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INCOTERMS® 2020

# Buying & Selling

 Star USA

# International Commercial Terms

## General Information

INCOTERMS® 2020 should be set in the purchasing or sales agreement, but may vary on an order-by-order basis. It is important that all participants in the process be aware of the impact when establishing INCOTERMS® Rules. Preferred INCOTERMS® may vary based on the mode of transport (Air vs. Ocean), the regions involved (Asia vs. North America, for example), the role of the parties involved, the commodity being bought or sold, and the terms of sale.

## Risk, Cost, & Responsibility

INCOTERMS® Rules dictate the transfer of risk and responsibility, as well as which party is responsible for specific aspects of the transaction – including the payment of duties, the import and export clearance of the goods, the arrangement and payment of freight, and more.

## Title Transfer

Title transfer is not governed by INCOTERMS® 2020; transfer of title is established in the purchasing or sales agreement, or as specified in the Terms and Conditions Contract.

The following information is meant to serve only as a guide when making INCOTERMS® selections. For further analysis and questions on your unique situation, please contact Star USA.

# Transportation Key

## All Modes of Transportation

<b>EXW</b>	Ex Works
<b>FCA</b>	Free Carrier
<b>CPT</b>	Carriage Paid To
<b>CIP</b>	Carriage & Insurance Paid To
<b>DAP</b>	Delivered At Place
<b>DPU</b>	Delivered At Place Unloaded
<b>DDP</b>	Delivered Duty Paid

## Vessel — Sea & Inland Waterway Only

<b>FAS</b>	Free Alongside Ship
<b>FOB</b>	Free On Board
<b>CFR</b>	Cost & Freight
<b>CIF</b>	Cost Insurance & Freight

# Exporting

## USA to Canada

You Pay Freight >

<b>Land</b>	<b>CPT</b>	Customer
<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>CPT</b>	Destination Port

Customer Pays Freight >

<b>Land</b>	<b>FCA</b>	Origin Point
<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

## USA to Mexico

You Pay Freight >

<b>Land</b>		(Call for Guidance)
<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>CPT</b>	Destination Port

Customer Pays Freight >

<b>Land</b>	<b>FCA</b>	Origin Point
<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

## USA to Rest of World

You Pay Freight >

<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>CPT</b>	Destination Port

Customer Pays Freight >

<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

# Importing

## Canada to USA

You Pay Freight >

<b>Land</b>	<b>FCA</b>	Origin Point
<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

Customer Pays Freight >

<b>Land</b>	<b>DAP</b>	Destination Point
<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>DAP</b>	Destination Port

## Mexico to USA

You Pay Freight >

<b>Land</b>		(Call for Guidance)
<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

Customer Pays Freight >

<b>Land</b>	<b>DAP</b>	Destination Point
<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>DAP</b>	Destination Port

## Rest of World to USA

You Pay Freight >

<b>Air</b>	<b>FCA</b>	Origin Airport
<b>Water</b>	<b>FCA</b>	Origin Port

Customer Pays Freight >

<b>Air</b>	<b>DAP</b>	Destination Airport
<b>Water</b>	<b>DAP</b>	Destination Port

Have a Question?

Contact Us

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# All Modes of Transportation

## Buyer / Seller Responsibility

Service/ Event	EXW	FCA	CPT	CIP	DAP	DPU	DDP
Export Pack	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Mark & Label	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Block & Brace	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer
Export Clearance (License, EEI/AES)	Buyer	Seller	Seller	Seller	Seller	Seller	Seller
Arrange Insurance	Either	Either	Either	Seller	Either	Either	Either
Select Carrier	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Select Freight Forwarder	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Arrange & Pay Pre-Carriage	Buyer	Either	Seller	Seller	Seller	Seller	Seller
Pay Origin Terminal Charges	Buyer	Either	Seller	Seller	Seller	Seller	Seller
Arrange & Pay Main Carriage	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller
Load Main Carriage	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Pay Destination Terminal Charges	Buyer	Buyer	Either	Either	Either	Either	Seller
Arrange & Pay On-Carriage	Buyer	Buyer	Either	Either	Either	Either	Seller
Arrange & Pay Import Clearance	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller
Pay Duties, Taxes & Fees	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller
Unload From On-Carriage	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Buyer

# General Application

## EXW

Seller places shipment at disposal of buyer at Seller's facility. Seller is not responsible to load buyer's carrier. Export clearance is buyer's responsibility.

