

## Foreword

*By Rajat Gupta, ICC Cchairman*

The global economy has given business broader access than ever before to markets all over the world. Goods are sold in more countries, in large quantities, and in greater variety. But as the volume and complexity of global sales increase, so do possibilities for misunderstandings and costly disputes when sale contracts are not adequately drafted.

The Incoterms® rules, the ICC rules on the use of domestic and international trade terms, facilitate the conduct of global trade. Reference to an Incoterms 2010 rule in a sale contract clearly defines the parties' respective obligations and reduces the risk of legal complications.

Since the creation of the Incoterms rules by ICC in 1936, this globally accepted contractual standard has been regularly updated to keep pace with the development of international trade. The Incoterms 2010 rules take account of the continued spread of customs-free zones, the increased use of electronic communications in business transactions, heightened concern about security in the movement of goods and consolidates in transport practices. Incoterms 2010 updates and consolidates the 'delivered' rules, reducing the total number of rules from 13 to 11, and offers a simpler and clearer presentation of all the rules. Incoterms 2010 is also the first version of the Incoterms rules to make all references to buyers and sellers gender-neutral.

The broad expertise of ICC's Commission on Commercial Law and Practice, whose membership is drawn from all parts of the world and all trade sectors, ensures that the Incoterms 2010 rules respond to business needs everywhere defines the parties' respective obligations and reduces the risk of legal complications.

ICC would like to express its gratitude to the members of the Commission, chaired by Fabio Bortolotti (Italy), to the Drafting Group, which comprised Charles Debattista (Co-Chair, France), Jens Bredow (Germany), Johnny Herre (Sweden), David Lwee (UK), Lauri Railas (Finland), Frank Reynolds (US), and Miroslav Subert (Szech Republic), and to Asko Raty (Finland) for assistance with the images depicting the 11 rules.

## 前言

**国际商会主席 Rajat Gupta**

全球经济一体化使得商业通向世界各地市场的途径空前宽广。各种各样的货物被销售到世界各地。然而，随着全球贸易数额的增加和贸易复杂性的加强，因贸易合同起草不恰当而带来的误解和高代价争端也可能随之增加。

国际贸易术语解释通则，国际商会规则在国内和国际贸易用语的使用促进了全球贸易的进行。在贸易合同中引用国际贸易术语解释通则 2010 可明确界定各方义务并降低法律纠纷产生的风险。

自从 1936 年国际商会制定出国际贸易术语解释通则之后，此项在全球范围内被采用的合同标准就经常性更新换代，与国际贸易的发展步调一致。国际贸易术语解释通则 2010 考虑了免税贸易区的不断增加，电子沟通在商务中的不断增多，以及被更加重视的货物运输中的安全和变化等问题。国际贸易术语解释通则 2010 更新并加强了交货规则，将规则总量从 13 条减少到了 11 条，并且使得所有规则的表述更加简洁明确。国际贸易术语解释通则 2010 同时也是第一个使得所有在买卖双方中的适用保持中立的第一个国际贸易术语解释版本。

国际商会的商法和实践委员会成员来自世界各地和多个贸易部门，该委员会广泛的专业技能确保了国际贸易术语解释通则 2010 与各地的商贸需求相适应。

国际商会向 Fabio Bortolotti (意大利) 的商法和实践委员会的成员表示谢意，向由 Charles Debattista (副组长, 英国), Christoph Martin Radtke (副组长, 法国), Jens Bredow (德国), Johnny Herre (瑞典), David Lwee (英国), Lauri Railas (芬兰), Frank Reynold (美国), Miroslav Subert (捷克) 组成的起草小组致谢，并且向对 11 条规则的表述给予帮助的 Asko Raty (芬兰) 致谢。

# INTRODUCTION

The Incoterms® rules explain a set of three-letter trade terms reflecting business-to-business practice in contracts for the sale of goods. The Incoterms® rules describe mainly the tasks, costs and risks involved in the delivery of goods from sellers to buyers.

## How to use the Incoterms® 2010 rules

### 1. Incorporate the Incoterms® 2010 rules into your contract of sale

If you want the Incoterms® 2010 rules to apply to your contract, you should make this clear in the contract, through such words as, “[the chosen Incoterms rule including the named place, followed by] Incoterms® 2010”.

### 2. Choose the appropriate Incoterms rule

The chosen Incoterms rule needs to be appropriate to the goods, to the means of their transport, and above all to whether the parties intend to put additional obligations, for example such as the obligation to organize carriage or insurance, on the seller or on the buyer. The Guidance Note to each Incoterms rule contains information that is particularly helpful when making this choice. Whichever Incoterms rule is chosen, the parties should be aware the interpretation of their contract may well be influenced by customs particular to the port or place being used.

### 3. Specify your place or port as precisely as possible

The chosen Incoterms rule can work only if the parties name a place or port, and will work best if the parties specify the place or port as precisely as possible.

A good example of such precision would be::

“FCA 38 Cours Albert 1er, Paris, France Incoterms 2010”.

Under the Incoterms rule Ex Works(EXW), Free Carrier(FCA), Delivered at Terminal(DAT), Delivered at Place(DAP), Delivered Duty Paid(DDP), Free Alongside Ship(FAS), and Free on Board(FOB), the named place is the place where delivery takes place and where risk passes from the seller to the buyer.

# 介绍

Incoterms®規則規定了一系列在貨物銷售商業合同實踐中使用的三字母系列貿易術語。Incoterms®規則主要描述了貨物從賣方到買方運輸過程中涉及的责任，費用和風險的划分。

## 如何适用 Incoterms®2010 规则

### 1. 把 Incoterms®2010 规则应用到销售合同中

如果要使合同适用 Incoterms 规则 2010, 应在合同中明确表明, 例如: 所選擇的 Incoterms 規則 (含指定地點) 適用 Incoterms®規則 2010。

### 2. 选择适宜的 Incoterms 规则

所選的 Incoterms 规则需要与貨物, 采取的运输方式相适宜, 最重要的是合同双方是否意欲添加额外的义务, 例如将办理运输或保险的義務加于買方或賣方。每个貿易術語的指導性解釋中的信息对作出如此的決定非常有帮助。不论选用何种 Incoterms 规则, 双方应该意识到对合同的解释会受到使用的港口或地址慣例影响。

### 3. 尽可能精准地描述你方地址或港口名称

只有当事人双方选定特定的一个收货地或港口时, 所选术语才能发挥作用。地点或港口名称越精准, Incoterms 规则越有效。以下精准描述就是一个很好的例子:

Incoterms 2010, FCA 规则, 法国, 巴黎, 38 Cours Albert 1er

在 Incoterms 规则下:

- EXW** 工厂交货 (……指定地点)
- FCA** 货交承运人 (……指定地点)”
- DAT** 终点站交货 (……指定目的地)
- DAP** 地点交货 (……指定目的地)
- DDP** 完税后交货 (……指定目的地)
- FAS** 船边交货 (……指定装运港)
- FOB** 船上交货 (……指定装运港)

此处所指地点为交货地点, 同时风险也从賣方转移至買方

Under the Incoterms rule Carriage Paid to (CPT), Carriage and Insurance Paid to (CIP), Cost and Freight (CFR) and Cost, Insurance and Freight (CIF), the named place differs from the place of delivery. Under these four Incoterms rules, the named place is the place of destination to which carriage is paid.

Indications as to place or destination can helpfully be further specified by stating a precise point in that place or destination in order to avoid doubt or argument.

#### **4. Remember that Incoterms rules do not give you a complete contract of sale**

Incoterms rules *do* say which party to the sale contract has the obligation to make carriage or insurance arrangements, when the seller delivers the goods to the buyer, and which costs each party is responsible for.

Incoterms rules, however, say nothing about the price to be paid or the method of its payment. Neither do they deal with the transfer of ownership of the goods, or the consequences of a breach of contract. These matters are normally dealt with through express terms in the contract of sale or in the law governing that contract. The parties should be aware that mandatory local law may override any aspect of the sale contract, including the chosen Incoterms rules.

#### **Main features of the Incoterms®2010 rules**

- 1. Two new Incoterms rules — DAT and DAP— have replaced the Incoterms 2000 rules DAF, DES, DEQ and DDU**

**The number of Incoterms rules has been reduced from 13 to 11.** This has been achieved by substituting two rules that may be used irrespective of the agreed mode of transport — DAT, Delivered at Terminal, and DAP, Delivered at Place — for the incoterms 2000 rules DAF, DES, DEQ and DDU.

