

## ◆ AI Overview

Cost, Insurance, and Freight (CIF) is an Incoterm requiring the seller to pay costs, freight, and minimum insurance to bring goods to the destination port, while the buyer assumes risk once goods are loaded. It applies only to sea/waterway transport. The seller must provide insurance covering at least 110% of the contract value. [🔗](#)

### Key Aspects of CIF Insurance:

- **Minimum Coverage:** The seller is only obligated to obtain minimum insurance coverage (Institute Cargo Clauses (C)).
- **Beneficiary:** While the seller arranges the insurance, the policy is typically for the benefit of the buyer, who bears the risk during transit.
- **Coverage Duration:** Coverage lasts from the port of shipment to the named port of destination.
- **Limitations:** This minimum coverage may not cover all risks, such as theft or damage in certain scenarios. [🔗](#)

### Seller's Responsibility:

- Pay for cost of goods, shipping, and insurance.
- Ensure the goods are loaded on board.
- Provide necessary documentation for the buyer to claim insurance. [🔗](#)

### Buyer's Responsibility:

- Assume risk of loss or damage upon loading.
- Pay for import customs clearance.
- Pay for the goods upon arrival. [🔗](#)