

2010 Incoterms

Any mode(s) of transport		Risk transfers
EWX	Ex Works	At the disposal of the buyer at a named place, usually the seller's premises, but not loaded on any collecting vehicle.
FCA	Free Carrier	On delivery at the named place (usually the seller's premises) to the carrier or other party nominated by the buyer.
CPT	Carriage Paid To	On delivery at the named place by the seller to the carrier, with the seller then paying for carriage to destination. CPT has two critical points, because risk passes and costs are transferred at different places.
CIP	Carriage and Insurance Paid To	On delivery at the named place by the seller to the carrier, with the seller then paying for carriage and (minimum) insurance to destination. CIP has two critical points, because risk passes and costs are transferred at different places.
DAT	Delivered At Terminal	Once the goods have been delivered and unloaded at the buyer's disposal at the named port or place of destination. If the intention is that the seller bear the risks and costs from the terminal to another place, then the DAP or DDP terms should be used.
DAP	Delivered At Place	Risk transfers once the seller has delivered the goods to the named place at the disposal of the buyer: the goods are 'on the arriving means of transport ready for unloading'.
DDP	Delivered Duty Paid	Risk transfers when the seller has delivered the goods at the buyer's disposal at the named place, cleared for import on the arriving means of transport, ready for unloading. DDP represents the maximum obligation to the seller. The seller not only has to clear the goods for export and for import, and to pay any of the associated customs duties and formalities.

It is important to note that these rules above can be used where a ship is used as part of the carriage.

Sea and Inland Waterway Only		Risk transfers
FAS	Free Alongside Ship	The seller delivers and risk transfers when the goods are placed alongside the vessel (e.g. on a quay or barge) at a named port of shipment. FAS is not well suited to containerised cargo, as they are typically delivered at a terminal. In such situations, FCA should be used.
FOB	Free On Board	Risk transfers when the goods are 'on board the vessel nominated by the buyer at the named port of shipment'. FOB is not well suited to containerised cargo, as they are typically delivered at a terminal. In such situations, FCA should be used.
CFR	Cost and Freight	The seller delivers and risk transfers when the goods are on board the vessel at the port of shipment. However, the seller pays for the costs and freight necessary to take the goods to the named port of destination. Like CPT, CFR has two critical points where risk and costs are transferred at different places. Like FOB, CFR is not well suited to containerised goods. CPT should be used instead.
CIF	Cost Insurance and Freight	Risk of loss or damage transfers when the goods are placed on board the vessel at the port of shipment. The seller must also contract for and pay the costs and freight necessary to bring the goods to the named port of destination. CIF is not well suited to containerised cargo, as they are typically delivered at a terminal. In such situation CIP should be used.