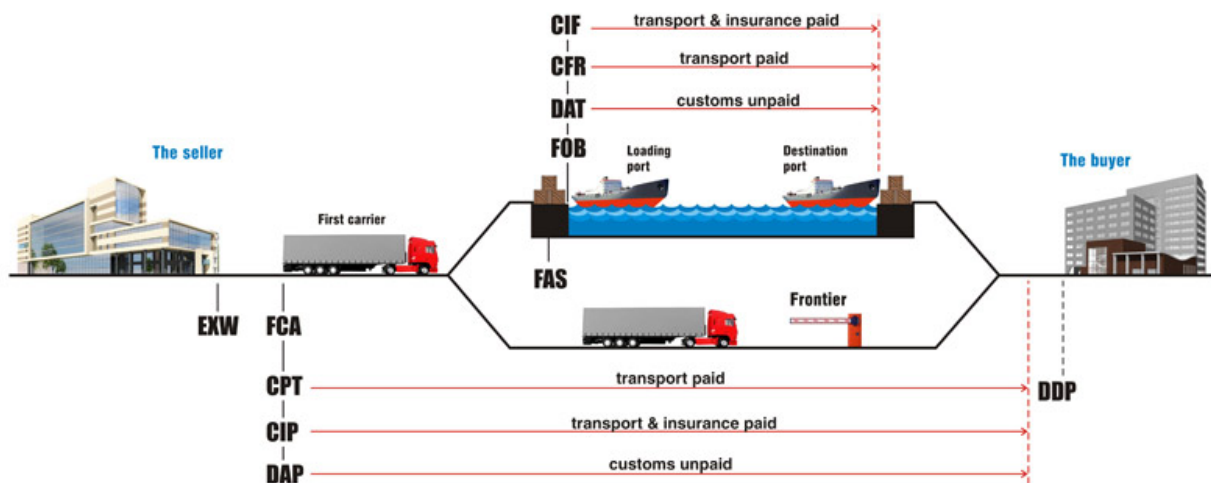


Incoterms (International Commercial Terms)

The international chamber of commerce first published in 1936 a set of international rules for the interpretation of trade terms. These rules were known as Incoterms 1936. Amendments and additions were later made as 1953, 1967, 1990 and 2000 to bring the standards in line with current [international trade](#) practices.

The following are the Incoterms



1) EXW ex-works

1. a) Carriage to be arranged by the buyer.
2. b) Risk transfer from the seller to the buyer when the goods are at the disposal of the purchaser.
3. c) Cost of assignment from the vendor to the buyer when the goods are at the disposal of the buyer.

2) FCA free carrier

1. a) Carriage has to be arranged by the buyer or either by the seller on the behalf of the buyer.
2. b) Risk transfer from the vendor to the buyer when the goods have been delivered to the carrier at the named place.
3. c) Cost transfer from the seller to the buyer when the goods have been delivered to the carrier at the named place.

3) FAS free alongside ship

1. a) Carriage to be arranged by the buyer.
2. b) Risk transfer from the seller to the buyer when the goods have been placed alongside the ship.

3. c) Cost transfer from the vendor to the buyer when the goods have been placed alongside the ship.

4) FOB free on board

1. a) Carriage to be arranged by the purchaser.
2. b) Risk transfer from the seller to the buyer when the goods pass the ship's rail.
3. c) Cost transfer from the vendor to the buyer when the goods have been placed alongside the ship.

5) CFR cost and freight

1. a) Carriage and insurance have to be arranged by the seller.
2. b) Risk transfer from the vendor to the buyer when the goods pass the ship's rail.
3. c) Cost transfer at the port of destination buyer, paying such fees as are not for the sellers account under the carriage contract.

6) CIF (COST insurance and freight)

1. a) Carriage and insurance have to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods pass the ship's rail.
3. c) Cost transfer at the port of destination buyer, paying such costs as are not for the sellers account under the carriage contract.

7) CPT – Carriage Paid to (duty paid)

a) carriage and insurance have to be arranged by the seller.

1. b) Risk transfer from the seller to the buyer when the goods pass the ship's rail.
2. c) Cost transfer at the port of destination buyer, paying such costs as are not for the sellers account under the carriage contract.

8) CIP Carriage and Insurance paid to

1. a) Carriage and insurance have to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods pass the ship's rail.
3. c) Cost transfer at the port of destination buyer, paying such costs as are not for the sellers account under the carriage contract.

9) DAF (Delivered at Frontier)

1. a) Carriage to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods have been de;covered at the frontier.
3. c) Cost transfer from the seller to the buyer when the goods have been delivered at the frontier.

10) DES (Delivered ex-ship)

1. a) Carriage to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on the board of the ship.
3. c) Cost transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on the board of the ship.

11) DEQ (Delivered EX quay)

1. A) Carriage to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on the board of the ship.
3. c) Cost transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on board of the ship.

12) DDU (delivered duty unpaid)

1. a) Carriage to be arranged by the seller.
2. b) Risk transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on the board of the ship.
3. c) Cost transfer from the seller to the buyer when the goods are placed at the disposal of the buyer on the board of the ship.