47.104-2 Fixed-price contracts.

(a) *F.o.b. destination.* 49 U.S.C. 10721 and 13712 rates do not apply to *shipments* under fixed-price *f.o.b. destination* contracts (delivered price).

(b) *F.o.b. origin.* If it is advantageous to the Government, the *contracting officer may* occasionally require the contractor to prepay the *freight* charges to a specific destination. In such cases, the contractor *shall* use a commercial *bill of lading* and be reimbursed for the direct and actual transportation cost as a separate item in the *invoice*. The clause at 52.247-1, Commercial *Bill of Lading* Notations, will ensure that the Government in this type of arrangement obtains the benefit of 49 U.S.C. 10721 and 13712 rates.

Parent topic: 47.104 Government rate tenders under sections 10721 and 13712 of the Interstate Commerce Act (49 U.S.C. 10721 and 13712).