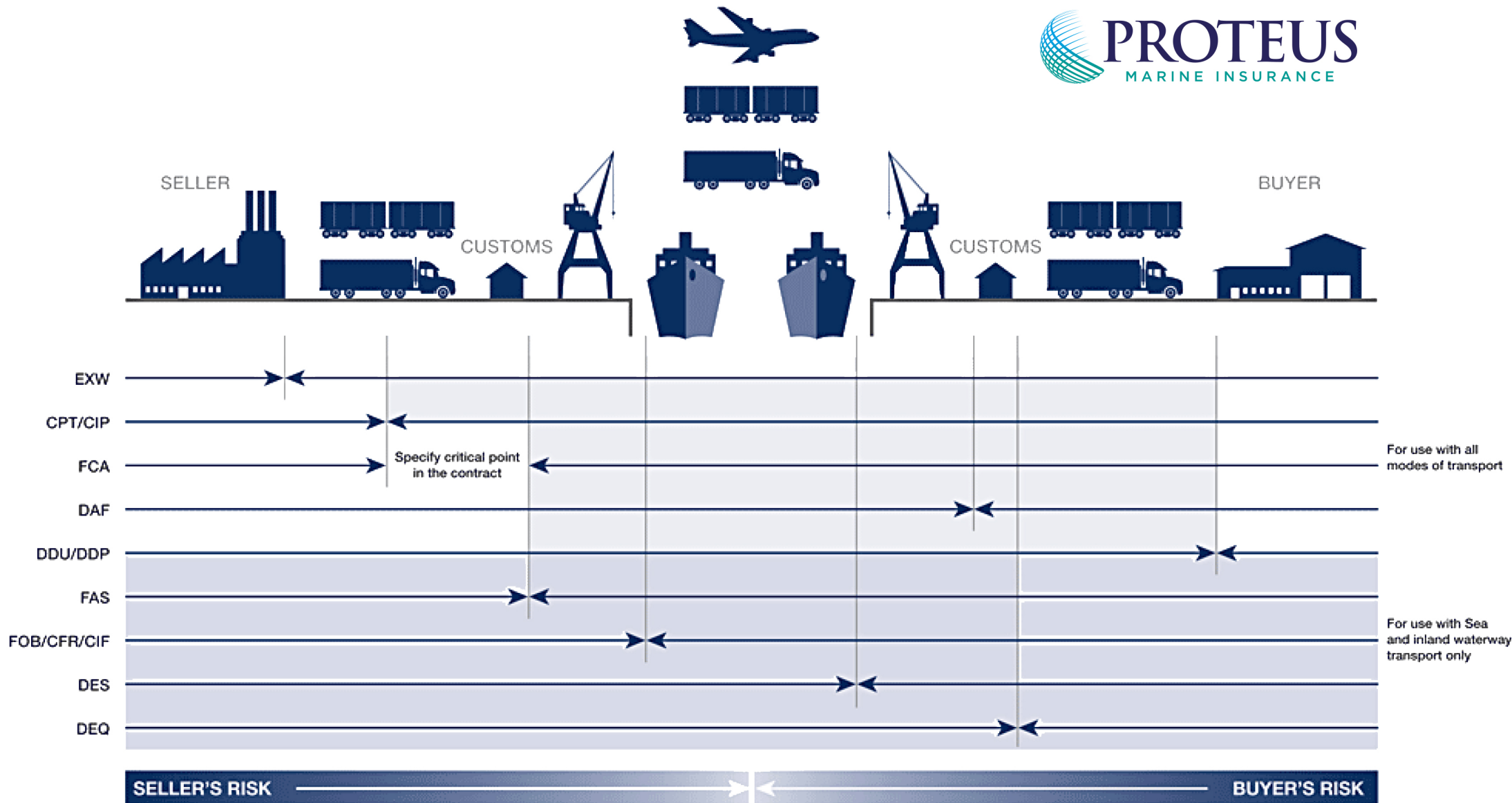


Risk Transfer Points In International Transit



*This illustration is intended to capture the effect on ICC INCOTERMS 1990 and intended as a guide only. For further information refer to the full text of the ICC INCOTERMS 1990. This diagram and the accompanying text should not be relied upon. Individual consideration must be given to risk transfer and its implications.

