

CHOICE OF DELIVERY TERMS

In modern transport systems, goods are not always inspected at points where the risk is transferred according to Incoterms® 2010. To avoid dispute concerning where loss or damage has occurred along the transport chain, it is advisable to agree to terms of delivery where one party bears the risk for the goods during the entire transport.

STATE INCOTERMS® 2010

When making an agreement based on Incoterms, it is advisable to state the terms of delivery agreed on in the contract of sale and commercial invoices e.g. "FOB Gothenburg, Incoterms® 2010". This prevents problems with interpretation which may arise in countries having their own definitions of delivery terms. If recommends the use of Incoterms® 2010 for international shipments and strongly advises against forming own delivery terms.

NOTICE OF LOSS, PERIODS OF LIMITATION AND LIMITATION OF LIABILITY IN INTERNATIONAL TRANSPORTS

APPLICABLE RULES	NOTICE OF LOSS		PERIOD OF LIMITATION	LIMITATION OF LIABILITY
	Apparent loss or damage	Not apparent loss or damage		for loss or damage
1. CARRIAGE BY SEA Haag-Visby Rules/ Finnish Maritime Code	Upon receipt of goods	3 days	1 year	SDR* 667/package/ SDR 2/kg
2. CARRIAGE BY AIR The Montreal Convention	Upon receipt of goods	14 days	2 years	SDR 19/kg
3. CARRIAGE BY RAIL CIM Convention	Upon receipt of goods	7 days	1 year	SDR 17/kg
RKL - Finnish Railroad Transport Act	Upon receipt of goods	10 days	1 year	EUR 25/kg
4. CARRIAGE BY ROAD CMR/TKSL	Upon receipt of goods	7 days	1 year	SDR 8,33/kg
TKSL - Finnish Contracts of Carriage by Road Act	Upon receipt of goods	7 days	1 year	EUR 20/kg
5. NORDIC FORWARDING NSAB (when liability as carrier)	Upon receipt of goods	7 days	1 year	SDR 8,33/kg

* 1 SDR has lately fluctuated between EUR 1,10-1,25.

Incoterms is a trademark registered by ICC (International Chamber of Commerce). ICC is an international organisation for trade with national sections in the Nordic countries and members from more than 140 countries around the world.

More info on: www.iccfinland.fi

Please observe limitation of liability for carriers above and thus the need for cargo insurance. If P&C Insurance Company Ltd. is your professional guide both on this as well as on Incoterms® 2010.

If you have any questions please contact: cargo.industrial@if.fi
Incoterms® 2010 brochure is available: www.if-insurance.com

INCOTERMS® 2010



Relax, we'll help you.

INCOTERMS

Delivery terms

EXW - Ex Works
(named place; ex factory ex mill, ex warehouse etc)

FCA - Free Carrier
(named place)

FAS (sea and waterway transports only)
Free alongside ship
(named port of shipment)

FOB (sea and waterway transports only)
Free on board
(named port of shipment)

CFR (sea and waterway transports only)
Cost and freight
(named port of destination)

CIF (sea and waterway transports only)
Cost, insurance and freight
(named port of destination)

CPT - Carriage paid to
(named place of destination)

CIP - Carriage and insurance paid to
(named place of destination)

DAP
Delivered at place
(named place of destination)

DAT 1)
Delivered at terminal
(named terminal at port or place of destination)

DDP - Delivered duty paid
(named place of destination)



1) "Named terminal" includes such as quay, warehouse, container yard, road-, rail- or air cargo terminal at named port or place of destination.

