



CWS INDUSTRIES (MFG) CORP.

## International Freight Terms

The international freight community has adopted a number of terms for freight shipments around the world. Some common ones are presented here to help reduce the misuse of much overworked terms such as FOB and CIF, both of which are only valid for shipments by sea.

There are four groups of terms:

- "E" Term
- "F" Terms
- "C" Terms
- "D" Terms

### "E" Term

#### **EXW - Ex Works**

The goods are made available by the seller at the seller's premises.

Technically it is the responsibility of the buyer to arrange loading but commonly, the seller loads as a courtesy.

### "F" Terms

Seller delivers the goods to a carrier appointed by the buyer

#### **FCA - Free carrier (all)**

Applies to all forms of transport.

*The technically correct term for what North American industry loosely means when "F.O.B. Our Shop" is used.*

The buyer technically chooses the carrier but it is the responsibility of the seller to load the goods.

#### **FAS - Free Alongside Ship (sea)**

#### **FOB - Free on Board Ship (sea)**

### "C" Terms

Seller contracts out for carriage to a certain point without assuming the RISK, of loss or damages

#### **CFR - Cost and Freight (sea)**

#### **CIF - Cost Insurance and Freight (sea)**

*This term is commonly misused in North America to include all forms of transport.*

**CPT - Carriage Paid (all)**

**CIP - Carriage and Insurance Paid to (all)**

*The technically correct term where CIF has been misused in the past.*

## **"D" Terms**

Seller bears all costs and risks needed to bring the goods to the country of destination.

**DAF - Delivered at Frontier (land)**

**DES - Delivered ex Ship (sea)**

**DEQ - Delivered ex Quay (duty paid) (sea)**

**DDU - Delivered Duty Unpaid (all)**

**DDP - Delivered Duty Paid (all)**