



CORVUS

Incoterms 2010

Terms & Abbreviations

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Ex Works (EXW)

This places minimum responsibility on the seller, who simply has to make the goods available, appropriately packaged and at a specific pick up point which is usually the seller's factory or depot. It is the buyer's responsibility to load the goods onto a vehicle, adhere to all export procedures, arrange any onward transport and cover all costs that arise after the collection of goods.

Free Carrier (FCA)

FCA is the main choice for containerised goods where the buyer arranges the main carriage and assumes all risks and costs after the goods have been delivered at the named destination. The seller arranges pre-carriage from the seller's depot to the named place and is responsible for export clearance in most cases.

Free Alongside Ship (FAS)

Seller delivers goods that have been cleared for export, alongside the vessel, at the named port. Risk then passes to the buyer who is responsible for loading the goods and all costs including transportation and insurance.

Free On Board Vessel (FOB)

Seller delivers goods that have been cleared for export, loaded on board the vessel, at the named port. Once on board, risk passes to the buyer who assumes all costs.

Cost and Freight (CFR)

Seller arranges and covers the cost of transport to the named port. Seller delivers goods, cleared for export, loaded on board the vessel. Risk transfers to buyer before the main carriage takes place. Seller is not responsible for insuring goods for the main carriage.

Cost Insurance and Freight (CIF)

Suitable for bulk cargos or non-containerised goods. Seller arranges and pays for transport including insurance to named port and delivers goods, cleared for export, loaded on board the vessel. Risk transfers from seller to buyer once goods have been loaded on board.

Carriage Paid to (CPT)

Seller is responsible for arranging carriage to the named place but not for insuring the goods. Once delivery takes place, risk transfers from seller to buyer where the goods are taken in charge by the carrier. The buyer should enquire whether the CPT price includes terminal handling charges (THC) and may wish to arrange insurance cover for the main carriage when the carrier takes charge of the goods.

Carriage Insurance Paid to (CIP)

Seller is responsible for insuring the goods to the named place although there is a level of insurance cover that the seller is obliged to obtain. All other rules remain the same as CPT.

Deliver at Terminal (DAT)

Seller is responsible for arranging carriage and for delivering the goods, unloaded from the arriving conveyance, at the named place. Risk transfers from seller to buyer when the goods have been unloaded. 'Terminal' can be a quay, container yard, warehouse or transport hub. The buyer is responsible for import clearance and any local taxes or import duties. Many ports and transport hubs are very large so the place of delivery should be as precise as possible.

Delivered at Place (DAP)

Risk transfers from seller to buyer when the goods are available for unloading, (unloading is at the buyers risk). All other rules remain the same as DAT.

Delivered Duty Paid (DDP)

Seller is responsible for arranging carriage and delivering goods at the named place, cleared for import and all applicable taxes and duties paid (e.g. VAT, GST). Risk transfers from seller to buyer when the goods are made available to the buyer, ready for unloading from the arriving conveyance. This is the only rule that places maximum responsibility on the seller to be accountable for import clearance and payment of taxes and/or import duty.