Incoterms 规则下

CPT 运费付至 (……指定目的地)

CIP 运费、保险费付至 (…指定目的地)

CFR 成本加运费 (……指定目的港)

CIF 成本、保险费 加运费 (指定目的港)

所指地点随交货地不同而不同。在这些 Incoterms 规则下, 所指地点为运费付至地。

为了避免疑问和争议, 指定地点或目的地可以进一步阐述为一个精确的地点。

#### **4. 谨记 Incoterms 规则并没有给当事人提供一份完整的销售合同**

Incoterm 规则确有阐述销售合同中当事人的特定义务, 当卖方将货物运至买方时, 办理运输和保险义务的承担。

然而, Incoterms 并没有任何关于付款价格或付款方式的规定, 或是货物所有权的转移, 违约的后果等。这些问题通常是通过销售合同的明示条款和适用的法律条文来解决。当事人需要注意的是, 当地强制适用的法律有可能优先于销售合同的内容, 包括所选择的 Incoterms 规则。

#### **Incoterms®2010 的主要特征**

- 1. 两个新的贸易术语, 即 DAT 和 DAP 代替了原来 Incoterms2000 的 DAF, DES, DEQ 和 DDU 术语。**

**贸易术语的数量从原来的 13 个减少到 11 个。**

Incoterms2010 用两个可以不顾及已议定的运输模式的新术语——DAT, 目的地交货和 DAP, 指定地交货——代替了 Incoterms2000 中的 DAF, DES, SEQ 和 DDU 术语。

Under both new rules, delivery occurs at a named destination: in DAT, at the buyer's disposal unloaded from the arriving vehicle (as under the former DEQ rule); in DAP, likewise at the buyer's disposal, but ready for unloading (as under the former DAF, DES and DDU rules).

The new rules make the Incoterms 2000 rules DES and DEQ superfluous. The named terminal in DAT may well be in a port, and DAT can therefore safely be used in cases where the Incoterms 2000 rule DEQ once was. Likewise, the arriving "vehicle" under DAP may well be a ship and the named place of destination may well be a port: consequently, DAP can safely be used in cases where the Incoterms 2000 rule DES once was. These new rules, like their predecessors, are "delivered", with the seller bearing all the costs (other than those related to import clearance, where applicable) and risks involved in bringing the goods to the named place of destination.

## 2. Classification of the 11 Incoterms® 2010 rules

The 11 Incoterms® 2010 rules are presented in two distinct classes:

### RULES FOR ANY MODE OR MODES OF TRANSPORT

EXW	EX WORKS
FCA	FREE CARRIER
CPT	CARRIAGE PAID TO
CIP	CARRIAGE AND INSURANCE PAID TO
DAT	DELIVERED AT TERMINAL
DAP	DELIVERED AT PLACE
DDP	DELIVERED DUTY PAID

### RULES FOR SEA AND INLAND WATERWAY TRANSPORT

FAS	FREE ALONGSIDE SHIP
FOB	FREE ON BOARD
CFR	COST AND FREIGHT
CIF	COST INSURANCE AND FREIGHT

DAT 和 DAP 术语都规定需在指定地点交货：在 DAT 情况下，从运输工具上卸下货物交由买方处置（这和先前的 DEQ 术语一样）；在 DAP 情况下同样交由买方处置，但需做好卸货的准备（这和先前的 DAF, DES 和 DDU 术语一样）。

新贸易术语的使用，使 Incoterms2000 中的 DES 和 DEQ 成为多余。DAT 的目的地可以是港口，因此 DAT 可以用于在 Incoterms2000 下 DEQ 适用的情况。同样的，DAP 中运达货物的交通工具可以是轮船，而目的地也可以是港口，因此 DAP 可以用于 Incoterms2000 下 DES 适用的情况。这两个新的术语，和先前的几个术语一样，是由卖方承担所有费用（除了与进口清算有关的费用）和货物到达目的地前的风险。

## 2. Incoterms®2010 中 11 种贸易术语的分类

Incoterms®2010 11 种贸易术语目前被分为两类：

### 适用于任何运输方式的术语：

EXW	工厂交货
FCA	货交承运人
CPT	运费付至
CIP	运费及保险费付至
DAT	目的地交货
DAP	所在地交货
DDP	完税后交货

### 适用于海上和内陆水上运输的术语：

FAS	船边交货
FOB	船上交货
CFR	成本加运费
CIF	成本、保险费加运费

The first class includes the seven Incoterms® 2010 rules that can be used irrespective of the mode of transport selected and irrespective of whether one or more than one mode of transport is employed. EXW, FCA, CPT, CIP, DAT, DAP and DDP belong to this class. They can be used even when there is no maritime transport at all. It is important to remember, however, that these rules can be used in cases where a ship is used for part of the carriage.

In the second class of Incoterms® 2010 rules, the point of delivery and the place to which the goods are carried to the buyer are both ports, hence the label “sea and inland waterway” rules. FAS, FOB, CFR and CIF belong to this class. **Under the last three Incoterms rules, all mention of the ship’s rail as the point of delivery has been omitted in preference for the goods being delivered when they are “on board” the vessel. This more closely reflects modern commercial reality and avoids the rather dated image of the risk swinging to and fro across an imaginary perpendicular line.**

### 3. Rules for domestic and international trade

Incoterms rules have traditionally been used in international sale contracts where goods pass across national borders. In various areas of the world, however, trade blocs, like the European Union, have made border formalities between different countries less significant. **Consequently, the subtitle of the Incoterms® 2010 rules formally recognize that they are available for application to both international and domestic sale contracts.** As a result, the Incoterms® 2010 rules clearly state in a number of places that the obligation to comply with export/import formalities exists only where applicable.

**Two developments have persuaded ICC that a movement in this direction is timely. Firstly, traders commonly use Incoterms rules for purely domestic sale contract. The second reason is the greater willingness in the United States to use Incoterm rules in domestic trade rather than the former Uniform Commercial Code shipment and delivery terms.**

第一种分类中的七种贸易术语不用考虑所选用运输方式的种类。EXW, FCA, CPT, CIP, DAT, DAP 和 DDP 都属于第一种分类。它们甚至可以运用于没有海上运输的情况下。谨记只要运输中一个部分运用过船只便可以适用此类术语。

在第二类术语中，交货点和把货物送达买方的地点都是港口，所以只适用于“海上或内陆水上运输”。FAS, FOB, CFR 和 CIF 都属于这一类。**最后的三个术语，删除了以越过船舷为交货标准而代之以将货物装运上船。这更准确的反应了现代商业现实，避免了以往风险围绕船舷这条虚拟垂线来回摇摆。**

### 3. 国内贸易和国际贸易的规定

传统的 Incoterms 规则只在国际销售合同中运用，此种交易货物运输都需跨越国界。在世界许多地区，商业集团如欧盟使得不同国家间的过关手续不再重要。所以，Incoterms®2010 正式认可所有的贸易规则既可以适用于国内交易也可以适用于国际交易。所以，Incoterms®2010 在一些地方明确规定，只有在适当的时候，才有义务遵从进口或者出口的手续。

两个新发展使得 ICC 相信向这个方向的改革是适宜的。首先，商人们普遍在国内贸易合同使用 Incoterms2010 规则。其次，比起先前提到的统一的商业规则中的运输和交付术语，在国内贸易中更多美国人愿意使用 Incoterms2010 中的术语。

#### 4. Guidance Notes

Before each Incoterms® 2010 rule you will find a Guidance Note. The Guidance Notes explain the fundamentals of each Incoterms rule, such as when it should be used, when risk passes, and how costs are allocated between seller and buyer. **The Guidance Notes are not part of the actual Incoterms® 2010 rules, but are intended to help the user accurately and efficiently steer towards the appropriate Incoterms rule for a particular transaction.**

#### 5. Electronic communication

Previous versions of Incoterms rules have specified those documents that could be replaced by EDI messages. Articles A1/B1 of the Incoterms® 2010 rules, however, now give electronic means of communication the same effect as paper communication, as long as the parties so agree or where customary. This formulation facilitates the evolution of new electronic procedures throughout the lifetime of the Incoterms® 2010 rules.

#### 6. Insurance cover

The Incoterms® 2010 rules are the first version of the Incoterms rules since the version of the Institute Cargo Clauses and take account of alterations made to those clauses. The Incoterms® 2010 rules place information duties relating to insurance in articles A3/B3, which deal with contracts of carriage and insurance. These provisions have been moved from the more generic found in article A10/B10 of the Incoterms 2000 rules. The language in articles A2/B3 relating to insurance has also been altered with a view to clarifying the parties' obligations in this regard.