Term Used for All Modes of Transport

EXW	Ex Works (.... named place)
FCA	Free Carrier (.... named place)
CPT	Carriage Paid To (.... named place of destination)
CIP	Carriage and Insurance Paid To (.... named place of destination)
DAF	Delivered at Frontier (.... named place)
DDU	Delivered Duty Unpaid (.... named place of destination)
DDP	Delivered Duty Paid (.... named place of destination)

Terms Used for Sea and Inland Waterways Transport Only

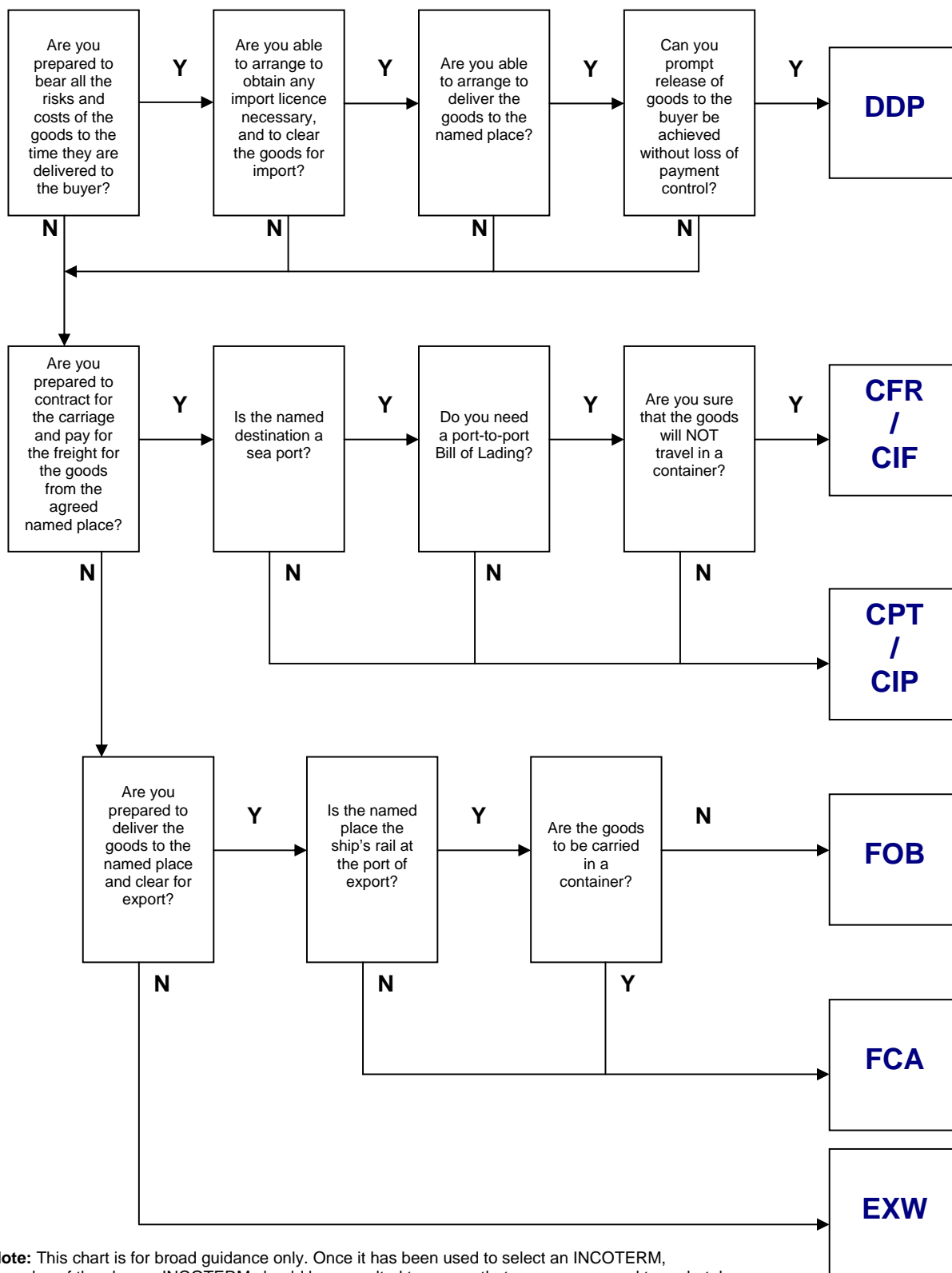
FAS	Free Alongside Ship (.... named port of shipment)
FOB	Free On Board (.... named port of shipment)
CFR	Cost and Freight (.... named port of destination)
CIF	Cost Insurance and Freight (.... named port of destination)
DES	Delivered Ex Ship (.... named port of destination)
DEQ	Delivered Ex Quay (.... named port of destination)

The risk transfer point is variable depending upon the mode of transport used and the wording of the sales contract agreed between the seller and the buyer.

The CIP and CIF terms obliged the Seller to obtain at his own expense Marine Cargo Insurance as agreed in the contract, that the buyer, or any other person having an insurable interest in the goods, shall be entitled to claim directly from the insurer and provide the buyer with the insurance policy or other evidence of insurance cover.

