



FREIGHT CLAIM STANDARD OPERATING PROCEDURE

Definitions

Freight Claim: is a legal demand by a shipper or consignee to a carrier for financial reimbursement for the loss or damage of a shipment.

Concealed Damage: is when damage that could not have been determined at the time of delivery is discovered by the consignee (i.e. no visible damage to the outer packaging but damage was discovered once the carton was opened).

Visible Damage: is when damage is clearly visible and or apparent on outer packaging or product.

Loss: is when the shipment is lost by the carrier.

Responsibilities

It is the responsibility of the customer to file freight claims for damaged shipments with Bluewater. The claims process can be long and vastly complicated. If the shipment you or your customer receives arrives damaged, the following steps must be taken to facilitate a claim. **All claims must be reported to Bluewater within 4 days of receipt of shipment. By law once a COMPLETED claim has been filed, the carriers have 30 days to acknowledge the claim. Insurance Claims cannot be filed until a carrier decision has been made on the claim. Once the Insurance Claim has been made, the Insurance Provider has 2 weeks to provide a final approval amount. Bluewater will then notify the customer and submit an ACH payment available next business day.**

All Claims should be immediately reported to claims@bluewaterlogisticsgroup.com
Notate in line subject "Claim for PO####"

Filing a Freight Claim

The following details must be present in full to file a claim. Any missing or incorrect information provided could delay or restart the process. (See attached *Standard Form for Presentation of Loss and Damage Claims*)

- Date
- Claimants Reference Number
- Carriers Waybill (Pro Number)
- Name of the Claimant
- Company Name
- Company Address
- Company Direct Contact Phone Number
- Name and Address of Carrier
- The Amount of the Claim
- Checked Whether Loss or Damage
- Name and Address of Consignor (Shipper)
- Name and Address of Consignee /Final Destination (ship to)
- Date of BOL
- If the Shipment is Re-consigned in Route, State the Particulars
- Detailed Statement Showing How Amount Claimed is Determined and Quantity of Claim Items
- Current location of the Damaged Item(s)
- Repair Statement / Statement of Non-Repairability
- Salvage / Scrapping Value

In addition to the basic information, the following documentation should also be provided:

- Commercial Invoice / Wholesale Invoice
- Delivery Receipt
- Bill of Lading
- Invoice showing the value of the product being claimed
- Invoices for costs incurred (i.e. repairs or replacements of the product)
- Photos of every damaged piece

Additional supporting detail may be requested

Indemnity Agreement must be signed and completed

Consignee (Customer) and Shipper Responsibilities

At the time of delivery, the Consignee should examine the shipment for loss or damage. IF there is evidence of loss or damage, the consignee should note it on the Bill of Lading / Delivery Receipt; this will be used as evidence to support the claim.

If the consignee signs the Bill of Lading / delivery receipt and discovers a claim later, then the burden of proof falls to the shipper or consignee to prove that the damage was in fact caused by the carrier as opposed to the shipper or consignee. This form of damage is considered Concealed Damage. It is the responsibility of the consignee to immediately notify the shipper, and the shipper to immediately notify the carrier.

The shipper is required to pay the shipment invoice in full, regardless of whether the shipment was lost or damaged.

At that point, either the shipper or the consignee files a freight claim against the carrier for reimbursement.

Shortages

At the time of delivery, the consignee must:

1. Check the labels on all handling units to be certain they belong to you
2. Check for Shortages as the goods are being unloaded
3. Count the actual number of handling units

Customs should verify that every piece listed on the delivery receipt is present prior to signing for shipments. Note all discrepancies on the delivery receipt prior to signing and have drivers sign verifying the shortage.

Reporting Concealed Loss of Damage

If concealed loss or damage is discovered after you have given the carrier a clear and signed delivery receipt or bill of lading, you must:

1. **Notify the carrier within 48 hours of the delivery**
2. Notification should be submitted in the form of a claim
3. Keep the shipment (Cartons and all contents) in the same condition that they were in when the damage was discovered
4. An inspection may be requested by the carrier

Again, the burden of proof in a concealed loss or damage claim falls on the shipper / consignee. Additional factors that will be considered in a concealed damage claim include:

1. Retention and condition of the original containers
2. Adequacy of packaging
3. Movement of the materials before carrier pick and after delivery
4. Nature of the goods being shipped

Salvage

Legally, as the owner of the freight, the consignee must do what he or she can to keep the loss to a minimum. The consignee can reduce the loss by keeping the damaged freight for a discontinued price or having the good repaired. All salvage must be retained for disposition by the carrier until the claim has been settled. Failure to retain damaged freight will result in the claim being denied.

Insurance

Insurance claims will be filed once the resolution has been decided on the initial Freight Claim.
Insurance claims cannot be filed earlier.

Additional items may be required and requested from the customer.