#### 7. Security-related Clearances and information required for such clearances

**There is heightened concern nowadays about security in the movement of goods, requiring verification that the goods do not pose a threat to life or property for reasons other than their inherent nature.**

#### 4. 引言

在 Incoterms®2010 的每条规则前面，都有一条引言。引言解释每条贸易规则的基本内容，比如说什么时候被运用到，什么时候风险转移，还有费用在卖方和买方是怎样分配的等等。引言并不是 Incoterms®2010 的内容，但是它们能帮助使用者更准确更有效率的针对特定的贸易运用合适的贸易条款。

#### 5. 电子通信

上一版本的 Incoterms 规则已经确定了可以被电子数据交换信息替代的文件。然而 Incoterms®规则 2010 中的 A1/B1 赋予电子通信方式和纸质通讯相同的效果，只要缔约双方同意或存在国际惯例。这一规定有利于促进 Incoterms®规则 2010 中新的电子程序的演进。

#### 6. 保险范围

Incoterms®规则 2010 是协会货物条款修订以来的最新版国际贸易术语规则，并就对那些条款的变更做了考虑。Incoterms® 规则 2010 把关系到保险的信息义务规定在 A3/B3，这涉及到运输和保险合同。这些条款已经从更为普通的国际贸易术语 2000 中 A10/B10 的文章中删除。为了明确缔约双方的义务，条款 A2/B3 中涉及保险的行文也做了变化。

#### 7. 与安全有关的清关需要的信息

现在人们高度关注货物运输中的安全问题，需要确认货物不会对生命和财产有威胁，除了其自身固有的属性。

Therefore, the Incoterms® 2010 rules have allocated obligations between the buyer and seller to obtain or to render assistance in obtaining security-related clearances, such as chain-of-custody information, in articles A2/B2 and A10/B10 of various Incoterms rules.

### **8. Terminal handling charges**

Under Incoterms rules CPT, CIP, CFR, CIF, DAT, DAP, and DDP, the seller must make arrangements for the carriage of the goods to the agreed destination. While the freight is paid by the seller, it is actually paid for by the buyer as freight costs are normally included by the seller in the total selling price. The carriage costs will sometimes include the costs of handling and moving the goods within port or container terminal facilities and the carrier or terminal operator may well charge these costs to the buyer who receives the goods. In these circumstances, the buyer will want to avoid paying for the same service twice:

once to the seller as part of the total selling price and once independently to the carrier or the terminal operator. The Incoterms® 2010 rules seek to avoid this happening by clearly allocating such costs in articles A6/B6 of the relevant Incoterms rules.

### **9. String sales**

In the sale of commodities, as opposed to the sale of manufactured goods, cargo is frequently sold several times during transit “down a string” when this happens, a seller in the middle of the string don’t have to ship the goods because these have already been shipped by the first seller in the string. The seller in the middle of the string therefore performs its obligations towards its buyer not by shipping the goods, but by “procuring” goods that have been shipped. For clarification purposes, Incoterms® 2010 rules include the obligation to “procure goods shipped” as an alternative to the obligation to ship goods in the relevant Incoterms rules.

因此，Incoterms®规则 2010 已经在买家和卖家间分配了义务，在与安全有关的清关获得或者提供帮助，例如在多种多样的国际贸易术语中 A2/B2 和 A10/B10 的监管链相关信息

### **8. 终点站操作费**

在国际贸易术语 CPT, CIP, CIF, DAT, DAP 和 DDP 项下，卖家必须做好安排使货物到达指定目的地。虽然运费是由卖方支付的，但因为运费一般被卖方包含在销售价格中所以实际上运费是由买方支付的。货运费有时包括港口或集装箱码头内的理货和运输费用，承运人和终点站运营方也可能向收到货物的买家收取这笔费用。在这种情况下，买家会想要避免对同一服务重复付费：

一次付给卖家作为销售价格中的一部分，一次单独地付给承运人或者终点站运营方。Incoterms®规则 2010 在相关国际贸易术语解释规则的 A6/B6 条款明确的分配此项费用，力求避免重复付费。

### **9. 连环合同**

与工业制成品的销售不同，在农矿产品的销售中，货物经常在沿销售链运转过程中被频繁销售多次。这种情况下，在运输中的卖家不用再运输货物，因为货物已被第一个卖家装船运输了。中途的卖方通过接收货物而非运输货物向买方履行义务。为明确起见，Incoterms® 规则 2010 在相关规定中把提取已经运输的商品的义务作为运输商品义务的替换。

# **RULES FOR ANY MODE OR MODES OF TRANSPORT**

## **Variants of Incoterms rules**

Sometimes the parties want to alter an Incoterms rules. The Incoterms 2010 rules do not prohibit such alteration, but there are dangers in so doing. In order to avoid any unwelcome surprises, the parties would need to make the intended effect of such alterations extremely clear in their contract. Thus, for example, if the allocation of costs in the Incoterms 2010 rules is altered in the contract, the parties should also clearly state whether they intend to vary the point at which the risk passes from seller to buyer.

## **Status of this introduction**

This introduction gives general information on the use and interpretation of the Incoterms 2010 rules, but does not form part of those rules.

## **Explanation of terms used in the Incoterms 2010 rules**

As in the incoterms rules, the seller's and buyer's obligations are presented in mirror fashion, reflecting under column A the seller's obligations and under column B the buyer's obligations. These obligations can be carried out personally by the seller or the buyer or sometimes, subject to terms in the contract or the applicable law, through intermediaries such as carriers, freight forwarders or other persons nominated by the seller or the buyer for a specific purpose.

The text of the Incoterms 2010 rules is meant to be self-explanatory. However, in order to assist users the following text sets out guidance as to the sense in which selected terms are used throughout the document.

**Carrier:** For the purposes of the Incoterms 2010 rules, the carrier is the party with whom carriage is contracted.

# **运输方式的规则**

## **国际贸易术语解释通则的变体**

贸易各方有时因各自需要意图修改某一国际贸易术语规则的适用。《国际贸易术语解释通则 2010》并不禁止这种修改，但是这样做会带来一定的危险。因此双方都应当在合同中明确表明修改意欲达到的效果以避免不愉快的分歧。譬如，假设合同改变了 Incoterms 规则中费用的分配，那么合同各方亦应当明确声明是否改变风险（从卖方到买方）转移的临界点。

## **本导言的功能地位**

本导言只是对《国际贸易术语解释通则 2010》的用途和解释的概括提示，并不是这些的组成部分。

## **对《国际贸易术语解释通则 2010》中术语的解释**

正如《国际贸易术语解释通则 2010》中所述，买方和卖方的共同义务是以对应方式呈现的，也就是说，既能反映出 A 栏中的买方义务，又能反映出 B 栏中的卖方义务。这些义务可以由买方或者卖方亲自履行，有时抑或受制于合同或者适用法律中的个别条款的规定，由诸如承运人、转运代理人等中介组织，或者其他由买方或者卖方为了特定目的而委任的人来履行。

《国际贸易术语解释通则 2010》正文中条文解析明了。但出于引导辅助（使用者）理解的考虑，编者还是占用了以下篇幅对从《规则》中选取的几个术语进行阐释。

**承运人:** 出于《国际贸易术语解释通则 2010》的目的，承运人是指与托运人订立合同，并承担运输义务的一方。



**Customs Formalities:** These are requirements to be met in order to comply with any applicable customs regulations and may include documentary, security, information or physical inspection obligations.

**Delivery:** This concept has multiple meanings in trade law and practice, but in the Incoterms 2010 rules, it is used to indicate where the risk of loss of or damage to the goods passes from the seller to the buyer.

**Delivery document:** This phrase is now used as the heading to article A8. It means a document used to prove that delivery has occurred. For many of the Incoterms 2010 rules, the delivery document is a transport document or corresponding electronic record. However, with EXW, FCA, FAS and FOB, the delivery document may simply be a receipt. A delivery document may also have other functions, for example as part of the mechanism for payment.

**Electronic record or procedure:** A set of information constituted of one or more electronic messages and, where applicable, being functionally equivalent with the corresponding paper document.

**Packaging:** this word is used for different purposes:

1. The packaging of the goods to comply with any requirements under the contract of sale.
2. The packaging of the goods so that they are fit for transportation.
3. The stowage of the packaged goods within a container or other means of transport.

In the Incoterms 2010 rules, packaging means both the first and second of the above. **The Incoterms 2010 rules do not deal with the parties' obligations for stowage within a container and therefore, where relevant, the parties should deal with this in the sale contract.**

**报关单:** 是指为了遵守海关条例而需要满足的一些要求, 包括了单据、安全、信息或者实体检验之义务。

**交货:** 在商法和商事活动中, 这个概念有多种涵义。但是, 在《国际贸易术语解释通则 2010》中, 交货用来表明在货物由卖方向买方转移的过程中毁损风险在何处转移。

**交货单:** 此术语现在已成为 A8 条款的标题。交货单, 是用于证明已完成交货的凭证。对于《国际贸易术语解释通则 2010》中的许多规则, 交货单是一种运输单据或相关电子记录。但是对于 EXW, FCA, FAS 和 FOB, 交货单只是一种收据。当然, 交货单还有其他功能, 比如支付程序的一个环节。

**电子记录或者程序:** 由一个或多个可适用的电子讯号组成的一组信息库, 其功能上等同于相应的纸质文档。

**包装:** 此词因语境不同有不同含义:

1. 符合销售合同要求的货物包装;
2. 符合运输要求的货物包装;
3. 集装箱或其他运输工具中已包装货物的理仓

在《国际贸易术语解释通则 2010》中, “包装”一词有以上中的 1 和 2 项的含义。Incoterms2010 中并不涉及集装箱内货物的理仓义务, 当事人应在销售合同中予以确定。

## **EXW-Ex Works** (insert named place of delivery)

### **GUIDANCE NOTE**

The rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed. It is suitable for domestic trade, while FCA is usually more appropriate for international trade.

