



# Carrier Liability vs. All-Risk Cargo Insurance

## What Is Carrier Liability?

When goods in transit are lost or damaged, the owner of the goods has the right to file a claim to recover money from the carrier. However, carriers are required to pay only if they are proven to be responsible for causing the loss. The amount of the carrier's liability is limited to a calculation based on the weight or shipping unit of the shipment, not the actual value of the goods.\*

## What Is All-Risk Cargo Insurance?

"All-Risk" insurance is the broadest, most comprehensive form of coverage for cargo. All-Risk coverage insures general merchandise against risks of physical loss or damage from any external cause, subject to policy terms, conditions, and exclusions. The cargo is insured based on its value without respect to weight or piece count, and can be applied for door-to-door coverage.\*\*

## Liability vs. Insurance Example

With standard carrier liability only, the maximum the carrier will pay is limited to the amounts below. With all-risk cargo insurance, the complete value of the shipment is covered, regardless of mode.\*\*

Shipment details: One carton, 100 lbs (45kg), \$10,000 value.

### WITH CARRIER LIABILITY ONLY



OCEAN CARRIER  
\$500 per shipping unit  
**\$500**



AIR CARRIER  
22 SDR (\$30) per kg  
**\$1,350**



TRUCKER  
\$0.50 per lb  
**\$50**



3<sup>RD</sup> PARTY WAREHOUSE  
\$0.50 per lb, \$50 per lot max  
**\$50**



SMALL PARCEL CARRIER  
\$100 per parcel max  
**\$100**

### WITH ALL-RISK CARGO INSURANCE



OCEAN CARRIER  
**\$10,000**



AIR CARRIER  
**\$10,000**



TRUCKER  
**\$10,000**



3<sup>RD</sup> PARTY WAREHOUSE  
**\$10,000**



SMALL PARCEL CARRIER  
**\$10,000**

\*Carrier liability is determined by international conventions, treaties, and other domestic & international governing bodies.

\*\*Rates may vary. Contact your local ECIB representative for more information.