## EXW (Ex Works)

The Seller must provide the goods and the commercial invoice I conformity with the contract of sale and any other evidence of conformity that may be required by the contract.

Any documents to be provided by the seller may be in paper or electronic form as agreed or, where there is no agreement, as is customary.

The buyer must pay the price of the goods as provided in the contract of sale.

Any document to be provided by the buyer may be in paper or electronic from as agreed or, where there is no agreement, as is customary.

The seller must deliver the goods by placing them at the disposal of the buyer at the buyer at the agreed point, if any, at the named place of delivery, not loaded on any collecting vehicle. If no specific point has been agreed within the named place delivery, and if there are several points available, the seller may select the point that best suits its purpose. The seller must deliver the goods on the agreed date or within the agreed period.

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A2, with the exception of loss or damage in the circumstance describes in B3.

The buyer bears all risks of loss or damage to the goods from the time they have been delivered under A2.

If the buyer fails to give notice in accordance with B10, then the buyer bears all risks of loss of or damage to the goods from the agreed date or the end of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

The seller has no obligation to the buyer to make contract of carriage. However, the seller must provide the buyer, at the buyers request, risk and cost, with any information in possession of the seller, including transport-related security requirements, that the buyer needs for arranging carriage.

It is up to the buyer to contract or arrange at its own cost for the carriage of the goods from the named place of delivery.

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk and cost with information in the possession of the seller that the buyers needs for obtaining insurance.

The buyer has no obligation to the seller to make a contract of insurance.

The seller has no obligation to the buyer.

The buyer must provide the seller with appropriate evidence of having taken delivery.

Where applicable, the seller must assist the buyer, at the buyer's request, risk and cost, in obtaining any documents and/or information related to all export/transit/import clearance formalities required by the countries of export/transit/import, such as:

- Security clearance for export/transit/import
- Pre-shipment inspection; and
- Any other official authorisation

Where applicable, it is up to the buyer to carry out and pay for all the export/transit/import clearance formalities required by the countries of export/transit/import, such as:

- export/transit/import license;
- security clearance for export/transit/import;
- Pre-shipment inspection; and
- Any other official authorization

The Seller must pay the costs of those checking operations (such as checking quality, measuring, weighing and counting) that are necessary for the purpose of delivering the goods in accordance with A2.

The seller must, at its own cost, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpacked. The seller must package and mark the goods in the manner appropriate for their transport, unless the parties have agreed on specific packaging or marking requirements.

The seller must pay all costs relating to the goods until they have been delivered in accordance with A2, other than those payable by the buyer under B9.

The buyer must:

A) Pay all costs relating to the goods from the time they been delivered under A2

- B) Reimburse all costs and charges incurred by the seller in providing assistance or information under A4, A5 or A7;
- C) Pay, where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon export; and
- D) Pay any additional costs incurred by failing either to take delivery of the goods when they have been placed at its disposal or to give appropriate notice in accordance with B10, Provided that the goods have been clearly identified as the contract goods.

The seller must give the buyer any notice needed to enable the buyer to take delivery of the goods.

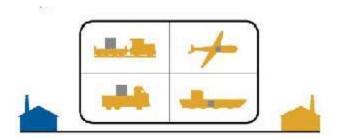
The buyer must, whenever it is agreed that the buyer is entitled to determine the time within an agreed period and/or the point of taking delivery within the named place, give the seller sufficient notice.

- 1. **Delivery and risk** "Ex Works" means that the seller delivers the goods to the buyer
  - When it places the goods at the disposal of the buyer at a named place (like factory or warehouse), and
  - That named place may or may not be the seller's premises.



For delivery to occur, the seller does not need to load goods on any collecting vehicle, nor does it need to clear the goods for export, where such clearance is applicable.

**2. Mode of transport** – This rule may be used irrespective of the mode or modes of transport, if any, selected.



3. Place or precise point of delivery – the parties need only name the place of delivery. However, the parties are well advised also to specify as clearly as possible precise point within the named place of delivery. A named precise point of delivery makes it clear to both parties when the goods are delivered and when the risk transfers to the buyer; such

- precision also marks the point at which costs are for the buyers account. If the parties do not name the point of delivery, then they are taken to have left it to the seller to select the point "that best suits its purpose". This means that the buyer may incur the risk that the seller may choose a point just before the point at which goods are lost or damaged. Best for the buyer therefore to select the precise point within a place where delivery will occur.
- 4. A note of caution to buyers EXW is the intercoms rule which imposes the least set of obligations on the seller. From the buyer's perspective, therefor, the rule should be used with care for different reasons as set out below.
- 5. Loading risks Delivery happens and risk transfers when the goods are placed not loaded, at the buyer's disposal. However, risk of loss of or damage to the goods occurring while the loading operation is carried out by the seller, as it may well be, might arguably lie with the buyer, who has not physically participated in the loading. Given this possibility, it would be advisable, where the seller us to load the goods, for the [arties to agree in advance who is to bear the risk of any loss of or damage to the goods during loading. This is a common situation simply because the seller is more likely to have the necessary loading equipment as its own premises or because applicable safety or security rules prevent access to the seller's premises by unauthorized personnel. Where the buyer is keen to avoid any risk during loading at the sellers premises, then the buyer ought to consider choosing the FCA rule (under which, if the goods are delivered at the sellers premises, the seller owes the buyer an obligation to load, with the risk of loss of or damage to the goods during that operation remaining with the seller.
- 6. Export Clearance With delivery happening when the goods are at the buyer's disposal either at the sellers premises or at another named point typically within the seller's jurisdiction or within the same Customs Union, there is no obligation on the seller to organize export clearance or clearance within the third countries through which the goods pass in transit. Indeed, EXW may be suitable for domestic trades, where there is no intention at all to export the goods. The seller's participation in export clearance is limited to providing assistance in obtaining such documents and information as the buyer may require for the purpose of exporting the goods. Where the buyer intends to export the goods and where it anticipates difficulty in obtaining export clearance, the buyer would be better advised to choose the FCA rule, under which the obligation and cost of obtaining export clearance lies with the seller.

