



# Incoterms 2012



E/F	Group E (Departure)	Group F (Main Carriage Not Paid By Seller)		
	<b>EXW</b> Exworks (...named place)	<b>FCA</b> Free Carrier(...named place)	<b>FAS</b> Free Alongside Ship(...named port of shipment)	<b>FOB</b> Free On Board(...named port of shipment)
Service	Responsibility & charges	Responsibility & charges	Responsibility & charges	Responsibility & charges
Warehouse storage at origine	Seller	Seller	Seller	Seller
Warehouse labour charge at point	Seller	Seller	Seller	Seller
Export Packing at Point of Origine	Seller	Seller	Seller	Seller
Loading at Point of Origine	Buyer	Seller	Seller	Seller
Inland Freight	Buyer	Buyer	Seller	Seller
Port Receiving Charged	Buyer	Buyer	Seller	Seller
Forwarders fee	Buyer	Buyer	Seller	Seller
Loading on Ocean Carrier	Buyer	Buyer	Buyer	Seller
Ocean / Air Freight	Buyer	Buyer	Buyer	Buyer
Charges in Arrival port	Buyer	Buyer	Buyer	Buyer
Custom Duties and Taxes Abroad	Buyer	Buyer	Buyer	Buyer
Delivery Charges at final destination	Buyer	Buyer	Buyer	Buyer

C	Group C (Main Carriage Paid By Seller)			
	<b>CFR</b> Cost & Freight (...named port of destination)	<b>CIF</b> CostInsurance Freight (...named port of destination)	<b>CPT</b> Carriage Paid to (...named place of destination)	<b>CIP</b> Carriage Insurance Paid to (...named place of destination)
Service	Responsibility & charges	Responsibility & charges	Responsibility & charges	Responsibility & charges
Warehouse storage at origine	Seller	Seller	Seller	Seller
Warehouse labour charge at point	Seller	Seller	Seller	Seller
Export Packing at Point of Origine	Seller	Seller	Seller	Seller
Loading at Point of Origine	Seller	Seller	Seller	Seller
Inland Freight	Seller	Seller	Seller	Seller
Port Receiving Charged	Seller	Seller	Seller	Seller
Forwarders fee	Seller	Seller	Seller	Seller
Loading on Ocean Carrier	Seller	Seller	Seller	Seller
Ocean / Air Freight	Seller	Seller	Seller	Seller
Charges in Arrival port	Buyer	Buyer	Seller	Seller
Custom Duties and Taxes Abroad	Buyer	Buyer	Buyer	Buyer



Delivery Charges at final destination	Buyer	Buyer	Buyer	Buyer
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D	Group D (Arrival)				
	DAF Delivery at Frontier(...named port of destination)	DES Delivery Ex-ship(...named port of destination)	DEQ Delivery Ex-quay Duty Paid(...named place of destination)	DDU Delivery Duty Unpaid(...named place of destination)	DDP Delivery Duty Paid(...named place of destination)
Service	Responsibility & charges	Responsibility & charges	Responsibility & charges	Responsibility & charges	Responsibility & charges
Warehouse storage at origine	Seller	Seller	Seller	Seller	Seller
Warehouse labour charge at point	Seller	Seller	Seller	Seller	Seller
Export Packing at Point of Origine	Seller	Seller	Seller	Seller	Seller
Loading at Point of Origine	Seller	Seller	Seller	Seller	Seller
Inland Freight	Seller	Seller	Seller	Seller	Seller
Port Receiving Charged	Seller	Seller	Seller	Seller	Seller
Forwarders fee	Seller	Seller	Seller	Seller	Seller
Loading on Ocean Carrier	Seller	Seller	Seller	Seller	Seller
Ocean / Air Freight	Seller	Seller	Seller	Seller	Seller
Charges in Arrival port	Seller	Buyer	Seller	Seller	Seller
Custom Duties and Taxes Abroad	Buyer	Buyer	Seller	Buyer	Seller
Delivery Charges at final destination	Buyer	Buyer	Buyer	Seller	Seller

