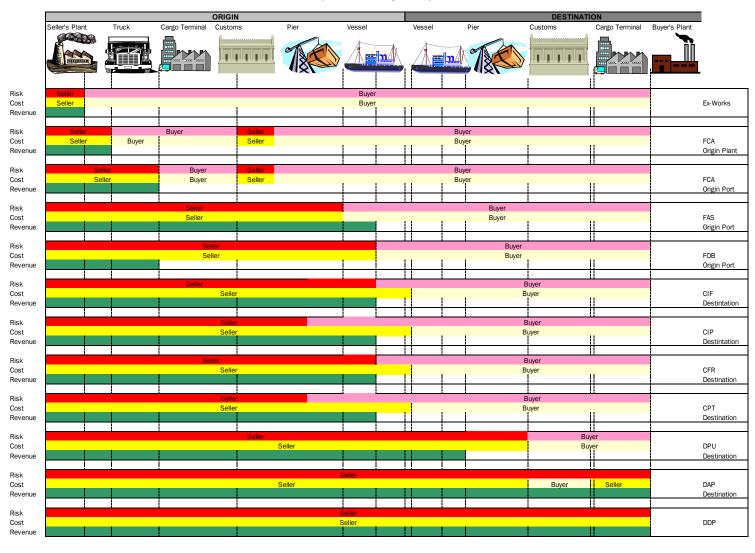
INCO Terms and Revenue Recognition

| | Revenue Recognition | | | |
|---|---|---|---|--|
| INCO Term | Location | Trigger Document | When You Can Invoice | When Risk Transfers |
| Ex-works | plant's loading dock | Written notification to buyer that goods are ready for pick-up | upon written notification of readiness to buyer | once cargo is placed at loading dock and made available to buyer's trucker |
| | cargo loaded on truck or in | | receipt of truck bill of lading | once cargo is loaded on |
| FCA Plant | railcar | Truck Bill of Lading | (when truck leaves the plant) | truck or in railcar |
| FCA Outbound Port | cargo delivered to outbound port | Dock receipt from outbound port or interchange agreement from outbound port | trucker receipt of dock receipt or interchange agreement (when truck arrives at outbound port) | once cargo arrives in the gate at the outbound port |
| FAS Outbound Port | cargo loaded on vessel | Bill of Lading | vessel loading date | once cargo arrives in the gate at the outbound port |
| FOB Outbound Port | cargo delivered to outbound port | Dock receipt from outbound port or interchange agreement from outbound port | trucker receipt of dock receipt | once cargo arrives in the gate at the outbound port once cargo is loaded on |
| CIF Destination Port | cargo loaded on vessel | Bill of Lading | vessel sail date | the vessel |
| CIP Destination (Port or Inland Location) | cargo loaded on vessel, airplane, truck, or rail | Bill of Lading or Airway Bill | vessel sail date, flight departure date, departure date from origin location (truck or rail) | once cargo is loaded in the truck or railcar (land moves only) or on the vessel or airplane |
| CFR Destination Port | cargo loaded on vessel | Bill of Lading | vessel sail date | once cargo is loaded on the vessel |
| CPT Destination (Port or Inland Location) | cargo loaded on vessel, airplane, truck, or rail | Bill of Lading or Airway Bill | vessel sail date, flight departure date, departure date from origin location (truck or rail) | once cargo is loaded in the truck or railcar (land moves only) or on the vessel or airplane |
| DPU Destination (Port or Terminal) | cargo discharged at destination port or terminal | Foreign port signed dock receipt or ship manifest release, or terminal receipt | upon unloading at foreign port or terminal | once cargo is unloaded from the vessel, truck, railcar or airplane |
| DAP Final Destination | cargo arrival at final destination | Dock receipt or receipt confirmation from buyer at place of delivery | upon written confirmation of delivery | once cargo is delivered to customer |
| DDP Final Destination | cargo arrival at final destination | Dock receipt or receipt confirmation from buyer at place of delivery | upon written confirmation of delivery | once cargo is delivered to customer |

INCO Terms 2020 (effective January 1, 2020)



Risk = the possibility that an event may occur which could cause loss or damage to the goods
Cost = Buyer and Seller responsibility for specific costs in the transaction
Revenue = time when invoices may be issued (see reverse for further details)

Compliments of:

GTPI www.gtpiconsulting.com
[1) 732 277 2644