

Risk-Transfer Point Explainer

Logistics & Trade

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This guide explains what the tool produces, how to use the output, and what to watch for. The actual output (draft/report) is generated on the tool page.

Background

Explains the exact point where risk (and cost) passes from seller to buyer under your Incoterm, and who should insure which leg. Use it to avoid an uninsured gap on a shipment. For the full obligation split, use the Incoterms Responsibility Matrix.

Purpose of this tool & output

Know exactly where risk passes to the buyer

How the output is used

Use the explainer to know exactly where risk passes to the buyer under your Incoterm, for insurance and claims.

Important cautions

AI-generated explanation; Incoterms 2020 governs.

Companion documents

- Incoterms Selector
- Incoterms Responsibility Matrix
- Quote Comparison Across Incoterms

This is AI-assisted guidance. Verify with a qualified professional before any binding decision. Fees, authorities and processes vary by state and change over time — confirm with your state authority.