Incoterms	
<b>EXW</b>	<p><b>EX WORKS (EXW)</b></p> <p>Ex works means that the seller's only responsibility is to make the goods available at his premises (that is, works or factory). In particular, he is not responsible for loading the goods in a vehicle provided by the buyer, unless otherwise agreed. The buyer bears the full cost and risk involved in bringing the goods from there to the desired destination. This term thus represents the minimum obligation for the seller.</p> <p>Apply only at the point of origin, and the seller agrees to place the goods at the disposal of the buyer at the specified place on the date or within the fixed period. All other charges are payable by the buyer.</p> <p>The seller (exporter) makes the goods available to the buyer (importer) at the seller's premises. The buyer is responsible for all transportation costs, duties, and insurance, and accepts risk of loss of goods immediately after the goods are purchased and placed outside the factory door. The ExWorks price does not include the price of loading goods onto a truck or vessel, and no allowance is made for clearing customs. If FOB is the Customs valuation basis of the goods in the country of destination, the transportation and insurance costs from the seller's premises to the port of export must be added to the ExWorks price.</p>
<b>FAS</b>	<p><b>FREE ALONGSIDE SHIP (FAS)</b></p> <p>Under this term the seller's obligations are fulfilled when the goods have been placed alongside the ship on the quay or in</p>



	<p>lighters. This means that the buyer has to bear all costs and risks of loss or damage to the goods from that moment. It should be noted that, unlike FOB, the present term requires the buyer to clear the goods for export.</p> <p>The exporter quotes a price for the goods, including charges for delivery of the goods alongside a vessel at the port. The seller handles the cost of unloading and wharfage. Loading, ocean transportation, and insurance are left to the buyer.</p> <p>The seller transports the goods from his place of business, clears the goods for export and places them alongside the vessel at the port of export, where the risk of loss shifts to the buyer. The buyer is responsible for loading the goods onto the vessel (unless specified otherwise) and for paying all costs involved in shipping the goods to the final destination.</p>
<b>FCA</b>	<p><b>FREE CARRIER (FCA)</b></p> <p>This term meets the requirements of modern transport, particularly such "multimodal" transport as containers or RO/RO (roll on - roll off) traffic by trailers and ferries. It is based on the same principle as FOB except that the seller's obligations are fulfilled when the goods are delivered into the custody of the carrier at the named point. If no precise point can be mentioned at the time of the contract of sale, the parties should refer to the place or range where the carrier should take charge of the goods. The risk of loss or damage to the goods is transferred from seller to buyer at that time and not at the ship's rail. "Carrier" means any person by whom or in whose name a contract of carriage by road, rail, air, sea, or a combination of modes has to furnish a bill of lading, waybill or carrier's receipt, the obligation is duly fulfilled by presenting such a document issued by a person so defined.</p> <p>Applies only at a designated inland shipping point. The seller is responsible for loading goods into the means of transportation; the buyer is responsible for all subsequent expenses. If a port of exportation is named, the costs of transporting the goods to the named port are also included in the price.</p> <p>The seller (exporter) clears the goods for export and delivers them to the carrier and place specified by the buyer. If the place chosen is the seller's place of business, the seller must load the goods onto the transport vehicle; otherwise, the buyer is responsible for loading the goods. Buyer assumes risk of loss from that point forward and must pay for all costs associated with transporting the goods to the final destination.</p>
<b>FOB</b>	<p><b>FREE ON BOARD (FOB)</b></p> <p>Under this term, the goods are placed on board a ship by the seller at a port of shipment named in the sales contract. The risk of loss or damage to the goods is transferred to the buyer when the goods pass the ship's rail. For air shipments, goods delivered to the carrier at the airport fulfill seller's obligations, (For RO/RO and Seller shipments, see FCA.</p> <p>The seller quotes a price covering all expenses up to and including delivery of goods onto an overseas vessel provided by or for the buyer.</p> <p>The seller (exporter) is responsible for delivering the goods from his place of business and loading them onto the vessel of at the port of export as well as clearing customs in the country of export. As soon as the goods cross the "ships-rails" (the ship's threshold) the risk of loss transfers to the buyer (importer). The buyer must pay for all transportation and insurance costs from that point, and must clear customs in the country of import. An FOB transaction will read "FOB, port of export". For example, assuming the port of export is Boston, an FOB transaction would read "FOB Boston". If CIF is the Customs valuation basis, international freight and insurance must be added to the FOB value.</p>
<b>FOB AIRPORT</b>	<p><b>FOB AIRPORT</b></p> <p>This term is very similar to the FOB term. The seller fulfils his obligation by delivering the goods to the air carrier at the airport of departure. The risk of loss is transferred from the seller to the buyer at such time.</p>
<b>FOR or FOT</b>	<p><b>FREE ON RAIL (FOR) or FREE ON TRUCK (FOT)</b></p> <p>"F.O.R." and "F.O.T." mean "free on rail" or "free on truck." Both refer to goods being carried by rail and should only be used when the goods are carried by rail. The risk of loss or damage is transferred when the goods are loaded onto the rail.</p>
<b>CFR or C&amp;F</b>	<p><b>COST AND FREIGHT (CFR OR C&amp;F)</b></p>



