

Trade Terms and Agreements

Italy uses the International Chamber of Commerce definitions of trade terms (c.i.f., f.o.b., etc.). Canadian exporters should familiarize themselves with these terms before offering quotations. Full information is available in the publications *INCOTERMS* and *Guide to INCOTERMS* which should be available on loan or for sale at your chamber of commerce. Copies are also available from the Canadian Chamber of Commerce. (See Chapter 1 for more information.)

Normally, sales to new customers should be conducted on a confirmed, irrevocable letter of credit basis. Further details are available from any major Canadian bank. All have branches in Western Europe: two have Italian branches.

Generally, new business agreements should be undertaken on a one-year, renewable by mutual consent basis. Exclusivity is usually of considerable importance to both parties and is preferable to a non-exclusive arrangement. Canadian exporters should be aware that they can in some cases be required to remunerate a representative for "good will" if an agreement is not renewed.