



KRIEGER | worldwide[®]

NORMAN KRIEGER, INC

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INCOTERMS[®] 2020 RULES

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ENGINEERING SOLUTIONS TO YOUR LOGISTICS NEEDS

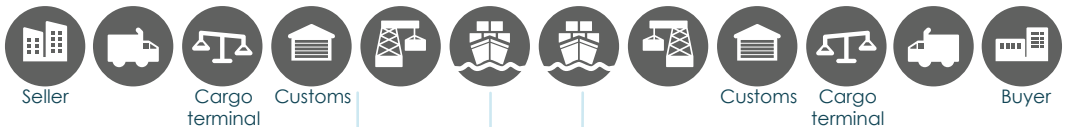


Rules for any mode or modes of transport



Incoterm	Risks	Costs	Insurance
EX Works (...named place)	Seller	Seller	Seller
Free Carrier (...named place = seller's premises)	Seller	Seller	Seller
Free Carrier (...named other place ≠ seller's premises)	Seller	Seller	Seller
Carriage Paid To (...named place of destination)	Seller	Seller	Buyer
Carriage and Insurance Paid to (...named place of destination)	Seller	Seller	Seller
Delivered At Place (...named place of destination)	Seller	Seller	Seller
Delivered at Place Unloaded (...named place of destination)	Seller	Seller	Buyer
Delivered Duties Paid (...named place of destination)	Seller	Seller	Seller

Rules for sea and inland waterway transport



Incoterm	Risks	Costs	Insurance
Free Alongside Ship (...named port of shipment)	Seller	Seller	Seller
Free On Board (...named port of shipment)	Seller	Seller	Seller
Cost and Freight (...named port of destination)	Seller	Seller	Seller
Cost, Insurance and Freight (...named port of destination)	Seller	Seller	Seller

RISKS

The possibility that an event may occur which could cause loss of or damage to the goods is a "risk". Buyers and/or sellers can protect themselves against risks by transport insurance.

COSTS

Covers all costs except costs of documents. Sales and purchase contracts should clearly state which costs on transfer of the goods are for account of buyer and/or seller.

INSURANCE

Transport insurance is the responsibility of the seller.

Seller

Buyer

Differences between Incoterms[®] 2010 and 2020:

- The Incoterms[®] FCA (Free Carrier) now provides the additional option to make an on-board notation on the Bill of Lading prior loading of the goods on a vessel.
- The costs now appear centralized in A9/B9 of each Incoterms[®] rule.
- CIP now requires at least an insurance with the minimum cover of the Institute Cargo Clause (A) (All risk, subject to itemized exclusions).
- CIF requires at least an insurance with the minimum cover of the Institute Cargo Clause (C) (Number of listed risks, subject to itemized exclusions).
- The Incoterms[®] rules Free Carrier (FCA), Delivered at Place (DAP), Delivered at Place Unloaded (DPU) and Delivered Duty Paid (DDP) now take into account that the goods may be carried without any third-party carrier being engaged, namely by using its own means of transportation.
- The rule Delivered at Terminal (DAT) has been changed to Delivered at Place Unloaded (DPU) to clarify that the place of destination could be any place and not only a "terminal".
- The Incoterms[®] 2020 now explicitly shifts the responsibility of security-related requirements and ancillary costs to the seller.