	<p>This term requires the seller to pay the costs and freight necessary to bring the goods to the named destination, but the risk of loss or damage to the goods, as well as any cost increases, are transferred from the seller to the buyer when the goods pass the ship's rail in the port of shipment. Insurance is the buyer's responsibility.</p> <p>The seller quotes a price for the goods, including the cost of transportation to the named port of debarkation. The cost of insurance and the choice of insurer are left to the buyer</p> <p>The seller (exporter) is responsible for clearing the goods for export, delivering the goods past the ships rail at the port of shipment and paying international freight charges. The buyer assumes risk of loss once the goods cross the ship's rail, and must purchase insurance, unload the goods, clear customs, and pay for transport to deliver the goods to their final destination. If FOB is the Customs valuation basis, the international freight costs must be deducted from the CFR price.</p>
<b>CIP</b>	<p><b>FREIGHT CARRIAGE AND INSURANCE PAID TO (CIP)</b></p> <p>The seller pays the freight for carriage of the goods to the named destination, and the cost for insurance against the risk of loss or damage to the goods during carriage. These risks, as well as any cost increases, are transferred to the buyer when the goods have been delivered into the custody of the first carrier and not at the ship's rail. It can be used for all modes of transport including multimodal operations, container and RO/RO traffic by trailers and ferries. When the seller must furnish a bill of lading, waybill, or carrier's receipt, the obligation is fulfilled by presenting such document issued by the person with whom the contract for carriage to the named destination was made. Seller is only required to cover goods with minimum insurance. Seller also must clear goods for export. This applies to all modes.</p> <p>The seller transports the goods to the port of export, clears Customs, and delivers them to the carrier. From that point risk of loss shifts to the buyer. Seller is responsible for carriage and insurance costs to the named place of destination. The buyer is responsible for all costs, and bears risk of loss from that point forward. If FOB is the Customs valuation basis, international freight and insurance costs need to be deducted from the CIP price.</p>
<b>CIF</b>	<p><b>COST, INSURANCE AND FREIGHT (CIF)</b></p> <p>Basically the same as CFR, but with the addition that the seller must procure marine insurance against the risk of loss or damage to the goods during the carriage. The seller contracts with the insurer and pays the insurance premium.</p> <p>The seller quotes a price including insurance, all transportation, and miscellaneous charges to the point of debarkation from the vessel or aircraft.</p> <p>The seller (exporter) is responsible for delivering the goods onto the vessel of transport and clearing Customs in the country of export. He is also responsible for purchasing insurance, with the buyer (importer) named as the beneficiary. Risk of loss transfers to buyer as the goods cross the ship's rail. If these goods are damaged or stolen during international transport, the buyer owns the goods and must file a claim based on insurance procured by the seller. The buyer must clear customs in the country of import and pay for all other transport and insurance in the country of import. CIF can be used as an Incoterm only when the international transport of goods is at least partially by water. If FOB is the Customs valuation basis, the international insurance and freight costs must be deducted from the CIF price. A CIF transaction will read CIF, port of destination. For example, assuming that goods are exported to the port of Los Angeles, a CIF transaction would read "CIF Los Angeles".</p>
<b>CPT</b>	<p><b>CARRIAGE PAID TO ...(CPT)</b></p> <p>Seller pays freight for carriage of goods to the named destination. Risk of loss or damage, plus any additional costs due to events occurring after goods are delivered to carrier, are transferred from seller to buyer. "Carrier" applies to all modes of transport. If subsequent carriers are used, risk passes when goods are delivered to first carrier. The CPT term requires seller to clear goods for export.</p> <p>The seller (exporter) clears the goods for export, delivers them to the carrier and is responsible for carriage costs to the named place of destination. Risk of loss transfers to buyer once the goods are transferred to the carrier and the buyer must insure the goods from that time on. If FOB is the Customs valuation basis, the international freight cost must be deducted from the CPT price.</p>
<b>DAF</b>	<p><b>DELIVERED AT FRONTIER (DAF)</b></p> <p>Seller fulfills delivery obligation when goods have been made available, cleared for export, at the named point and place, at</p>