“Exworks” means that the seller delivers when it places the goods at the disposal of the buyer at the seller's premises or another named place (i.e. works, factory, warehouse, etc.). The seller does not need to load the goods on any collecting vehicle, nor does it need to clear the goods for export, where such clearance is applicable.

The parties are well advised to specify as clearly as possible the point within the named place of delivery, as the costs and risks to that point are for the account of the seller. The buyer bears all costs and risks involved in taking the goods from the agreed point, if any, at the named place of delivery.

EXW represents the minimum obligation for the seller. The rule should be used with care as:

- a) The seller has no obligation to the buyer to load the goods, even though in practice the seller may be in a better position to do so. If the seller does load the goods, it does so at the buyer's risks and expense. In cases where the seller is in a better position to load the goods, FCA, which obliges the seller to do so at its own risk and expense, is usually more appropriate.
- b) A buyer who buys from a seller on an EXW basis for export needs to be aware that the seller has an obligation to provide only such assistance as the buyer may require to effect that export: the seller is not bound to organize the export clearance. Buyers are therefore well advised not to use EXW if they cannot directly or indirectly obtain export clearance.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must provide the buyer, at the buyer's request, risk and expense, assistance in obtaining any export licence, or other official authorisation necessary for the export of the goods.

Where applicable, the seller must provide the buyer, at the buyer's request, risk and expense, any information in the possession of the seller that is required for the security clearance of the goods.

### **A3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The seller has no obligation to the buyer to make a contract of carriage.

#### **b) Contract of insurance**

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods by placing them at the disposal of the buyer at the agreed point, if any, at the named place of delivery, not loaded on any collecting vehicle. If no specific point has been agreed within the named place of delivery, and if there are several points available, the seller must select the point that best suits its purpose. The seller must deliver the goods on the agreed date or within the agreed period.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **B2 Licences, authorizations, security clearance and other formalities.**

Where applicable, it is up to buyer to obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities for the export of the goods.

### **B3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The buyer has no obligation to the seller to make a contract of carriage.

#### **b) Contract of insurance**

The buyer has no obligation to the seller to make a contract of insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when A4 and A7 have been complied with.

**A5 Transfer of risks**

The seller bear all risks of loss of or damage to the goods until they have been delivered in accordance with A4 with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay all costs relating to the goods until such time as they have been delivered in accordance with A4, other than those payable by buyer as envisaged in B6.

**A7 Notices to the buyer**

The seller must give the buyer any notice needed to enable the buyer to make delivery of the goods.

**A8 Delivery document**

The seller has no obligation to the buyer.

**B5 Transfer of risks**

The buyer bear all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If the buyer fails to give notice in accordance with B7, then the buyer bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must:

- a) pay all costs relating to the goods from the time they have been delivered as envisaged in A4;
- b) pay any additional costs incurred by failing either to take delivery of the goods when they have been placed at its disposal or to give appropriate notice in accordance with B7, provided that the goods have been clearly identified as contract goods;
- c) pay, where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon export; and
- d) reimburse all costs and charges, incurred by the seller in providing assistance as envisaged in A2.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time within an agreed period and/or the point of taking delivery within the named place, give the seller sufficient notice thereof.

**B8 Proof of delivery**

The buyer must provide the seller with appropriate evidence of having taken delivery.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods of sold unpackaged. The seller must package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of special packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**A10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the export and/or import of the goods and/or for their transport to the final destination.

**B9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, including inspection mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

## **FCA-Free Carrier** (insert named place of delivery)

### **Guidance Note**

The rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

"Free Carrier" means that the seller delivers the goods to carrier or another person nominated by the buyer at the seller's premises or another named place. The parties are well advised to specify as clearly as possible the point within the named place of delivery, as the risk passes to the buyer at that point.

If the parties intend to deliver the goods at the seller's premises, they should identify the address of those premises as the named place of delivery. If, on the other hand, the parties intend the goods to be delivered at another place, they must identify a different specific place of delivery.

FCA requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **A2 Licences, authorizations, security clearance and other formalities**

Where applicable, the seller must obtain, at the its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods.

### **A3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The seller has no obligation to the buyer to make a contract of carriage. However, if requested by the buyer or if it is commercial practice and the buyer does not give an instruction to the contrary in due time, the seller may contract for carriage on usual terms at the buyer's risk and expense. In either case, the seller may decline to make the contract of carriage and, if it does, shall promptly notify the buyer.

#### **b) Contract of insurance**

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods to the carrier or another person nominated by the buyer at the agreed point, if any at the named place on the agreed date or within the agreed period.

Delivery is completed:

- a) if the named place is the seller's premises, when the goods have been loaded on the means of transport

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **B2 Licences, authorizations, security clearance and other formalities.**

Where applicable, it is up to buyer to obtain, at the its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.

### **B3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The buyer must contract at its own expense for the carriage of the goods from the named place of delivery, except when the contract of carriage is made by the seller as provided for in A3 a).

#### **b) Contract of insurance**

The buyer has no obligation to the seller to make a contract of insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

provided by the buyer.

- b) In any other case, when the goods are placed at the disposal of the carrier or another person nominated by the buyer on the seller's means of transport ready for unloading.

If no specific point has been notified by the buyer under B7 d) within the named place of delivery, and if there are several points available, the seller may select the point that best suits its purpose.

Unless the buyer notifies the seller otherwise, the seller may deliver the goods for carriage in such a manner as the quantity and/or nature of the goods may require.

#### **A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

#### **A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6; and
- b) where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes, and other charges payable upon export.

#### **B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

- a) the buyer fails in accordance with B7 to notify the nomination of a carrier or another person as envisaged in A4 or to give notice; or
- b) the carrier or person nominated by the buyer as envisaged in A4 fails to take the goods into its charge, then, the buyer bears all risks of loss of or damage to the goods:

- (i) from the agreed date, or in the absence of an agreed date,
- (ii) from the date notified by the seller under A7 within the agreed period; or, if no such date has been notified,
- (iii) from the expiry date of any agreed period for delivery,

provided that the goods have been clearly identified as the contract goods.

#### **B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes, and other charges payable upon export as referred to in A6 b);
- b) any additional costs incurred, either because:
  - (i) the buyer fails to nominate a carrier or another person as envisaged in A4, or
  - (ii) the carrier or person nominated by the buyer as envisaged in A4 fails to take the goods into its charge or



### **A7 Notices to the buyer**

The seller must, at the buyer's risk and expense, give the buyer sufficient notice either that the goods have been delivered in accordance with A4 or that the carrier or another person nominated by the buyer has failed to take the goods within the time agreed.

### **A8 Delivery document**

The seller must provide the buyer, at the seller's expense, with the usual proof that the goods have been delivered in accordance with A4.

The seller must provide assistance to the buyer, at the buyer's request, risk and expense, in obtaining a transport document.

### **A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is

- (iii) the buyer has failed to give appropriate notice in accordance with B7, provided that the goods have been clearly identified as the contract goods; and
- c) where applicable, all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country.

### **B7 Notice to the seller**

The buyer must notify the seller of

- a) the name of the carrier or another person nominated as envisaged in A4 within sufficient time as to enable the seller to deliver the goods in accordance with that article;
- b) where necessary, the selected time within the period agreed for delivery when the carrier or person nominated will take the goods;
- c) the mode of transport to be used by the person nominated; and
- d) the point of taking delivery within the named place.

### **B8 Proof of delivery**

The buyer must accept the proof of delivery provided as envisaged in A8.

### **A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

concluded. Packaging is to be marked appropriately.

**A10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the export and/or import of the goods and/or for their transport to the final destination.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

## **CPT-Carriage Paid To** (insert named place of destination)

### **GUIDANCE NOTE**

This rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

“Carriage Paid To” means that the seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between the parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination.

When CPT, CIP, CFR or CIF are used, the seller fulfils its obligation to deliver when it hands the goods over to the carrier and not when the goods reach the place of destination.

This rule has two critical points, because risk passes and costs are transferred at different places. The parties are well advised to identify as precisely as possible in the contract both the place of delivery, where the risk passes to the buyer, and the named place of destination to which the seller must contract for the carriage. If several carriers are used for the carriage to the agreed destination and the parties do not agree on a specific point of delivery, the default position is that risk passes when the goods have been delivered to the first carrier at a point entirely of the seller's choosing and over which the buyer has no control. Should the parties wish the risk to pass at a later stage (e.g., at an ocean port or airport), they need to specify this in their contract of sale.

The parties are also well advised to identify as precisely as possible the point within the agreed place of destination, as the costs to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the named place of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

CPT requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods, and for their transport through any country prior to delivery.

### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller must contract or procure a contract for the carriage of the goods from the agreed point of delivery, if any, at the place of delivery to the named place of destination or, if agreed, any point at that place. The contract of carriage must be made on usual terms at the seller's expense and provide for carriage by the usual route and in a customary manner. If a specific point is not agreed or is not determined by practice, the seller may select the point of delivery and the point at the named place of destination that best suit its purpose.

#### b) Contract of insurance

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods by handing them over to the carrier contracted in accordance with A3 on the agreed date or within the agreed period.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to the buyer to obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer has no obligation to the seller to make a contract of carriage.

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with the necessary information for obtaining insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4 and receive them from the carrier at the named place of destination.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) the freight and all other costs resulting from A3 a), including the costs of loading the goods and any charges for unloading at the place of destination that were for the seller's account under the contract of carriage; and
- c) where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export, and the costs for their transport through any country that were for the seller's account under the contract of carriage.

**A7 Notices to the buyer**

The seller must notify the buyer that the goods have been delivered in accordance with A4.

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take the goods.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If the buyer fails to give notice in accordance with B7, it must bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must, subject to the provisions of A3 a), pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes, and other charges payable upon export as referred to in A6 c);
- b) all costs and charges relating to the goods while in transit until their arrival at the agreed place of destination, unless such costs and charges were for the seller's account under the contract of carriage;
- c) unloading costs, unless such costs were for the seller's account under the contract of carriage;
- d) any additional costs incurred if the buyer fails to give notice in accordance with B7, from the agreed date or the expiry date of the agreed period for dispatch, provided that the goods have been clearly identified as the contract goods; and
- e) where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country, unless included within the cost of the contract of carriage.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time for dispatching the goods and/or the named place of destination or the point of receiving the goods within that place, give the seller sufficient notice thereof.

**A8 Delivery document**

If customary or at the buyer's request, the seller must provide the buyer, at the seller's expense, with the usual transport document[s] for the transport contracted in accordance with A3.

This transport document must cover the contract goods and be dated within the period agreed for shipment. If agreed or customary, the document must also enable the buyer to claim the goods from the carrier at the named place of destination and enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer or by notification to the carrier.

When such a transport document is issued in negotiable form and in several originals, a full set of originals must be presented to the buyer.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**B8 Proof of delivery**

The buyer must accept the transport document provided as envisaged in A8 if it is in conformity with the contract.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **CIP-Carriage and Insurance Paid to** (insert named place of destination)

### **GUIDANCE NOTE**

This rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

“Carriage and Insurance Paid to” means that the seller delivers the goods to the carrier or another person nominated by the seller at an agreed place (if any such place is agreed between the parties) and that the seller must contract for and pay the costs of carriage necessary to bring the goods to the named place of destination.

The seller also contracts for insurance cover against the buyer’s risk of loss of or damage to the goods during the carriage. The buyer should note that under CIP the seller is required to obtain insurance only on minimum cover. Should the buyer wish to have more insurance protection, it will need either to agree as much expressly with the seller or to make its own extra insurance arrangements.

When CPT, CIP, CFR or CIF are used, the seller fulfils its obligation to deliver when it hands the goods over to the carrier and not when the goods reach the place of destination.

This rule has two critical points, because risk passes and costs are transferred at different places. The parties are well advised to identify as precisely as possible in the contract both the place of delivery, where the risk passes to the buyer, and the named place of destination to which the seller must contract for carriage. If several carriers are used for the carriage to the agreed destination and the parties do not agree on a specific point of delivery, the default position is that risk passes when the goods have been delivered to the first carrier at a point entirely of the seller’s choosing and over which the buyer has no control. Should the parties wish the risk to pass at a later stage (e.g., at an ocean port or an airport), they need to specify this in their contract of sale.

The parties are also well advised to identify as precisely as possible the point within the agreed place of destination, as the costs to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the named place of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

CIP requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods, and for their transport through any country prior to delivery.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to the buyer to obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.



### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller must contract or procure a contract for the carriage of the goods from the agreed point of delivery, if any, at the place of delivery to the named place of destination or, if agreed, any point at that place. The contract of carriage must be made on usual terms at the seller's expense and provide for carriage by the usual route and in a customary manner. If a specific point is not agreed or is not determined by practice, the seller may select the point of delivery and the point at the named place of destination that best suit its purpose.

#### b) Contract of insurance

The seller must obtain at its own expense cargo insurance complying at least with the minimum cover as provided by Clauses (C) of the Institute Cargo Clauses (LMA/IUA) or any similar clauses. The insurance shall be contracted with underwriters or an insurance company of good repute and entitle the buyer, or any other person having an insurable interest in the goods, to claim directly from the insurer.

When required by the buyer, the seller shall, subject to the buyer providing any necessary information requested by the seller, provide at the buyer's expense any additional cover, if procurable, such as cover as provided by Clauses (A) or (B) of the Institute Cargo Clauses (LMA/IUA) or any similar clauses, and/or cover complying with the Institute War Clauses and/or Institute Strikes Clauses (LMA/IUA) or any similar clauses.

The insurance shall cover, at a minimum, the price provided in the contract plus 10% (i.e., 110%) and shall be in the currency of the contract.

The insurance shall cover the goods from the point of delivery set out in A and A5 to at least the named place of destination.

The seller must provide the buyer with the insurance policy or other evidence of insurance cover.

Moreover, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs to procure any additional insurance.

### **A4 Delivery**

The seller must deliver the goods by handing them over to the carrier contracted in accordance with A3 on the agreed date or within the agreed period.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer has no obligation to the seller to make a contract of carriage.

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with any information necessary for the seller to procure any additional insurance requested by the buyer as envisaged in A3 b).

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4 and receive them from the carrier at the named place of destination.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) the freight and all other costs resulting from A3 a), including the costs of loading the goods and any charges for unloading at the place of destination that were for the seller's account under the contract of carriage;
- c) the costs of insurance resulting from A3 b); and d) where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export, and the costs for their transport through any country that were for the seller's account under the contract of carriage.

**A7 Notices to the buyer**

The seller must notify the buyer that the goods have been delivered in accordance with A4.

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take the goods.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If the buyer fails to give notice in accordance with B7, it must bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must, subject to the provisions of A3 a), pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export as referred to in A6 d);
- b) all costs and charges relating to the goods while in transit until their arrival at the agreed place of destination, unless such costs and charges were for the seller's account under the contract of carriage;
- c) unloading costs, unless such costs were for the seller's account under the contract of carriage;
- d) any additional costs incurred if it fails to give notice in accordance with B7, from the agreed date or the expiry date of the agreed period for dispatch, provided that the goods have been clearly identified as the contract goods;
- e) where applicable, all duties, taxes and other charges as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country, unless included within the cost of the contract of carriage; and
- f) the costs of any additional insurance procured at the buyer's request under A3 and B3.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time for dispatching the goods and/or the named place of destination or the point of receiving the goods within that place, give the seller sufficient notice thereof.

**A8 Delivery document**

If customary or at the buyer's request, the seller must provide the buyer, at the seller's expense, with the usual transport document[s] for the transport contracted in accordance with A3.

This transport document must cover the contract goods and be dated within the period agreed for shipment. If agreed or customary, the document must also enable the buyer to claim the goods from the carrier at the named place of destination and enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer or by notification to the carrier.

When such a transport document is issued in negotiable form and in several originals, a full set of originals must be presented to the buyer.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4 as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**B8 Proof of delivery**

The buyer must accept the transport document provided as envisaged in A8 if it is in conformity with the contract.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **DAT-Delivered At Terminal** (insert named terminal at port or place of destination)

### **GUIDANCE NOTE**

This rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

“Delivered at Terminal” means that the seller delivers when the goods, once unloaded from the arriving means of transport, are placed at the disposal of the buyer at a named terminal at the named port or place of destination. “Terminal” includes any place, whether covered or not, such as a quay, warehouse, container yard or road, rail or air cargo terminal. The seller bears all risks involved in bringing the goods to and unloading them at the terminal at the named port or place of destination.

The parties are well advised to specify as clearly as possible the terminal and, if possible, a specific point within the terminal at the agreed port or place of destination, as the risks to that point are for the account of the seller. The seller is advised to procure a contract of carriage that matches this choice precisely.

Moreover, if the parties intend the seller to bear the risks and costs involved in transporting and handling the goods from the terminal to another place, then the DAP or DDP rules should be used.

DAT requires the seller to clear the goods for export, where applicable.

However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods and for their transport through any country prior to delivery.

### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller must contract at its own expense for the carriage of the goods to the named terminal at the agreed port or place of destination. If a specific terminal is not agreed or is not determined by practice, the seller may select the terminal at the agreed port or place of destination that best suits its purpose.

