



**TERMS & CONDITIONS
C-I INCOTERMS**

Crosslink utilizes Incoterms® 2010 which provide a common set of rules to clarify responsibilities of sellers and buyers for the delivery our sales contracts. Where applicable, we apportion transportation costs and responsibilities associated with deliveries of raw materials, components, and finished goods. Incoterms® significantly reduce misunderstandings, minimize trade disputes, and ultimately reduces transportation litigation as a result.

Crosslink breaks Incoterms® in two basic modes of transport: general transportation, and sea and inland transportation. The two modes simplify the drafting of contracts and help avoid misunderstandings by clearly stipulating the obligations of each party.

1. MODE 1 INCOTERMS THAT APPLY TO ANY MODE OF TRANSPORT ARE:

INCO	DEFINITION	COMMENT
EXW	Ex Works	Apply to any mode of transportation.
FCA	Free Carrier	Apply to any mode of transportation.
CPT	Carriage Paid To	Apply to any mode of transportation.
CIP	Carriage and Insurance Paid To	Apply to any mode of transportation.
DAT	Delivered at Terminal	Apply to any mode of transportation.
DAP	Delivered at Place	Apply to any mode of transportation.
DDP	Delivered Duty Paid	Apply to any mode of transportation.

2. MODE 2 INCOTERMS THAT APPLY TO SEA AND INLAND WATERWAY TRANSPORT ONLY:

INCO	DEFINITION	COMMENT
FAS	Free Alongside Ship	Apply to ocean and inland transportation.
FOB	Free on Board	Apply to ocean and inland transportation.
CFR	Cost and Freight	Apply to ocean and inland transportation.
CIF	Cost, Insurance, and Freight	Apply to ocean and inland transportation.

Observations: INCOTERMS® beginning with **F** refer to shipments where the primary cost of shipping is not paid for by the seller. Terms beginning with **C** deal with shipments where the seller pays for shipping. E-terms occur when a seller's responsibilities are fulfilled when goods are ready to depart from their facilities. **D** terms cover shipments where the shipper (seller's) responsibility ends when the goods arrive at some specific point. Because shipments are moving into a country, **D** terms usually involve the services of a customs broker and a freight forwarder. In addition, **D** terms also deal with the pier or docking charges found at virtually all ports and determining who is responsible for each charge.



Allocated Charges/Fees: Buyer and Seller:

Crosslink International, Inc. Tel: 215-766-9650 Fax: 215-766-9606											
Incoterms 2010	Any Transport Mode		Sea / Inland Waterway Transport				Any Transport Mode				
TERM	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAT	DAP	DDP
	Ex-Works	Free Carrier	Free Alongside Ship	Free On-Board Vessel	Cost & Freight	Cost Insurance & Freight	Carriage Paid to	Carriage Insurance Paid to	Delivery At Terminal	Delivered at Place	Delivered Duty Paid
Charges / Fees	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays
Packaging	Buyer or Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading charge	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Delivery to Port/Place	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Export Duty & Taxes	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Origin Terminal Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on carriage	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage Charges	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Insurance						Seller		Seller			
Destination Terminal Charges	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Delivery to destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller
Import Duty & Taxes	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller

INCOTERMS® 2010 EXPLANATIONS

3. EXW (EX-Works):

One of the simplest and most basic shipment arrangements places the minimum responsibility on the seller with greater responsibility on the buyer. In an EX-Works transaction, goods are basically made available for pickup at the shipper/seller's factory or warehouse and "delivery" is accomplished when the merchandise is released to the consignee's freight forwarder. The buyer is responsible for making arrangements with their forwarder for insurance, export clearance and handling all other paperwork.

4. FCA (Free Carrier):

In this type of transaction, the seller is responsible for arranging transportation, but he is acting at the risk and the expense of the buyer. Where in FOB the freight forwarder or carrier is the choice of the buyer, in FCA the seller chooses and works with the freight forwarder or the carrier. "Delivery" is accomplished at a predetermined port or destination point and the buyer is responsible for Insurance.

5. CPT (Carriage Paid To):

In CPT transactions the shipper/seller has the same obligations found with CIF, with the addition that the seller has to buy cargo insurance, naming the buyer as the insured while the goods are in transit.



6. CIP (Carriage and Insurance Paid To):

This term is primarily used for multimodal transport. Because it relies on the carrier's insurance, the shipper/seller is only required to purchase minimum coverage. When this particular agreement is in force, Freight Forwarders often act in effect, as carriers. The buyer's insurance is effective when the goods are turned over to the Forwarder.

7. DAT (Delivered At Terminal):

This term is used for any type of shipments. The shipper/seller pays for carriage to the terminal, except for costs related to import clearance, and assumes all risks up to the point that the goods are unloaded at the terminal.

8. DAP (Delivered At Place):

DAP term is used for any type of shipments. The shipper/seller pays for carriage to the named place, except for costs related to import clearance, and assumes all risks prior to the point that the goods are ready for unloading by the buyer.

9. DDP (Delivered Duty Paid):

DDP term tend to be used in intermodal or courier-type shipments. Whereby, the shipper/seller is responsible for dealing with all the tasks involved in moving goods from the manufacturing plant to the buyer/consignee's door. It is the shipper/seller's responsibility to insure the goods and absorb all costs and risks including the payment of duty and fees.

10. FAS (Free Alongside Ship):

In these transactions, the buyer bears all the transportation costs and the risk of loss of goods. FAS requires the shipper/seller to clear goods for export, which is a reversal from past practices. Companies selling on these terms will ordinarily use their freight forwarder to clear the goods for export. "Delivery" is accomplished when the goods are turned over to the Buyers Forwarder for insurance and transportation.

11. FOB (Free On Board):

One of the most commonly used-and misused-terms, FOB means that the shipper/seller uses his freight forwarder to move the merchandise to the port or designated point of origin. Though frequently used to describe inland movement of cargo, FOB specifically refers to ocean or inland waterway transportation of goods. "Delivery" is accomplished



when the shipper/seller releases the goods to the buyer's forwarder. The buyer's responsibility for insurance and transportation begins at the same moment.

12. CFR (Cost and Freight):

This term formerly known as CNF (C&F) defines two distinct and separate responsibilities-one is dealing with the actual cost of merchandise "C" and the other "F" refers to the freight charges to a predetermined destination point. It is the shipper/seller's responsibility to get goods from their door to the port of destination. "Delivery" is accomplished at this time. It is the buyer's responsibility to cover insurance from the port of origin or port of shipment to buyer's door. Given that the shipper is responsible for transportation, the shipper also chooses the forwarder.

13. CIF (Cost, Insurance and Freight):

This arrangement similar to CFR, but instead of the buyer insuring the goods for the maritime phase of the voyage, the shipper/seller will insure the merchandise. In this arrangement, the seller usually chooses the forwarder. "Delivery" as above, is accomplished at the port of destination.