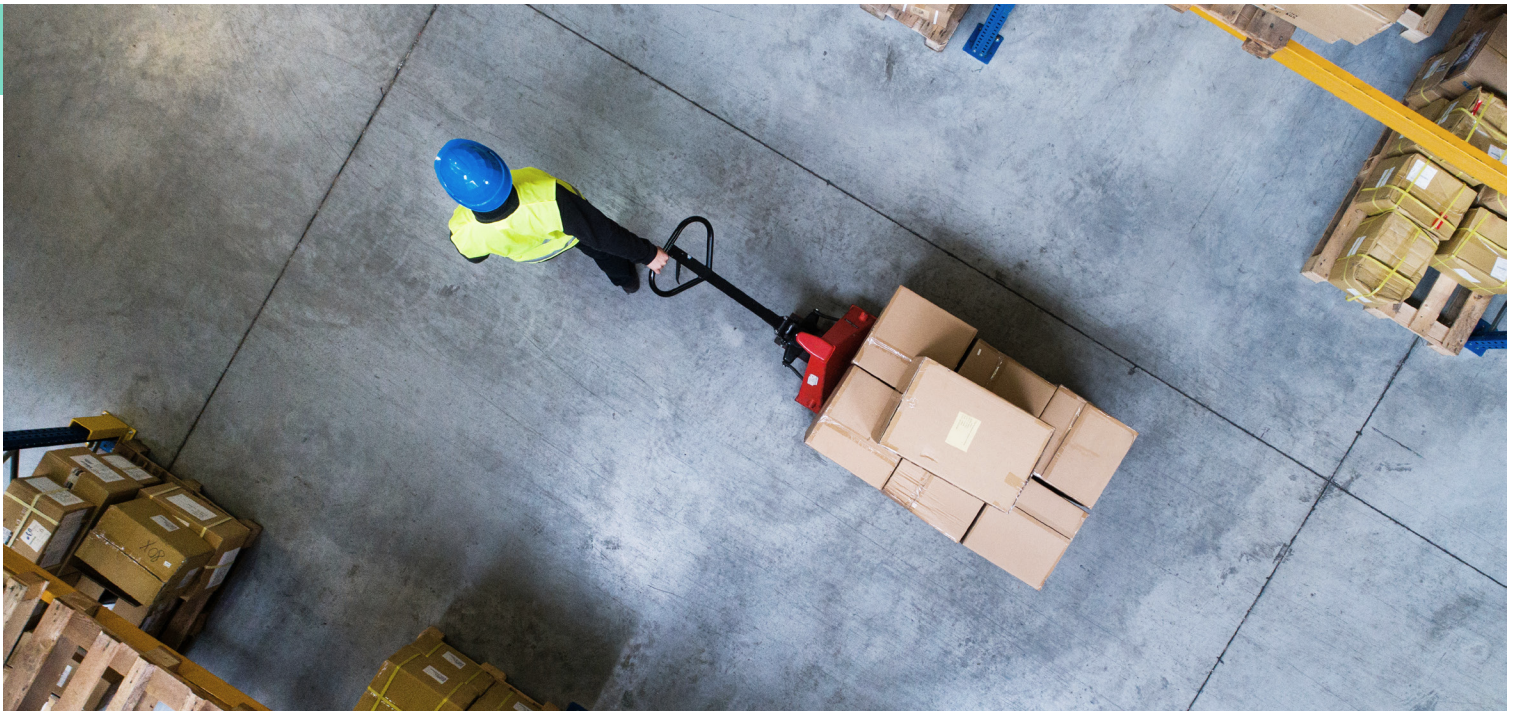


Useful Tips for Filing a Cargo Claim





Freight carriers and insurance company adjusters are often demanding and difficult to communicate with. They are also at a distinct advantage as they have deep expertise in the claims process, which can put the cargo owner at a disadvantage. However, there are several things cargo owners can do to increase their chances of claims acceptance and quick resolution.

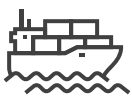
Be Aware of the Preliminary Notice of Claim (PNC) Limitation

Timely notifications of damage for the carrier is of paramount importance. Cargo owners have a limited amount of time to submit the preliminary notification the carrier of loss or damage. A PNC should consist of the following information, at a minimum:

- Estimated value of the damaged/lost goods (full/partial loss and associated value, etc.)
- Nature of the damage/loss – Be clear if the shipment ended up lost, if there were missing pieces or damage, etc.
- Circumstances of the damage/loss – Was it a hole in the container? Did the shipment did not arrive? The truck overturned?

The PNC timeframe varies by the mode of transport and is governed by the terms and conditions stated on the bill of lading. When notification is submitted within the prescribed time, the burden is on the carrier to prove they did not damage the goods. If these time frames are not met, the burden of proving the carrier did, in fact, damage the goods shifts to the cargo owner. This is the reason timely notification is of the utmost importance.

