IBC DELAWARE LLC

Executive Commercial Bridge | File #295871 | Est. 2015

INCOTERMS 2027
Risk & Responsibility Matrix

EXECUTIVE SOURCING & RISK TRANSFER OVERVIEW

This strategic matrix defines the precise distribution of costs, operational responsibilities, and transfer of risk between buyer and seller in cross-border trade transactions. Published as an operational lead asset by IBC Delaware LLC to safeguard international supply chain contracts across North America, Europe, and global markets.

INCOTERMS RESPONSIBILITY BREAKDOWN

INCOTERM RULE	EXPORT CUSTOMS	LOADING AT ORIGIN	MAIN CARRIAGE (FREIGHT)	TRANSPORT INSURANCE	IMPORT CUSTOMS	UNLOADING AT DEST.	POINT OF RISK TRANSFER
EXW (Ex Works)	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller's premises / factory
FCA (Free Carrier)	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Handover to named carrier
FOB (Free on Board)	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Loaded onto vessel at port
CFR (Cost & Freight)	Seller	Seller	Seller	Buyer	Buyer	Buyer	Loaded onto vessel at origin
CIF (Cost, Ins. & Freight)	Seller	Seller	Seller	Seller (Min)	Buyer	Buyer	Loaded onto vessel at origin
CPT (Carriage Paid To)	Seller	Seller	Seller	Buyer	Buyer	Buyer	Handover to first carrier
CIP (Carriage & Ins. Paid)	Seller	Seller	Seller	Seller (All)	Buyer	Buyer	Handover to first carrier
DAP (Delivered at Place)	Seller	Seller	Seller	Seller	Buyer	Buyer	Ready for unloading at place
DPU (Delivered Place Unloaded)	Seller	Seller	Seller	Seller	Buyer	Seller	Unloaded at named destination
DDP (Delivered Duty Paid)	Seller	Seller	Seller	Seller	Seller	Buyer	Cleared at buyer destination

B2B CONTRACT & SOURCING SAFEGUARDS

PRE-SHIPMENT QUALITY CONTROL

- **Independent Inspection:** Mandate third-party quality audits (SGS, Intertek) prior to final loading.
- **Document Conformance:** Ensure Bill of Lading (B/L) matches Commercial Invoice and Packing List items verbatim.
- **Container Sealing:** Require verified High-Security Container Seals (ISO 17712) prior to port dispatch.

PAYMENT & TITLE SECURITY

- **Letter of Credit (L/C):** Utilize Irrevocable Confirmed L/Cs payable against compliant shipping documents.
- **Escrow Facilitation:** Neutral financial holding for high-value industrial and EPC equipment contracts.
- **Retention of Title:** Explicit clause retaining legal ownership until full payment confirmation.