

FOB Origin Payment Criteria – August 29, 2003

Boeing-Mesa is taking immediate steps to improve our ability to control cost on incoming freight. Effective October 1, 2003, the following changes are effective to all open contracts:

The Boeing-Mesa Routing Guide (BRG) must be adhered to on all incoming shipments where Boeing is responsible for freight. The guidelines set forth in the BRG (<http://www.boeing.com/companyoffices/doingbiz/routinginst/ mesa.pdf>) must be followed for all F.O.B. Origin shipments, in accordance with the shipping terms of the purchase contract. These guidelines also apply to third party shipments. Failure to comply with the guidelines outlined in the BRG will result in a debit to your account for the difference in cost between approved and unapproved carrier charges, plus a \$100.00 administrative fee.

F.O.B. Destination shipments should be routed prepaid via the carrier of your choice. Any costs Boeing incurs for shipments that should have been received prepaid will result in a debit to your account for the full amount, plus an administrative fee of \$100.00.

Below are the current routing instructions broken down into Standard, Premium Second Day and Premium Next Day Air. These instructions are subject to change and the online version of the BRG takes precedence.

Standard Routing:

1 – 150 lbs.	UPS Ground – Collect
151 – 5000 lbs. Intrastate/Regional (To, From and within Arizona, California, Utah, Nevada & New Mexico)	FedEx Freight West – Collect
151 – 5000 lbs. Interstate (All states other than those listed under Intrastate/Regional)	Roadway Express – Collect
5001 lbs. & over	Call Traffic Management – See Mesa BRG online

Premium Routing - Second Day Air:

Do not use unless specifically authorized by the purchase contract or Boeing Procurement Agent.

1 – 65 lbs.	UPS Blue – Collect
66 – 250 lbs.	Emery Worldwide – Collect
251 lbs. & over	Call Traffic Management – See Mesa BRG online

Premium Routing - Next Day Air:

Do not use unless specifically authorized by the purchase contract or Boeing Procurement Agent.

1 – 30 lbs.	Federal Express – Collect
31 – 65 lbs.	UPS Red – Collect
66 – 100 lbs.	Emery Worldwide – Collect
101 lbs. and over	Call Traffic Management – See BRG online



Other instructions:

- For *Specialized Transportation* requiring special handling (i.e. oversized, truckload, counter-to-counter, hazardous contents, etc.), you must call the Boeing-Mesa Traffic Management department for instructions at least 24 hours prior to shipment.
- Do not insure or declare value unless specifically authorized by the purchase contract.
- Boeing purchase contract number and item number must appear on all packing sheets and freight bills, including third party bills.

If you have any questions please contact our Traffic Personnel at (480-891-8447) or cognizant Procurement Agent.

Thank you for your cooperation on this issue.



Q.A. 'Bill' Warren
SM&P Site Manager
Boeing-Mesa