Finally, the current wave of international business law treaties is supplemented by the older INCOTERMS (an acronym for "international commercial terms"). Lawyers prepare these definitions of trade terms for the Commission an International Commercial Practice of the International Chamber of Commerce. The Commission first adopted a uniform statement of the meaning of nine such terms in 1936. The INCOTERMS are important because parties may use them as a shorthand way of stating their agreement, with assurance that there is an outside, objective source for the definition of the contract terms.

Referring Principles:

IV.5.6 - Rights and duties of the parties under "FOB" and "CIF"