

## Logistics Services Fact Sheet

In a typical trade transaction it is necessary to obtain data from disparate service providers such as logistics service providers (LSP's), inspection companies, insurance providers, customs brokers as well as buying agents and financial institutions. The critical functions LSP's perform in TradeCard transactions include:

### **Movement of goods**

The LSP arranges for the physical movement of goods necessary for any trade transaction to occur and serves as the logistics contact for the buyer and seller.

### **Proof of delivery**

The LSP creates and authenticates the Proof of Delivery document within the TradeCard system that may be required by the TradeCard compliance engine to initiate payment.

## **FREQUENTLY ASKED QUESTIONS:**

### **What role do LSPs play within the TradeCard system?**

During the initial phase of the transaction, the buyer and seller negotiate and agree upon a shipment's Incoterm and have the option of selecting a LSP to provide third party acknowledgement of receipt. Once the seller has created and approved the Packing List (optional) and Commercial Invoice, the TradeCard system notifies the LSP of the pending shipment. Upon shipment, the LSP completes and authenticates a Proof of Delivery document that is determined by the chosen Incoterm. The TradeCard compliance engine checks the Proof of Delivery document against the Purchase Order for the date of the shipment, shipment destinations, transaction parties and consignees; and against the Packing List for the dimensions of the shipment and the number of packing units. If all required documents are compliant the transaction may move into the settlement phase.

### **Which Incoterms are available in TradeCard transactions?**

TradeCard accommodates a number of Incoterms, including EXW, FCA, FAS, FOB Origin (international or domestic), FOB Destination (domestic transactions only), CFR, CIF, CPT, CIP, DES, DEQ, DDU and DDP.

### **Which modes of transport are available in TradeCard transactions?**

Air, ocean, truck, and rail are the available modes of LSP transport.

### **May I use a LSP that is not a member of the TradeCard Network?**

No, in order to participate in a TradeCard transaction, the LSP must join the TradeCard Network. Your preferred LSP may join TradeCard by registering online at <http://www.tradecard.com> or contacting TradeCard Member Services at [support@tradecard.com](mailto:support@tradecard.com).

### **Which LSPs are members of the TradeCard Network?**

For the most up-to-date listing of LSPs, visit the TradeCard web site at <http://www.tradecard.com>.