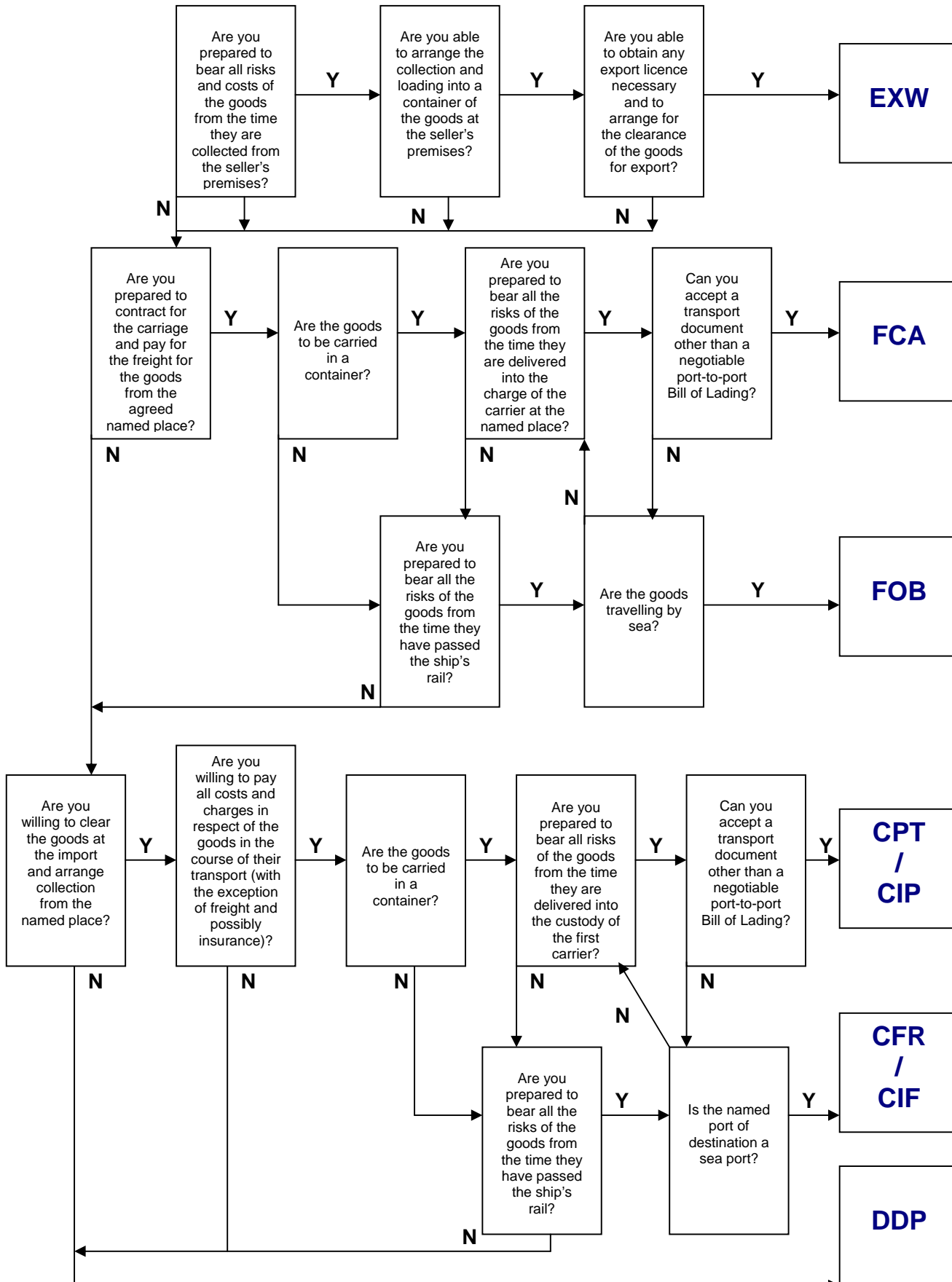
The insurance shall be contracted with underwriters or an insurance company of good repute and, failing express agreement to the contrary, be in accordance with minimum cover of the Institute Cargo Clauses (Institute of London Underwriters) or any similar set of clauses. The duration of the insurance cover shall be in accordance with the terms of delivery and the risk transfer as specified in the contract. When required by the buyer, the seller shall provide at the buyer's expense war, strikes, riots and civil commotion risk insurance if procurable. The minimum insurance shall cover the price provided in the contract plus ten percent (i.e. 110%) and shall be provided in the currency of the contract.

INCOTERMS 1990 - DECISION CHART FOR THE SELLER



Note: This chart is for broad guidance only. Once it has been used to select an INCOTERM, the rules of the chosen INCOTERM should be consulted to ensure that you are prepared to undertake all the detailed responsibilities of the Seller set out therein.

INCOTERMS 1990 - DECISION CHART FOR THE BUYER



Note: This chart is for broad guidance only. Once it has been used to select an INCOTERM, the rules of the chosen INCOTERM should be consulted to ensure that you are prepared to undertake all the detailed responsibilities of the Buyer set out therein.