

Types of Insurance

All Risk – This insurance insures for Loss, Damage, Theft, and Acts of God. The loss can be in total or in part. It does not insure if the cargo were improperly packed, proof of loss during transportation can not be proved, infestation and rust.

FPA (Free of Particular Average) – This is a total loss coverage. Only events in which 100% of the product is damaged, lost will be covered.

General Average – Occasionally a cargo vessel will encounter a potentially serious accident on the sea, such as a fire or encountering severe heavy weather, which may result in the ship having to incur additional costs to save the entire journey (such as towing costs, emergency repairs costs). Because the vessel has had to pay these costs in order to save the cargo and the journey, both the ship and all cargo owners share in the payment of these costs. If you or your customers are advised that a General Average has been declared, it will be necessary to either have a General Average Guarantee signed by your underwriters or pay a cash deposit, to ensure the release of the cargo.

TIME LIMITS FOR REPORTING CLAIMS

BDG recommends that your claims be filed as soon as it is known that there is damage. Upon arrival the consignee should inspect cargo, if damage has occurred it should immediately be notated on the delivery document. BDG should be notified as soon as possible. If BDG has arranged for insurance we will notify the underwriter and a survey of the damaged will be arranged.

CARRIER LIABILITY

Air Carriers - \$9.07/LBS

Ocean Carriers - \$500.00/Containerized Shipping Unit
("STC" or "SLAC" Important in determining "CSU")

Domestic Truck Carriers - .50/LBS

What to do in the event of a claim.

- 1) Speed: To increase the chance for claims to be settled quickly and for the full amount follow the list of steps below as quickly as possible.
- 2) Visually inspect the exterior of the ocean container or shipping carton for visible damage. Note the damage on the delivery receipt.
- 3) Visually inspect the interior of the container or shipping carton for damage. Note the damage on the delivery receipt.
- 4) Visually inspect the product for damage. Note the damage on the delivery receipt
- 5) Photograph all damage as found.
- 6) Do not use or alter the damaged cargo in any way. Leave the cargo in it's original packing as best as possible.
- 7) BDG provides a list of Survey agents with all shipments when insurance has been purchased through BDG. Contact the nearest survey agent immediately to inspect the cargo and verify the damage occurred in transit.
- 8) Immediately contact BDG International and present a formal claim. The claim should mention the estimated loss.
- 9) Non-Delivery:
Consignee must notify the shipper and carrier that the product did not arrive as scheduled.
- 10) Original Insurance Certificate (if issued) must be returned to BDG to present the claim to the underwriter.

CLAIM CHECKSHEET

Documents needed to present formal claim

File Number _____ Claim Number _____

- Letters of Intent (PNCs)
BDG will have this document if we have provided insurance.
- Faxes/Letters from carriers confirming receipt of PNCs
BDG will have this document if we have provided insurance.
- P.O.D. (Sign-off) from involved carriers / dock receipt **(English)**
- Copy of main transport document, (OBL or Awb)
BDG will have this document if we have provided insurance.
- Copy of all related inland bills of lading
BDG will have this document if we have provided insurance.
- Copy of commercial invoice
BDG will have this document if we have provided insurance.
- Copy of packing list
BDG will have this document if we have provided insurance.
- Proof of Insurance, (Original Cert. or stamped copy of transport document)
BDG will have this document if we have provided insurance
- Breakdown of amount claimed and calculations
- Copy of inspection report
- Copy of destruction report or salvage disposition **(English)**
- Photographs
- Survey report
- Any related government documents
- Exception reports from any involved carriers **(English)**
- Formal claim from customer
- Repair estimate
- Other: _____