	<p>the frontier, but before the customs border of the adjoining country, Primarily used for rail or road, but may be used for any mode.</p> <p>The seller (exporter) is responsible for all costs involved in delivering the goods to the named point and place at the frontier. Risk of loss transfers at the frontier. The buyer must pay the costs and bear the risk of unloading the goods, clearing Customs, and transporting the goods to the final destination. If FOB is the Customs valuation basis, the international insurance and freight costs must be deducted from the DAF price.</p>
<b>DES</b>	<p><b>DELIVERED EX SHIP (DES)</b></p> <p>Seller has goods available to the buyer aboard ship, uncleared for import at destination port. Seller pays costs and bears risks in bringing goods to destination port. Applies to sea or inland waterway transport.</p> <p>The seller (exporter) is responsible for all costs involved in delivering the goods to a named port of destination. Upon arrival, the goods are made available to the buyer (importer) on-board the vessel. Therefore, the seller is responsible for all costs/risk of loss prior to unloading at the port of destination. The buyer (importer) must have the goods unloaded, pay duties, clear Customs and provide inland transportation &amp; insurance to the final destination.</p>
<b>DEQ</b>	<p><b>DELIVERED EX QUAY (DEQ)</b></p> <p>Seller has goods available to buyer on the quay (wharf) at destination port, cleared for import. Seller bears all risks and costs including duties, taxes, and other delivery charges. If buyer is to clear goods for import, and pay duty, "duty unpaid" is used instead of duty paid.</p> <p>The seller (exporter) is responsible for all costs involved in transporting the goods to the wharf (quay) at the port of destination. The buyer must pay duties, clear Customs, and pay the cost/bear the risk of loss from that point forward. If FOB is the Customs valuation basis, the international insurance and freight costs, in addition to unloading costs, must be deducted from the DEQ price.</p>
<b>DDU</b>	<p><b>DELIVERED DUTY UNPAID (DDU)</b></p> <p>Same as DEQ except seller bears costs and risks of goods thereto, excluding duties, taxes, and other official charges payable on import, as well as the costs and risks of carrying out customs formalities. Buyer also bears risks and costs caused by failure to clear goods for import in time.</p> <p>Only the destination, customs duties and taxes are paid by the consignee (customer)</p> <p>The seller (exporter) is responsible for all costs involved in delivering the goods to a named place of destination where the goods are placed at the disposal of the buyer. The buyer (importer) assumes risk of loss at that point and must clear Customs and pay duties and provide inland transportation &amp; insurance to the final destination.</p>
<b>DDP</b>	<p><b>DELIVERED DUTY PAID (DDP)</b></p> <p>Seller has goods available in country of import and bears all costs and risks including duties, taxes, and other charges related to delivery, cleared for import. While EXW represents minimum obligation for the seller, DDP represents the maximum obligation. If seller is unable to obtain import license, DDU term should be used.</p> <p>The seller delivers the goods, with import duties paid, including inland transportation from import point to the buyer's premises.</p> <p>The seller (exporter) is responsible for all costs involved in delivering the goods to a named place of destination and for clearing Customs in the country of import. Under a DDP Incoterm, the seller provides literally door-to-door delivery, including Customs clearance in the port of export and the port of destination. Thus the seller bears the entire risk of loss until goods are delivered to the buyer's premises. A DDP transaction will read "DDP named place of destination". For example, assuming goods imported through Baltimore are delivered to Silver Spring, the Incoterm would read "DDP, Silver Spring". If CIF is the Customs valuation basis, the costs of unloading the vessel, clearing Customs, and delivery to the buyer's premises in the country of destination including inland insurance, must be deducted to arrive at the CIF value.</p>