#### b) Contract of insurance

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must unload the goods from the arriving means of transport and must then deliver them by placing them at the disposal of the buyer at the named terminal referred to in A3 a) at the port or place of destination on the agreed date or within the agreed period.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, the buyer must obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer has no obligation to the seller to make a contract of carriage.

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with the necessary information for obtaining insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4 with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) in addition to costs resulting from A3 a), all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6; and
- b) where applicable, the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export and the costs for their transport through any country, prior to delivery in accordance with A4.

**A7 Notices to the buyer**

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take delivery of the goods.

**A8 Delivery document**

The seller must provide the buyer, at the seller's expense, with a document enabling the buyer to take delivery of the goods as envisaged in A4/B4.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

- a) the buyer fails to fulfil its obligations in accordance with B2, then it bears all resulting risks of loss of or damage to the goods; or
- b) the buyer fails to give notice in accordance with B7, then it bears all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery,

provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4;
- b) any additional costs incurred by the seller if the buyer fails to fulfil its obligations in accordance with B2, or to give notice in accordance with B7, provided that the goods have been clearly identified as the contract goods; and
- c) where applicable, the costs of customs formalities as well as all duties, taxes and other charges payable upon import of the goods.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time within an agreed period and/or the point of taking delivery at the named terminal, give the seller sufficient notice thereof.

**A8 Proof of delivery**

The buyer must accept the delivery document provided as envisaged in A8.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **DAP-Delivered At Place** (insert named place of destination)

### **GUIDANCE NOTE**

This rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

“Delivered at Place” means that the seller delivers when the goods are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination. The seller bears all risks involved in bringing the goods to the named place.

The parties are well advised to specify as clearly as possible the point within the agreed place of destination, as the risks to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the place of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

DAP requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities. If the parties wish the seller to clear the goods for import, pay any import duty and carry out any import customs formalities, the DDP term should be used.



## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods and for their transport through any country prior to delivery.

### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller must contract at its own expense for the carriage of the goods to the named place of destination or to the agreed point, if any, at the named place of destination. If a specific point is not agreed or is not determined by practice, the seller may select the point at the named place of destination that best suits its purpose.

#### b) Contract of insurance

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods by placing them at the disposal of the buyer on the arriving means of transport ready for unloading at the agreed point, if any, at the named place of destination on the agreed date or within the agreed period.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, the buyer must obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer has no obligation to the seller to make a contract of carriage.

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with the necessary information for obtaining insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) in addition to costs resulting from A3 a), all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) any charges for unloading at the place of destination that were for the seller's account under the contract of carriage; and
- c) where applicable, the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export and the costs for their transport through any country, prior to delivery in accordance with A4.

**A7 Notices to the buyer**

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take delivery of the goods.

**A8 Delivery document**

The seller must provide the buyer, at the seller's expense, with a document enabling the buyer to take delivery of the goods as envisaged in A4/B4.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

- a) the buyer fails to fulfil its obligations in accordance with B2, then it bears all resulting risks of loss of or damage to the goods; or
- b) the buyer fails to give notice in accordance with B7, then it bears all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery,

provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4;
- b) all costs of unloading necessary to take delivery of the goods from the arriving means of transport at the named place of destination, unless such costs were for the seller's account under the contract of carriage;
- c) any additional costs incurred by the seller if the buyer fails to fulfil its obligations in accordance with B2 or to give notice in accordance with B7, provided that the goods have been clearly identified as the contract goods; and
- d) where applicable, the costs of customs formalities, as well as all duties, taxes and other charges payable upon import of the goods.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time within an agreed period and/or the point of taking delivery within the named place of destination, give the seller sufficient notice thereof.

**B8 Proof of delivery**

The buyer must accept the delivery document provided as envisaged in A8.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **DDP-Delivered Duty Paid** (insert named place of destination)

### **GUIDANCE NOTE**

This rule may be used irrespective of the mode of transport selected and may also be used where more than one mode of transport is employed.

“Delivered Duty Paid” means that the seller delivers the goods when the goods are placed at the disposal of the buyer, cleared for import on the arriving means of transport ready for unloading at the named place of destination. The seller bears all the costs and risks involved in bringing the goods to the place of destination and has an obligation to clear the goods not only for export but also for import, to pay any duty for both export and import and to carry out all customs formalities.

DDP represents the maximum obligation for the seller.

The parties are well advised to specify as clearly as possible the point within the agreed place of destination, as the costs and risks to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the place of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

The parties are well advised not to use DDP if the seller is unable directly or indirectly to obtain import clearance.

If the parties wish the buyer to bear all risks and costs of import clearance, the DAP rule should be used.

Any VAT or other taxes payable upon import are for the seller’s account unless expressly agreed otherwise in the sales contract.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export and import licence and other official authorization and carry out all customs formalities necessary for the export of the goods, for their transport through any country and for their import.

### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller must contract at its own expense for the carriage of the goods to the named place of destination or to the agreed point, if any, at the named place of destination. If a specific point is not agreed or is not determined by practice, the seller may select the point at the named place of destination that best suits its purpose.

#### b) Contract of insurance

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods by placing them at the disposal of the buyer on the arriving means of transport ready for unloading at the agreed point, if any, at the named place of destination on the agreed date or within the agreed period.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Licences, authorizations, security clearances and other formalities Where applicable, the buyer must provide assistance to the seller, at the seller's request, risk and expense, in obtaining any import licence or other official authorization for the import of the goods.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer has no obligation to the seller to make a contract of carriage.

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with the necessary information for obtaining insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) in addition to costs resulting from A3 a), all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) any charges for unloading at the place of destination that were for the seller's account under the contract of carriage; and
- c) where applicable, the costs of customs formalities necessary for export and import as well as all duties, taxes and other charges payable upon export and import of the goods, and the costs for their transport through any country prior to delivery in accordance with A4.

**A7 Notices to the buyer**

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take delivery of the goods.

**A8 Delivery document**

Delivery document The seller must provide the buyer, at the seller's expense, with a document enabling the buyer to take delivery of the goods as envisaged in A4/B4.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

- a) the buyer fails to fulfil its obligations in accordance with B2, then it bears all resulting risks of loss of or damage to the goods; or
- b) the buyer fails to give notice in accordance with B7, then it bears all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4;
- b) all costs of unloading necessary to take delivery of the goods from the arriving means of transport at the named place of destination, unless such costs were for the seller's account under the contract of carriage; and
- c) any additional costs incurred if it fails to fulfil its obligations in accordance with B2 or to give notice in accordance with B7, provided that the goods have been clearly identified as the contract goods.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time within an agreed period and/or the point of taking delivery within the named place of destination, give the seller sufficient notice thereof.

**B8 Proof of delivery**

The buyer must accept the proof of delivery provided as envisaged in A8.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export or of import.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the transport of the goods to the final destination, where applicable, from the named place of destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**A9 Inspection of goods**

The buyer has no obligation to the seller to pay the costs of any mandatory pre-shipment inspection mandated by the authority of the country of export or of import.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport, export and import of the goods and for their transport through any country.

## **FAS-Free Alongside Ship** (insert named port of shipment)

### **GUIDANCE NOTE**

This rule is to be used only for sea or inland waterway transport.

“Free Alongside Ship” means that the seller delivers when the goods are placed alongside the vessel (e.g., on a quay or a barge) nominated by the buyer at the named port of shipment. The risk of loss of or damage to the goods passes when the goods are alongside the ship, and the buyer bears all costs from that moment onwards.

The parties are well advised to specify as clearly as possible the loading point at the named port of shipment, as the costs and risks to that point are for the account of the seller and these costs and associated handling charges may vary according to the practice of the port.

The seller is required either to deliver the goods alongside the ship or to procure goods already so delivered for shipment. The reference to “procure” here caters for multiple sales down a chain (‘string sales’), particularly common in the commodity trades.

Where the goods are in containers, it is typical for the seller to hand the goods over to the carrier at a terminal and not alongside the vessel. In such situations, the FAS rule would be inappropriate, and the FCA rule should be used.

FAS requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.



## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at the its own risk and expense, any export licence or other official authorisation and carry out all customs formalities necessary for the export of the goods.

### **A3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The seller has no obligation to the buyer to make a contract of carriage. However, if requested by the buyer or if it is commercial practice and the buyer does not give an instruction to the contrary in due time, the seller may contract for carriage on usual terms at the buyer's risk and expense. In either case, the seller may decline to make the contract of carriage and, if it does, shall promptly notify the buyer.

#### **b) Contract of insurance**

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods either by placing them alongside the ship nominated by the buyer at the loading point, if any, indicated by the buyer at the named port of shipment or by procuring the goods so delivered. In either case, the seller must deliver the goods on the agreed date or within the agreed period and in the manner customary at the port.

If no specific loading point has been indicated by the

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to buyer to obtain, at the its own risk and expense, any import licence or other official authorisation and carry out all customs formalities for the import of the goods and for their transport through any country.

