

**Preliminary tutorial INCOTERMS (III)**

Consider the following problem:

A seller in New York agrees to ship goods to a buyer in Lima, Perú under a CIF contract. The goods were loaded on the ship and the seller tendered the necessary document to buyer for payment (in New York).

The buyer refused the payment claiming that it will only pay after the inspection upon the arrival of the goods at the port of destination.

- Is the buyer right?
- Is the seller entitled to the payment before the arrival of the goods?