### Qualifiers:

EXW Seller's Facility

### Risk Transfers:

Seller's Premises

### Freight:

Collect from EXW point

## FCA

Seller delivers shipment to Buyer's selected carrier at "F" geographic location. Seller loads first carrier.

### Qualifiers:

FCA Seller's Facility

### Risk Transfers:

FCA Forwarder's Warehouse (Seller's Country)

### Risk Transfers:

FCA Airport (Seller's Country)

### Risk Transfers:

FCA Steamship Terminal (Seller's Country)

### Risk Transfers:

Named Place of Delivery

### Freight:

Collect from F Delivery Point

## CPT CIP

Seller arranges transport to "C" delivery port or place. "I" requires seller to obtain minimum insurance coverage. Seller fulfills delivery obligation upon delivery to carrier.

### Qualifiers:

CPT or CIP Destination Airport  
CPT or CIP Destination Terminal  
CPT or CIP Buyer's Destination

### Risk Transfers:

At point cargo delivered to carrier

### Freight:

Prepaid by seller to destination port or place

## DAP DPU DDP

Seller arranges and delivers to destination place.  
DAP - Delivered at place  
DPU - Delivered at place unloaded  
DDP - Delivered Duty Paid

### Qualifiers:

FCA Seller's Facility

### Qualifiers:

DPU, DAP, DDP Destination Airport

### Risk Transfers:

DPU, DAP, DDP Destination Terminal

### Risk Transfers:

DPU, DAP, DDP Buyer's Destination

### Risk Transfers:

Named Place of Delivery

### Freight:

Prepaid by seller to destination port or place

# Vessel — Sea & Inland Waterway Only

## Buyer / Seller Responsibility

Service/ Event	FAS	FOB	CFR	CIF
Prep for Transport	Seller	Seller	Seller	Seller
Mark & Label	Seller	Seller	Seller	Seller
Block & Brace	Buyer	Buyer	Buyer	Buyer
Export Clearance (License, EEI/AES)	Seller	Seller	Seller	Seller
Arrange Insurance	Either	Either	Either	Seller
Select Carrier	Buyer	Buyer	Seller	Seller
Select Freight Forwarder	Buyer	Buyer	Seller	Seller
Pay Origin Terminal Charges	Buyer	Seller	Seller	Seller
Arrange & Pay Main Carriage	Buyer	Buyer	Seller	Seller
Load Main Carriage	Buyer	Seller	Seller	Seller
Stow & Unload Main Carriage	Buyer	Buyer	Buyer	Buyer
Pay Destination Terminal Charges	Buyer	Buyer	Either	Either
Arrange & Pay On-Carriage	Buyer	Buyer	Buyer	Buyer
Arrange & Pay Import Clearance	Buyer	Buyer	Buyer	Buyer
Pay Duties, Taxes & Fees	Buyer	Buyer	Buyer	Buyer
Delivery to Buyer Destination	Buyer	Buyer	Buyer	Buyer
Unload From On-Carriage	Buyer	Buyer	Buyer	Buyer

# General Application

## FAS FOB

Seller delivers shipment to Buyer's selected carrier at "F" geographic location. Seller loads first carrier.

Qualifiers: FAS Vessel  
Port of Loading

FOB Vessel  
Port of Loading

Risk Transfers: At point cargo laden on board vessel

Freight: Collect from Delivery Point

## CFR CIF

Seller arranges transport to "C" delivery port or place. "I" requires seller to obtain minimum insurance coverage. Seller fulfills delivery obligation upon delivery to carrier.

Qualifiers: CFR or CIF Destination Port

Risk Transfers: At point cargo laden on board vessel

Freight: Prepaid by seller to "C" destination port or place.

Break-bulk Non-containerized cargo, loaded loose on vessel

LCL, FCL Less-than-container load, Full Container Load

RORO Roll-on Roll-off

BOL or B/L Carrier bill of lading

LTL, TL Less-than-truck load, Truck Load

EEI Electronic Export Information



Star USA

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