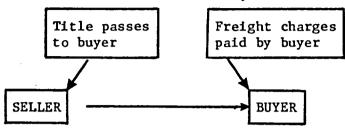
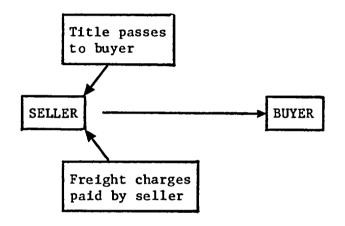
ILLUSTRATION OF THE EFFECT OF SELLING TERMS ON DISTRIBUTION

(1) Terms of Sale: F.O.B. ORIGIN, FREIGHT COLLECT



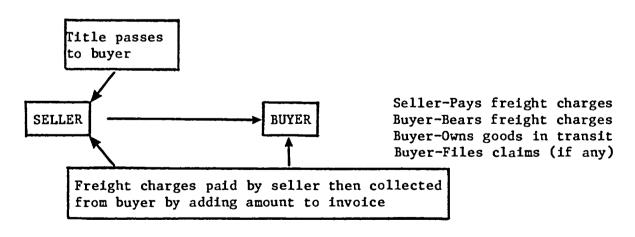
Buyer-Pays freight charges Buyer-Bears freight charges Buyer-Owns goods in transit Buyer-Files claims (if any)

(2) Terms of Sale: F.O.B., FREIGHT PREPAID



Seller-Pays freight charges Seller-Bears freight charges Buyer-Owns goods in transit Buyer-Files claims (if any)

(3) Terms of Sale: F.O.B. ORIGIN, FREIGHT PREPAID AND CHARGED BACK



Source: Atlantic Provinces Transportation Commission