OTHER INCOTERMS TERMS	Other Trading Terms & Variations Nearest Meaning in Incoterms
<b>EXF</b> Ex Factory	<b>EXW</b> Exworks
<b>PAF</b> Packed at Factory	<b>EXW</b> Exworks
<b>FOT</b> Free on Truck	<b>FCA</b> Free Carrier
<b>FOR</b> Free on Rail	<b>FCA</b> Free Carrier
<b>C&amp;F</b> Carriage & Freight	<b>CFR</b> Cost & Freight
<b>DIS</b> Deilvery into Store	<b>DDU</b> Delivered Duty Unpaid <b>DDP</b> Delivered Duty Paid
<b>FIS</b> Free into Storage	<b>DDP</b> Delivered Duty Paid
<b>DOOR TO DOOR</b>	<b>DDP</b> Delivered Duty Paid
<b>FREE DOMICILE</b>	<b>DDP</b> Delivered Duty Paid

	Applicable for sea transport only	Applicable for all modes of transport (including water)
Departure term		<b>EXW</b> (Ex Works)
Shipment term, main carriage unpaid	<b>FAS</b> (Free Alongside Ship) <b>FOB</b> (Free On Board)	<b>FCA</b> (Free Carrier)
Shipment term, main carriage paid	<b>CFR</b> (Cost and Freight) <b>CIF</b> (Cost, Insurance and Freight)	<b>CPT</b> (Carriage Paid To) <b>CIP</b> (Carriage and Insurance Paid to)
Delivery term	<b>DES</b> (Delivered Ex Ship) <b>DEQ</b> (Delivered Ex Quay)	<b>DAF</b> (Delivered At Frontier) <b>DDU</b> (Delivered Duty Unpaid) <b>DDP</b> (Delivered Duty Paid)

Transfer of Risks:	
<b>EXW</b>	When the goods are at the disposal of the buyer
<b>FCA</b>	When the goods have been delivered to the carrier at the named place
<b>FAS</b>	When the goods have been placed alongside the ship
<b>FOB</b>	When the goods pass the ship's rail
<b>CFR</b>	When the goods pass the ship's rail
<b>CIF</b>	When the goods pass the ship's rail
<b>CPT</b>	When the goods have been delivered to the carrier
<b>CIP</b>	When the goods have been delivered to the carrier
<b>DAF</b>	When the goods have been delivered to the carrier
<b>DES</b>	When the goods are placed at the disposal of the buyer on board the ship
<b>DEQ</b>	When the goods are placed at the disposal of the buyer on the quay
<b>DDU</b>	When the goods are placed at the disposal of the buyer
<b>DDP</b>	When the goods are placed at the disposal of the buyer