

## EXW (Ex Works)

- Buyer assumes almost all costs and risk throughout the shipping process
- Seller's only job is making sure the buyer can access the goods
- Once the buyer has access, it's all down to them (including loading the goods)

### Risk transfers from seller to buyer:

At the seller's warehouse, offices or wherever the goods are being collected from.

## The FCA (Free Carrier)

- It's the seller's job to get the goods to the buyer's carrier at an agreed location
- Seller is also required to clear goods for export

### Risk transfers from seller to buyer:

When the buyer's carrier receives the goods.

## The CPT (Carriage Paid To)

CPT – Carriage Paid To

- Same seller responsibilities as FCA with one difference: the seller covers delivery costs
- As with FCA, it's the seller's responsibility to clear goods for export

### Risk transfers from seller to buyer:

When the buyer's carrier receives the goods.

# RULES CHART INCOTERMS 2020



## SAR TRANSPORT SYSTEMS PVT. LTD.

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## DAP (Delivered at Place)

- Seller covers the costs and risk of transporting goods to an agreed address
- Goods are classed as delivered when they're at the address and ready to be unloaded
- Export and import responsibilities are the same as DAT

### Risk transfers from seller to buyer:

When goods are ready for unloading at the agreed address

## DPU (Delivered at Place Unloaded)

- Seller is responsible for the costs and risk of delivering the goods to an agreed place of unloading.
- The place of unloading could be any place, whether covered or not.
- Seller organises customs clearance and unloads the goods at the place of unloading.

### Risk transfers from seller to buyer:

At the place of unloading

## DDP (Delivered Duty Paid)

- Seller takes almost all responsibility throughout the shipping process
- They cover all costs and risk of transporting goods to the agreed address
- Seller also makes sure goods are ready for unloading, fulfils export and import responsibilities and pays any duties

### Risk transfers from seller to buyer:

When goods are ready for unloading at the agreed address.

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## The CIP (Carriage and Insurance Paid To)

- Same seller responsibilities as CPT with one difference: the seller also pays for the carriage and insurance to the named destination.
- Seller is obliged to purchase the maximum level of insurance cover under Clause A (Institute Cargo Clauses), for the buyer's risk.

### Risk transfers from seller to buyer:

When the buyer's carrier receives the goods.

## FAS (Free Alongside Ship)

- Seller assumes all costs and risk until goods have been delivered next to the ship
- Buyer then takes over risk and takes care of export and import clearance

### Risk transfers from seller to buyer:

When goods have been delivered next to the ship.

## FOB (Free on Board)

- Seller assumes all costs and risk until goods have been delivered on board the ship
- They also sort out export clearance
- Buyer assumes all responsibilities as soon as the goods are on board

### Risk transfers from seller to buyer:

When goods have been delivered onto the ship.

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## CFR (Cost and Freight)

- Seller has the same responsibilities as FOB but must also pay the cost of bringing the goods to the port
- As with FOB, the buyer assumes all responsibilities as soon as the goods are on board

### Risk transfers from seller to buyer:

When goods are on the ship.

## CIF (Cost, Insurance & Freight)

- Seller has the same obligations as CFR but must also cover insurance costs
- Seller is obliged to purchase the minimum insurance cover which is 110% of the invoice value, in the currency of that invoice and contract.
- If the buyer requires more comprehensive insurance, the seller must arrange the additional cover at the buyer's cost.

### Risk transfers from seller to buyer:

When the goods are on the ship.

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