Incoterms® 2010

Defining obligations, costs and risks in delivery of goods.

The Incoterms® are a standard set of trade rules used worldwide in international and domestic contracts of sale. The rules define the obligations, costs and risks of sellers and buyers in connection to delivery of goods.

**Incoterms® 2010 comprises of 11 rules**

Some rules can be used for sea and inland waterway transport only, whereas others can be used irrespective of the mode of transport.

Rules for any mode or modes of transport: EXW, FCA, CPT, CIP, DAT, DAP and DDP.

Rules for sea and inland water transport only: FAS, FOB, CFR and CIF.

The Incoterms® 2010 are published by the International Chamber of Commerce (ICC) and replaces the Incoterms 2000.

*Note! When trading under a documentary credit (DC), ensure that the terms of the DC correspond to the Incoterms® rule used.*

**Incoterms® 2010 can be grouped as follows:**

**The “E” rule – “departure” (EXW).**

The seller’s obligation is limited to placing the goods at the disposal of the buyer at the seller’s premises or another named place.

**The “F” rules – “main carriage not paid by the seller” (FCA, FAS and FOB).**

The seller delivers the goods to the carrier at a place named by the buyer.

**The “C” rules – “main carriage paid by the seller” (CPT, CIP, CFR and CIF).**

The seller arranges for transportation, but does not bear the risk of loss or damage to the goods or any additional costs due to events occurring after the shipment.

**The “D” rules – “arrival” (DAT, DAP and DDP).**

The seller bears all necessary expenses and risks involved in transporting the goods to the named place of destination.

Incoterms® must be accompanied by a named place and a reference to the Incoterms, for example: “EXW Strandgade 3, Copenhagen, Denmark Incoterms® 2010”
Nordea Trade Finance:

- Located in Denmark, Finland, Norway and Sweden as well as in China, Estonia, Germany, Latvia, Lithuania, Poland, Russia, Singapore, UK and USA.
- Offers a full range of trade finance services including collections, documentary credits and guarantees as well as trade finance related e-solutions.
- Is the largest Trade Finance Bank in the Nordic region.

nordea.com/tradefinance