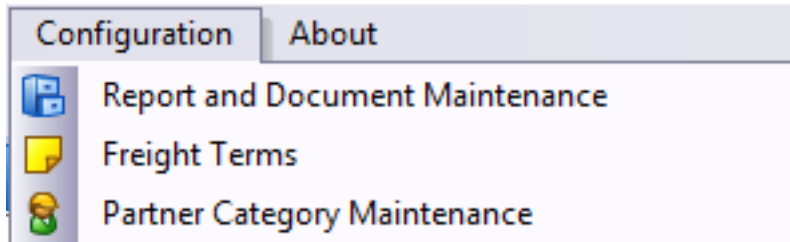
How do I configure Freight Terms? What do Freight Terms Mean?

How Are Freight Terms Used?

Freight terms display on a customer receipt. They define the liability relationship for the customer and the seller between purchase and delivery.

How Are Freight Terms Created?

1. From the **Configuration** tab, select **Freight Terms**.

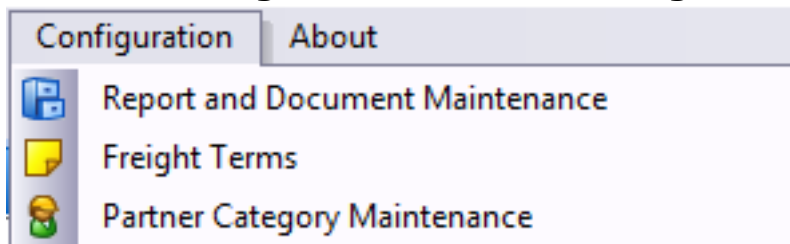


2. Create a new freight term by clicking **New**.
3. Fill the Row that appears in the grid with a **Code & Description**.
4. Choose whether to enable or disable **Apply Freight Edits?, Predefined, and Base+Freight**.
5. Click **Save and Close**.

Your new freight term will be available to assign to trading partners.

How do I Delete a Freight Term?

1. From the **Configuration** tab, select **Freight Terms**.



2. Select the row that contains the Freight Term you wish to delete.
3. Click **Delete**.
4. **Save and Close**.

Where Are Freight Terms Assigned?

- Freight Terms can be assigned to Trading Partners. Access existing Trading Partners from **Company > Find > Trading Partners**. Click on the partner you would like to modify.
- Freight Terms can also be assigned to a New Trading Partner. Create a New Trading Partner from **Company > Start a Task > Trading Partners**.

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Baker's FoodMart - BAKERS

Save and Close | Save and New | Save | Help

General | Contacts | Addresses | **Customer** | Receiver | Memo

Customer Info

CHEP Location: Require PO#? ☐

Price Group: Super Small Print Invoices? ☐

XRef Code:

Defaults / Brokerage

SalesPerson: Broker:

Freight Rate: Broker Rate:

Payment Terms: N10D

Freight Terms: DEL

Accounts Receivable

Credit Limit Amount: 75,000.00

Credit Status: 1MXXXXAB

GL Account:

What are common definitions for Freight Terms used by Envio customers?

- **Delivered** - seller assumes risk of damage during transport -- produce must meet specific grade at destination if so stated.
 - "U.S. No. 1 grapes delivered New York City" must be U.S. No. 1 on arrival in New York City.
- **FOB (Free On Board)** - at shipping point (e.g. "FOB Delano, California") - buyer has risk of damage during transit -- buyer has right of rejection -- suitable shipping condition warranty applies.
- **FOBA (Free On Board Acceptance) at shipping point** - buyer has risk of damages during transit - buyer accepts at shipping point -- no right of rejection -- suitable shipping condition warranty applies.
- **FOBAF (Free On Board Acceptance Final) at shipping point** - buyer

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has risk of damages during transit - buyer accepts at shipping point -- no right of rejection -- suitable shipping condition warranty does not apply - must be clear proof this term was agreed to by the buyer.

- **Inspection Final** - seller obtains inspection to show compliance with contract and buyer has no remedy against the seller - must be clear proof this term was agreed to by the buyer.
 - California Inspection Final
- **Purchase After Inspection** - buyer has opportunity to inspect - no right of rejection - suitable shipping condition does not apply - must be clear proof this term was agreed by the buyer.
- **Suitable Shipping Condition Warranty** - seller liable for product arriving with abnormal deterioration if transportation normal (only applies to FOB and FOBA sales) - check good delivery tolerances on the PACA website to determine if there is abnormal deterioration.
- **Open Price** - price to be agreed upon sometime after shipment; if no agreement, buyer must prove reasonable price based on market reports and an accounting.
- **Price Arrival** - price to be agreed upon after arrival; if no agreement, buyer must prove reasonable price based on market reports and an accounting.
- **PAS (Price After Sale)** - price to be agreed upon after arrival and sale; if no agreement, buyer must prove reasonable price based on market reports and an accounting.

Common PACA Payment Terms

- Sale - 10 days after acceptance
- Consignment - 20 days after acceptance
- To Grower's by Grower's Agents - 30 days after acceptance
- Terms can be changed by written agreement before the transaction. But see Payment Terms under The PACA Trust for what happens if terms are increased beyond 30 days from delivery.

Unique solution ID: #1003

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