### **B3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The buyer must contract at its own expense for the carriage of the goods from the named place of delivery, except when the contract of carriage is made by the seller as provided for in A3 a).

#### **b) Contract of insurance**

The buyer has no obligation to the seller to make a contract of insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

buyer, the seller may select the point within the named port of shipment that best suits its purpose. If the parties have agreed that delivery should take place within a period, the buyer has the option to choose the date within that period.

#### **A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

#### **A6 Allocation of costs**

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6; and
- b) where applicable, the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export.

#### **B5 Transfer of risks**

The buyer bear all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

- a) the buyer fails to give notice in accordance with B7; or
- b) the vessel nominated by the buyer fails to arrive on time, or fails to take the goods or closes for cargo earlier than the time notified in accordance with B7;

then the buyer bears all risks of loss or damage to the goods from the agreed date or the expiry date of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

#### **B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export as well as all duties, taxes, and other charges payable upon export as referred to in A6 b);
- b) any additional costs incurred, either because:
  - (i) the buyer has failed to give appropriate notice in accordance with B7, or
  - (ii) the vessel nominated by the buyer fails to arrive on time, is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7,

provided that the goods have been clearly identified as the contract goods; and

- c) where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country.

**A7 Notices to the buyer**

The seller must, at the buyer's risk and expense, give the buyer sufficient notice either that the goods have been delivered in accordance with A4 or that the carrier or another person nominated by the buyer has failed to take the goods within the time agreed.

**A8 Delivery document**

The seller must provide the buyer, at the seller's expense, with the usual proof that the goods have been delivered in accordance with A4.

Unless such proof is a transport document, the seller must provide assistance to the buyer, at the buyer's request, risk and expense, in obtaining a transport document.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**A10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**B7 Notice to the seller**

The buyer must give the seller sufficient notice of the vessel name, loading point and, where necessary, the selected delivery time within the agreed period.

**B8 Proof of delivery**

The buyer must accept the proof of delivery provided as envisaged in A8.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **FOB-Free on Board** (insert named port of shipment)

### **GUIDANCE NOTE**

This rule is to be used only for sea or inland waterway transport.

“Free on Board” means that the seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from that moment onwards.

The seller is required either to deliver the goods on board the vessel or to procure goods already so delivered for shipment. The reference to “procure” here caters for multiple sales down a chain (‘string sales’), particularly common in the commodity trades.

FOB may not be appropriate where goods are handed over to the carrier before they are on board the vessel, for example goods in containers, which are typically delivered at a terminal. In such situations, the FCA rule should be used.

FOB requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods.

### **A3 Contracts of carriage and insurance**

#### a) Contract of carriage

The seller has no obligation to the buyer to make a contract of carriage. However, if requested by the buyer or if it is commercial practice and the buyer does not give an instruction to the contrary in due time, the seller may contract for carriage on usual terms at the buyer's risk and expense. In either case, the seller may decline to make the contract of carriage and, if it does, shall promptly notify the buyer.

#### b) Contract of insurance

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods either by placing them on board the vessel nominated by the buyer at the loading point, if any, indicated by the buyer at the named port of shipment or by procuring the goods so delivered. In either case, the seller must deliver the goods on the agreed date or within the agreed period and in the manner customary at the port.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to the buyer to obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.

### **B3 Contracts of carriage and insurance**

#### a) Contract of carriage

The buyer must contract, at its own expense for the carriage of the goods from the named port of shipment, except where the contract of carriage is made by the seller as provided for in A3 a).

#### b) Contract of insurance

The buyer has no obligation to the seller to make a contract of insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4.

If no specific loading point has been indicated by the buyer, the seller may select the point within the named port of shipment that best suits its purpose.

#### **A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4 with the exception of loss or damage in the circumstances described in B5.

#### **A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6; and
- b) where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export.

#### **B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If

a) the buyer fails to notify the nomination of a vessel in accordance with B7; or

b) the vessel nominated by the buyer fails to arrive on time to enable the seller to comply with A4, is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7; then, the buyer bears all risks of loss of or damage to the goods:

- (i) from the agreed date, or in the absence of an agreed date,
- (ii) from the date notified by the seller under A7 within the agreed period, or, if no such date has been notified,
- (iii) from the expiry date of any agreed period for delivery,

provided that the goods have been clearly identified as the contract goods.

#### **B6 Allocation of costs**

The buyer must pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export as referred to in A6 b);
- b) any additional costs incurred, either because:
  - (i) the buyer has failed to give appropriate notice in accordance with B7, or
  - (ii) the vessel nominated by the buyer fails to arrive on time, is unable to take the goods, or closes for cargo earlier than the time notified in accordance with B7, provided that the goods have been clearly identified as the contract goods; and
- c) where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country.

**A7 Notices to the buyer**

The seller must, at the buyer's risk and expense, give the buyer sufficient notice either that the goods have been delivered in accordance with A4 or that the vessel has failed to take the goods within the time agreed.

**A8 Delivery document**

The seller must provide the buyer, at the seller's expense, with the usual proof that the goods have been delivered in accordance with A4.

Unless such proof is a transport document, the seller must provide assistance to the buyer, at the buyer's request, risk and expense, in obtaining a transport document.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**A10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**B7 Notice to the seller**

The buyer must give the seller sufficient notice of the vessel name, loading point and, where necessary, the selected delivery time within the agreed period.

**B8 Proof of delivery**

The buyer must accept the proof of delivery provided as envisaged in A8.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **CFR- Cost and Freight** (insert named port of destination)

### **GUIDANCE NOTE**

This rule is to be used only for sea or inland waterway transport.

“Cost and Freight” means that the seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. The seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination.

When CPT, CIP, CFR or CIF are used, the seller fulfils its obligation to deliver when it hands the goods over to the carrier in the manner specified in the chosen rule and not when the goods reach the place of destination.

This rule has two critical points, because risk passes and costs are transferred at different places. While the contract will always specify a destination port, it might not specify the port of shipment, which is where risk passes to the buyer. If the shipment port is of particular interest to the buyer, the parties are well advised to identify it as precisely as possible in the contract.

The parties are well advised to identify as precisely as possible the point at the agreed port of destination, as the costs to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the specified point at the port of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

The seller is required either to deliver the goods on board the vessel or to procure goods already so delivered for shipment to the destination. In addition, the seller is required either to make a contract of carriage or to procure such a contract. The reference to “procure” here caters for multiple sales down a chain (‘string sales’), particularly common in the commodity trades.

CFR may not be appropriate where goods are handed over to the carrier before they are on board the vessel, for example goods in containers, which are typically delivered at a terminal. In such circumstances, the CPT rule should be used.

CFR requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.



## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods.

### **A3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The seller must contract or procure a contract for the carriage of the goods from the agreed point of delivery, if any, at the place of delivery to the named port of destination or, if agreed, any point at that port. The contract of carriage must be made on usual terms at the seller's expense and provide for carriage by the usual route in a vessel of the type normally used for the transport of the type of goods sold.

#### **b) Contract of insurance**

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs for obtaining insurance.

### **A4 Delivery**

The seller must deliver the goods either by placing them on board the vessel or by procuring the goods so delivered. In either case, the seller must deliver the goods on the agreed date or within the agreed period and in the manner customary at the port.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or customary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to the buyer to obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.

### **B3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The buyer has no obligation to the seller to make a contract of carriage.

#### **b) Contract of insurance**

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with the necessary information for obtaining insurance.

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4 and receive them from the carrier at the named port of destination.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) the freight and all other costs resulting from A3 a), including the costs of loading the goods on board and any charges for unloading at the agreed port of discharge that were for the seller's account under the contract of carriage; and
- c) where applicable, the costs of customs formalities necessary for export as well as all duties, taxes and other charges payable upon export, and the costs for their transport through any country that were for the seller's account under the contract of carriage.

**A7 Notices to the buyer**

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take the goods.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4. If the buyer fails to give notice in accordance with B7, then it bears all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for shipment, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must, subject to the provisions of A3 a), pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export as well as all duties, taxes, and other charges payable upon export as referred to in A6 c);
- b) all costs and charges relating to the goods while in transit until their arrival at the port of destination, unless such costs and charges were for the seller's account under the contract of carriage;
- c) unloading costs including lighterage and wharfage charges, unless such costs and charges were for the seller's account under the contract of carriage;
- d) any additional costs incurred if it fails to give notice in accordance with B7, from the agreed date or the expiry date of the agreed period for shipment, provided that the goods have been clearly identified as the contract goods; and
- e) where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country unless included within the cost of the contract of carriage.

**B7 Notice to the seller**

The buyer must, whenever it is entitled to determine the time for shipping the goods and/or the point of receiving the goods within the named port of destination, give the seller sufficient notice thereof.

**A8 Delivery document**

The seller must, at its own expense, provide the buyer without delay with the usual transport document for the agreed port of destination.

This transport document must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at the port of destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer or by notification to the carrier.

