

# INCOTERMS 2010

ENGLISH VERSION 1.0

INCOTERMS ARE STANDARD TRADE DEFINITIONS USED MOST COMMONLY IN INTERNATIONAL SALES CONTRACTS. THIS ILLUSTRATION SHOWS RISK & COST DISTRIBUTION BETWEEN SELLER & BUYER.



SELLER	BUYER		RISK & COST DISTRIBUTION													
			SELLER'S WAREHOUSE	LOADING AT SELLER'S WAREHOUSE	INITIAL TRANSPORT	EXPORT CUSTOMS CLEARANCE	HANDLING AT CARRIER'S WAREHOUSE	LOADING	CARGO INSURANCE	MAIN TRANSPORT	UNLOADING	HANDLING AT FREIGHT TERMINAL	IMPORT CLEARANCE, DUTY PAID	TRANSPORT TO DESTINATION	UNLOADING AT CONSIGNEE	
<b>EXW</b>		RISK														
EX-WORKS		COST														
<b>FCA</b>		RISK														
FREE CARRIER		COST														
<b>FAS</b>		RISK														
FREE ALONGSIDE SHIP		COST														
<b>FOB</b>		RISK														
FREE ON BOARD		COST														
<b>CFR</b>		RISK														
COST & FREIGHT		COST														
<b>CIF</b>		RISK														
COST, INSURANCE & FREIGHT		COST														
<b>CPT</b>		RISK														
CARRIAGE PAID TO		COST														
<b>CIP</b>		RISK														
CARRIAGE & INSURANCE PAID		COST														
<b>DAT</b>		RISK														
DELIVERED AT TERMINAL		COST														
<b>DAP</b>		RISK														
DELIVERED AT PLACE		COST														
<b>DDP</b>		RISK														
DELIVERED DUTY PAID		COST														

TO BE USED WITH ALL TRANSPORT TYPES.:

EXW	Seller delivers when they place goods at the disposal of buyer at the seller's premises or another named place not cleared for export and not loaded on any collecting vehicle. Buyer bears all risks.
FCA	Seller delivers the goods, cleared for export, to the carrier nominated by the buyer at the named place. If delivery occurs at the seller's premises, the seller is responsible for loading at seller's place.
CPT	Seller delivers the goods to the carrier nominated by him. Seller pays costs to agreed destination. Buyer bears all risks until delivery to first carrier has taken place.
CIP	Same as CPT - but insurance against the buyer's risk of loss or damage to the goods during the carriage. If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods are delivered.
DAT	Delivery to the terminal - unloaded / buyer customs clear cargo.
DAP	Delivery to specified place, not unloaded / buyer customs clear cargo.
DDP	All cost + risk paid to specified delivery place, unloading at buyer's place is not paid by seller.

TO BE USED WITH SEA TRANSPORTATION ONLY - PORT TO PORT.:

FAS	Seller delivers when the goods are placed alongside the vessel at the named port. Buyer has to bear all costs and risks of loss or damage to the goods from that moment. FAS requires the seller to clear the goods for export.
FOB	Seller delivers when the goods pass the ship's rail at the named port of shipment. Buyer bears all the costs and risks of loss or damage to the goods from that point. Seller must clear the goods for export.
CFR	FCA should be used if the parties do not intend to deliver the goods across ship's rail. Seller delivers when the goods pass the ship's rail in the port of shipment. These costs are for account of seller.
CIF	Loss or damage to the goods, as well as any additional costs due to events occurring after the time of delivery, are transferred from the seller to the buyer. Seller delivers when the goods pass the ship's rail at the port of shipment. Seller must pay carriage, insurance and freight necessary to bring the goods to the named port of destination. Seller must clear the goods for export.