The following are the PNC timeframes broken down by mode of transport:



Ocean Bill

3 Days



Air Waybills

14 Days



Truck Bill

US Domestic: No PNC required

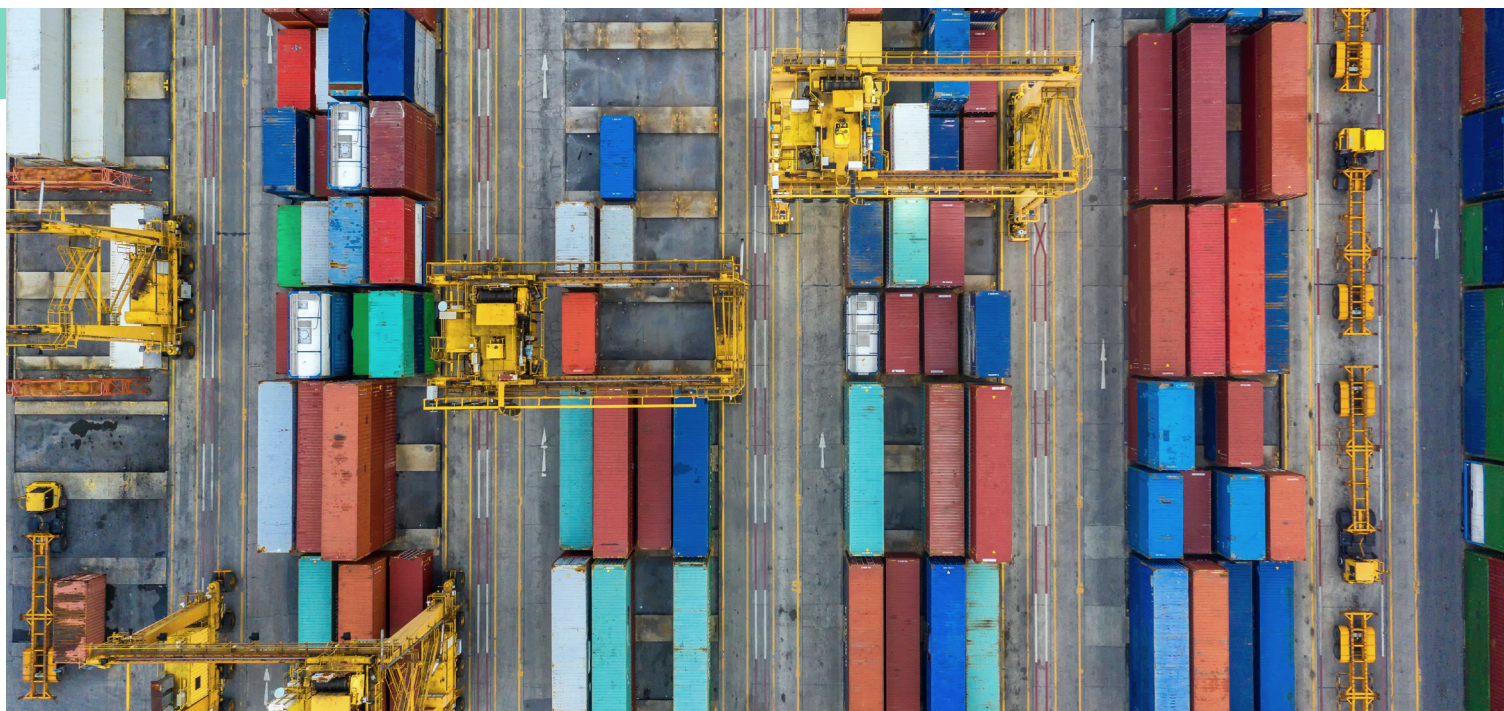
Claimant has 9 months
to file formal claim

Elsewhere: Varies by Country



Warehousing

14 Days



Submission of the Formal Claim

Once the carrier has received the formal claim, the cargo owner is required to provide appropriate documentation to support the claim. When this documentation is submitted, the claim becomes formal, and the carrier then has a time limitation in which it must pay, deny, or prove they were not responsible for the damaged/lost cargo.

If the claim is not resolved in the allotted timeframe, the claim may become time-barred and the carrier will be relieved of their obligation to pay. As with the PNC, the amount of time a carrier has to resolve the claim is determined by the mode of transport. The following is a breakdown by mode:



Ocean Bill

1 year from
date of delivery



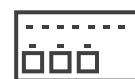
Air Waybills

2 years from
date of delivery



Truck Bill

If formal claim is made within
9 months of delivery,
timebar is 2 years from
date of first claim denial



Warehousing

1 year from
date of delivery

Freight claims are challenging in many respects. Management of claims is complex and can require a large time investment, and organizations often recover far less than the value of the goods. If you are concerned about routine claims becoming a drain on internal resources, talk to the experts at ECIB. Putting claims management in the hands of the experts will ensure that money doesn't go unclaimed.