When such a transport document is issued in negotiable form and in several originals, a full set of originals must be presented to the buyer.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**A10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination.

The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**B8 Proof of delivery**

The buyer must accept the transport document provided as envisaged in A8 if it is in conformity with the contract.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.

## **GUIDANCE NOTE**

This rule is to be used only for sea or inland waterway transport.

“Cost, Insurance and Freight” means that the seller delivers the goods on board the vessel or procures the goods already so delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel. The seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination.

The seller also contracts for insurance cover against the buyer’s risk of loss of or damage to the goods during the carriage. The buyer should note that under CIF the seller is required to obtain insurance only on minimum cover. Should the buyer wish to have more insurance protection, it will need either to agree as much expressly with the seller or to make its own extra insurance arrangements.

When CPT, CIP, CFR, or CIF are used, the seller fulfils its obligation to deliver when it hands the goods over to the carrier in the manner specified in the chosen rule and not when the goods reach the place of destination.

This rule has two critical points, because risk passes and costs are transferred at different places. While the contract will always specify a destination port, it might not specify the port of shipment, which is where risk passes to the buyer. If the shipment port is of particular interest to the buyer, the parties are well advised to identify it as precisely as possible in the contract.

The parties are well advised to identify as precisely as possible the point at the agreed port of destination, as the costs to that point are for the account of the seller. The seller is advised to procure contracts of carriage that match this choice precisely. If the seller incurs costs under its contract of carriage related to unloading at the specified point at the port of destination, the seller is not entitled to recover such costs from the buyer unless otherwise agreed between the parties.

The seller is required either to deliver the goods on board the vessel or to procure goods already so delivered for shipment to the destination. In addition the seller is required either to make a contract of carriage or to procure such a contract. The reference to “procure” here caters for multiple sales down a chain (‘string sales’), particularly common in the commodity trades.

CIF may not be appropriate where goods are handed over to the carrier before they are on board the vessel, for example goods in containers, which are typically delivered at a terminal. In such circumstances, the CIP rule should be used.

CIF requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import, pay any import duty or carry out any import customs formalities.

## **A THE SELLER'S OBLIGATIONS**

### **A1 General provision of the seller**

The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any document referred to in A1-A10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **A2 Licences, authorisations, security clearance and other formalities**

Where applicable, the seller must obtain, at its own risk and expense, any export licence or other official authorization and carry out all customs formalities necessary for the export of the goods.

## **B THE BUYER'S OBLIGATIONS**

### **B1 General provision of the buyer**

The buyer must pay the price of the goods as provided in the contract of sale.

Any document referred to in B1-B10 may be an equivalent electronic record or procedure if agreed between the parties or cusotmary.

### **B2 Licences, authorisations, security clearance and other formalities.**

Where applicable, it is up to the buyer to obtain, at its own risk and expense, any import licence or other official authorization and carry out all customs formalities for the import of the goods and for their transport through any country.

### **A3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The seller must contract or procure a contract for the carriage of the goods from the agreed point of delivery, if any, at the place of delivery to the named port of destination or, if agreed, any point at that port. The contract of carriage must be made on usual terms at the seller's expense and provide for carriage by the usual route in a vessel of the type normally used for the transport of the type of goods sold.

#### **b) Contract of insurance**

The seller must obtain, at its own expense, cargo insurance complying at least with the minimum cover provided by Clauses (C) of the Institute Cargo Clauses (LMA/IUA) or any similar clauses. The insurance shall be contracted with underwriters or an insurance company of good repute and entitle the buyer, or any other person having an insurable interest in the goods, to claim directly from the insurer.

When required by the buyer, the seller shall, subject to the buyer providing any necessary information requested by the seller, provide at the buyer's expense any additional cover, if procurable, such as cover as provided by Clauses (A) or (B) of the Institute Cargo Clauses (LMA/IUA) or any similar clauses and/or cover complying with the Institute War Clauses and/or Institute Strikes Clauses (LMA/IUA) or any similar clauses.

The insurance shall cover, at a minimum, the price provided in the contract plus 10% (i.e., 110%) and shall be in the currency of the contract.

The insurance shall cover the goods from the point of delivery set out in A4 and A5 to at least the named port of destination. The seller must provide the buyer with the insurance policy or other evidence of insurance cover. Moreover, the seller must provide the buyer, at the buyer's request, risk, and expense (if any), with information that the buyer needs to procure any additional insurance.

### **A4 Delivery**

The seller must deliver the goods either by placing them on board the vessel or by procuring the goods so delivered. In either case, the seller must deliver the goods on the agreed date or within the agreed period and in the manner customary at the port.

### **B3 Contracts of carriage and insurance**

#### **a) Contract of carriage**

The buyer has no obligation to the seller to make a contract of carriage.

#### **b) Contract of insurance**

The buyer has no obligation to the seller to make a contract of insurance. However, the buyer must provide the seller, upon request, with any information necessary for the seller to procure any additional insurance requested by the buyer as envisaged in A3 b).

### **B4 Taking delivery**

The buyer must take delivery of the goods when they have been delivered as envisaged in A4 and receive them from the carrier at the named port of destination.

**A5 Transfer of risks**

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A4, with the exception of loss or damage in the circumstances described in B5.

**A6 Allocation of costs**

The seller must pay

- a) all costs relating to the goods until they have been delivered in accordance with A4, other than those payable by the buyer as envisaged in B6;
- b) the freight and all other costs resulting from A3 a), including the costs of loading the goods on board and any charges for unloading at the agreed port of discharge that were for the seller's account under the contract of carriage;
- c) the costs of insurance resulting from A3 b); and
- d) where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export, and the costs for their transport through any country that were for the seller's account under the contract of carriage.

**B5 Transfer of risks**

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered as envisaged in A4.

If the buyer fails to give notice in accordance with B7, then it bears all risks of loss of or damage to the goods from the agreed date or the expiry date of the agreed period for shipment, provided that the goods have been clearly identified as the contract goods.

**B6 Allocation of costs**

The buyer must, subject to the provisions of A3 a), pay

- a) all costs relating to the goods from the time they have been delivered as envisaged in A4, except, where applicable, the costs of customs formalities necessary for export, as well as all duties, taxes and other charges payable upon export as referred to in A6 d);
- b) all costs and charges relating to the goods while in transit until their arrival at the port of destination, unless such costs and charges were for the seller's account under the contract of carriage;
- c) unloading costs including lighterage and wharfage charges, unless such costs and charges were for the seller's account under the contract of carriage;
- d) any additional costs incurred if it fails to give notice in accordance with B7, from the agreed date or the expiry date of the agreed period for shipment, provided that the goods have been clearly identified as the contract goods;
- e) where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon import of the goods and the costs for their transport through any country, unless included within the cost of the contract of carriage; and
- f) the costs of any additional insurance procured at the buyer's request under A3 b) and B3 b).

**A7 Notices to the buyer**

The seller must give the buyer any notice needed in order to allow the buyer to take measures that are normally necessary to enable the buyer to take the goods.

**A8 Delivery document**

The seller must, at its own expense provide the buyer without delay with the usual transport document for the agreed port of destination.

This transport document must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at the port of destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer or by notification to the carrier.

When such a transport document is issued in negotiable form and in several originals, a full set of originals must be presented to the buyer.

**A9 Checking –packing–marking**

The seller must pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A4, as well as the costs of any pre-shipment inspection mandated by the authority of the country of export.

The seller must, at its own expense, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller may package the goods in the manner appropriate for their transport, unless the buyer has notified the seller of specific packaging requirements before the contract of sale is concluded. Packaging is to be marked appropriately.

**B10 Assistance with information and related costs**

The seller must, where applicable, in a timely manner, provide to or render assistance in obtaining for the buyer, at the buyer's request, risk and expense, any documents and information, including security-related information, that the buyer needs for the import of the goods and/or for their transport to the final destination. The seller must reimburse the buyer for all costs and charges incurred by the buyer in providing or rendering assistance in obtaining documents and information as envisaged in B10.

**A7 Notices to the seller**

The buyer must, whenever it is entitled to determine the time for shipping the goods and/or the point of receiving the goods within the named port of destination, give the seller sufficient notice thereof.

**B8 Proof of delivery**

The buyer must accept the transport document provided as envisaged in A8 if it is in conformity with the contract.

**A9 Inspection of goods**

The buyer must pay the costs of any mandatory pre-shipment inspection, except when such inspection is mandated by the authorities of the country of export.

**B10 Assistance with information and related costs**

The buyer must, in a timely manner, advise the seller of any security information requirements so that the seller may comply with A10.

The buyer must reimburse the seller for all costs and charges incurred by the seller in providing or rendering assistance in obtaining documents and information as envisaged in A10.

The buyer must, where applicable, in a timely manner, provide to or render assistance in obtaining for the seller, at the seller's request, risk and expense, any documents and information, including security-related information, that the seller needs for the transport and export of the goods and for their transport through any country.