

# STANDARD FOB TRANSACTION PROCEDURE

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## Free On Board (Incoterms 2020)

### STEP-BY-STEP EXECUTION PATHWAY:

1. **Initiation:** Buyer submits an ICPO alongside a detailed Company Profile (CP) and clear proof of storage/logistics capacity, such as an active Tank Storage Agreement (TSA) or a Vessel Charter Party Agreement (CPA).
2. **Commercial Invoice:** Seller reviews and accepts the logistics capacity, then issues the Commercial Invoice (CI). The Buyer signs and seals the CI, returning it to initiate the formal authorization pipeline.
3. **Partial Product Proof:** Seller provides initial product verification credentials and injection permits proving the commodity is secure at the designated export terminal/hub.
4. **Dip Test Authorization (DTA):** Seller issues an official, un-endorsed Dip Test Authorization (DTA) alongside fresh technical specifications of the product currently sitting in the terminal tanks.
5. **Inspection Framework:** Buyer provides terminal tank receipts (TSR) or vessel authorization details. Seller approves and endorses the DTA, allowing the Buyer's chosen survey team (e.g., SGS/Intertek) to physically enter the terminal.
6. **The Dip Test & Verification:** The inspection team conducts the physical "dip" and draws product samples to verify exact volume metrics and chemical composition.
7. **Injection & Settlement:** Upon a successful Q&A verification report, Seller initiates immediate product injection into the Buyer's chartered marine vessel or shore tanks. Concurrently, Buyer executes full payment via SWIFT MT103 against the fresh injection documents and title transfer certification.