



## CLAIM POLICY

### **How to file a freight claim for loss or damage**

There are federal regulations; the FMCSA established “Principles and Practices for the investigation and voluntary disposition of loss damage claims and processing salvage.”

### **Minimum requirements that constitute a claim:**

There should be a written or electronic communication from the claimant filed with the name of the proper carrier and standing the time limits specified in the BOL or load confirmation.

### **The document should include:**

1. Facts sufficient to identify the shipment and the type of loss or damage.
2. Asserting liability for alleged loss or damage to the cargo.
3. Claim payment for a specified amount of money (Production costs - No sale value added)

### **Details of a claim:**

A detailed description of the loss or damage has to be stated. Specific commodities, quantity of each one damaged or lost, the extent of the damage and the value of each, and the net total loss.

### **Supporting documents include the following:**

- Original BOL and POD
- Invoice of the value of the commodities lost or damaged
- Inspections or survey reports
- Notifications of loss (Versions)
- Pictures of the damaged cargo
- Temperature report (If needed)
- Salvage Report
- Disposal document (if the case)
- Donation documents (If the case)

Unless otherwise agreed upon in a contract, the FMCSA claim regulations require a carrier to acknowledge receipt of a claim within 30 days, the carrier must then pay, offer to compromise or disallow the claim within 120 days or provide status reports every 60 days thereafter. If the carrier fails to abide by these periods, it should be notified that it is violating the FMCSA claim regulations.



**Steps to accomplish:**

1. Request proof of loss or damage (POD, pictures, reports (temperature), videos, etc.)
2. Verify information with receiver (Reason why load was rejected. It is important to write down the name of the person you talked to at receiver.)
3. Once the receiver rejects the load, client has 8 working hours to proceed with the USDA inspection, which needs to be requested to the customer.
4. Ask the Customer for invoice with the total cost and amount of product.
5. Contact the insurance agent and let them know there will be a claim filed against the carrier company. They may put you in contact with the actual insurance that holds the cargo responsibility or they will send an email over to the carrier company stating there will be a claim against their insurance.
6. Insurance company will quest a claim report with all the documents stated above in order to start with the process.
7. Once the insurance has started the claim, they have to give us a claim # in order to follow up on the process.
8. After the insurance company finishes the investigation, the amount of settlement will be discussed and payment will be sent to the customer.

**Important comments:**

1. ITS LOGISTICS is exempt of any responsibility and should not be held responsible for any damages or losses.
2. ITS LOGISTICS can't be invoiced for any losses or damages.
3. Under no circumstances will the customer withhold payments from outstanding invoices or deduct the value of the product from the invoice(s) that are due to ITS.

<https://www.gpo.gov/fdsys/pkg/CFR-2017-title49-vol8/xml/CFR-2017-title49-vol8-part1005.xml>

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