| The Sellers Obligations  | The Buyers Obligations  |
|--|---|
| A1 General Obligations   | B1 General Obligations  |
| The seller must provide the goods and the commercial invoice in conformity with the contract of sale and any other evidence of           | The buyer must pay the price of the goods as provided in the contract of sale.            |
| conformity that may be required by the contract.   | Any document to be provided by the buyer may be in paper or electronic form as agreed or, |
| Any document to be provided by the seller may be in paper or electronic form as agreed or, where there is no agreement, as is customary. | where there is no agreement, as is customary.   |
| A2 Delivery  | B2 Taking Delivery  |
| The seller must deliver the goods by placing then  | The buyer must take delivery of the goods when  |

at the disposal of the buyer at the agreed point, if any, at the named place of delivery, not loaded on any collecting vehicle. If no specific point has been agreed within the named place of delivery, and if there are several points available, the seller may select the point that best suits its purpose. The seller must deliver the goods on the agreed date or within the agreed period.

they have been delivered under A2 and notice given under A10.

## A3 Transfer of risks

The seller bears all risks of loss of or damage to the goods until they have been delivered in accordance with A2, with the exception of loss or damage in the circumstance described in B3.

#### **B3** Transfer of risks

The buyer bears all risks of loss of or damage to the goods from the time they have been delivered under A2.

If the buyer fails to give notice in accordance with B10, then the buyer bears all risks of loss of or damage to the goods from the agreed date or the end of the agreed period for delivery, provided that the goods have been clearly identified as the contract goods.

### **A4 Carriage**

The seller has no obligation to the buyer to make a contract of carriage.

However, the seller must provide the buyer, at the buyers request, risk and cost, with any information in the possession of the seller, including transport-related security requirements, that the buyer needs for arranging carriage.

## **B4 Carriage**

It is up to the buyer to contract or arrange at its own cost for the carriage of the goods from the named place of delivery.

## **A5 Insurance**

The seller has no obligation to the buyer to make a contract of insurance. However, the seller must provide the buyer, at the buyer's request, risk and cost with information in the possession of the seller that the buyer needs for obtaining insurance.

#### **B5** Insurance

The buyer has no obligation to the seller to make a contract of insurance.

## A6 Delivery/transport document

The seller has no obligation to the buyer

## **B6 Proof of delivery**

The buyer must provide the seller with appropriate evidence of having taken delivery.

## A7 Export/import clearance

Where applicable, the seller must assist the buyer, at the buyers request, risk and cost, in obtaining any documents and/or information related to all export/transit/import clearance formalities required by the countries of export/transit/import, such as:

- Export/transit/import licence;
- Security clearance for export/transit/import;
- Pre-shipment inspection; and

# B7 Export/import clearance

Where applicable, it us up to the buyer to carry out and pay for all export/transit/import clearance formalities required by the countries of export/transit/import, such as:

- Export/transit/import licence;
- Security clearance for export/transit/import;
- Pre-shipment inspection; and
- Any other official authorisation.

| Any other official authorisation.  |  |  |  |  |
|--|--|--|--|--|
| A8 Checking/packaging/marking The seller must pay the cost of those checking operations (such as checking quality, measuring, weighing, counting) that are necessary for the purpose of delivering the goods in accordance with A2.  | B8 Checking/packaging/marking The buyer has no obligation to the seller.   |  |  |  |
| The seller must, at its own cost, package the goods, unless it is usual for the particular trade to transport the type of goods sold unpackaged. The seller must package and mark the goods in the manner appropriate for their transport, unless the parties have agreed on specific packaging or marking requirements. |  |  |  |  |
| A9 Allocation of costs  The seller must pay all costs relating to the goods until they have been delivered in accordance with A2, other than those payable by the buyer under B9.  | B9 Allocation of costs  The buyer must:  a) Pay all costs relating to the goods from the time they have been delivered under A2;  b) Reimburse all costs and charges incurred by the seller in providing assistance or information under A4, A5, or A7;  c) Pay, where applicable, all duties, taxes and other charges, as well as the costs of carrying out customs formalities payable upon export; and  d) Pay any additional costs incurred by failing either to take delivery of the goods when they have been placed at its disposal or to give appropriate notice in accordance with B10, provided that the goods have been clearly identified as the contract goods. |  |  |  |
| A10 Notices The seller must give the buyer any notice needed   | B10 Notices  The buyer must, whenever it is agreed that the  |  |  |  |
| to enable the buyer to take delivery of the goods.   | buyer is entitled to determine the time within an  |  |  |  |

notice.

agreed period and/or the point of taking delivery within the named place, give the seller sufficient