



Trust Chargo with all your cargo!

2700 Slough St, Mississauga, ON L4T 1G3
(905) 696-9898

FREIGHT LOSS AND DAMAGE CLAIMS PROCEDURES

SHIPPER'S RESPONSIBILITIES

To prevent loss and or damage of your freight, the following factors must be considered when a product, its packaging and its package markings are designed:

- 1) Warehouse conditions
- 2) Weather
- 3) Road Conditions
- 4) The number, size and shape of the other shipments travelling with it
- 5) Special loading and or handling requirements

As the shipper you must be responsible for:

- 6) Proper packaging
- 7) Proper markings on the packaging
- 8) Proper description on the shipping documents

All existing tariff and shipping regulations related to your product must be followed. Minimum packaging requirements are outlined in the following two publications:

- 1) National Motor Freight Classification
- 2) Transporting Dangerous Goods by Truck

CONSIGNEE'S RESPONSIBILITIES

As the Consignee you **MUST** identify and document any cargo loss and or freight damage carefully and thoroughly. There are two types of loss or damage

- 1) Visible or noted loss or damage
- 2) Concealed loss or damage

VISIBLE LOSS OR DAMAGE

Visible loss or damage is apparent at the time of delivery. Noted means that a detailed description of the loss or damage was recorded on Chargo's delivery slip or bill of lading along with the consignee's copy of the delivery slip/BOL at the time of delivery. Damage noted on a packing slip will not be considered for the purpose of a claim.

At the time of delivery, you must:

- 1) Check each handling unit for visible signs of damage
- 2) Open any shipment that shows signs of loss or damage while the driver is still there
- 3) Examine the contents with the driver
- 4) Record the exact, detailed description of the results of the examination on both Chargo's packing slip/BOL and the consignee's packing slip/BOL

General terms such as box damaged or subject to inspection will not be considered as valid descriptions of damaged goods. A detailed description must be written on the delivery slip/BOL. Example of detailed description of damage could include “door handle broken off”, “bottom drawer has dent possibly from forklift” or “cabinet has a crack on left side of front unit”.

The delivering driver must sign the delivery slip or BOL as well as the consignee’s copy at the time of delivery and after the inspection has been completed.

NOTE: If you discover damage after delivery the delivery slip/BOL has a vague notation or no notation (signed as clear) you may find it more difficult to obtain a prompt and satisfactory settlement of your claim.

SHORTAGES:

At the time of delivery, the consignee must:

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

If possible, make a written tally record when a large number of items are being received or the shipment contains a number of different items.

Keep the shipment together until unloading is completed in case a recount is necessary. If there is a shortage, describe the shortage in exact terms on both the carrier’s packing slip/BOL as well as the consignee’s copy. Again, a packing slip is not sufficient to note shortage of goods.

MITIGATION OF LOSS:

You cannot refuse to accept a shipment because it is damaged or partially short. When practical, the shipment should be accepted and all necessary steps should be taken to minimize the loss. A claim should then be filed for the depreciation, repair cost, or replacement of short goods.

CONCEALED LOSS OR DAMAGE:

Concealed loss or damage means that the loss or damage was not noticeable at the time of delivery.

REPORTING CONCEALED LOSS OR DAMAGE:

If concealed loss or damage is discovered after you have given Chargo a clear delivery slip/BOL, you must:

- 1) Notify Chargo, in writing within 24 hours of delivery. Notification can be given by telephone but the telephone call must be followed up by a written notice.
- 2) Keep the shipment (containers and contents) in the same condition that they were in when the damage was discovered.

INSPECTION:

In some cases Chargo will arrange for an inspection to be done within 10 business days. Failure to allow this procedure can result in refusal to accept any liability.

BURDEN OF PROOF:

In a concealed damage claim, the burden of proof falls on the shipper and or consignee. The shipper and/or consignee must prove the damage was caused by Chargo and not other parties handling the goods.

ADDITIONAL FACTORS IN A CONCEALED DAMAGE CLAIM:

- 1) Retention and condition of the original containers
- 2) Adequacy of packaging
- 3) Movement before pickup and or after delivery
- 4) Nature of the goods being shipped

SALVAGE

Legally, as the owner of the freight, the consignee must do what he/she can to keep the loss to a minimum. The consignee can reduce the cost by keeping damaged freight for a discounted price or having the goods repaired. Reducing the loss will expedite the settlement of the claim.

If the goods are a total loss, please contact Chargo for disposition or assistance. Any Salvage must be retained for Chargo until after the claim is settled.

Failure to retain the damaged freight will result in the claim being denied.

LOSS AND DAMAGE CLAIM FILING REQUIREMENTS

Chargo Fast Cargo realizes that a lost or damaged shipment cause inconvenience to you and your customers. We will make every attempt to settle your claim efficiently and effectively. **YOUR BUSINESS IS IMPORTANT TO US!** You can help by meeting the requirements for a filing a claim.

HOW TO SUBMIT A CLAIM

TIME LIMITS

The Highway Traffic Act - Carriage of Goods specifies that the claim must be received by the carrier within 60 days after the delivery of the goods or property that is damaged.

In the event on non-delivery of the entire shipment, the claim must be received by the carrier within 9 months from the date of the scheduled delivery.

FILING THE CLAIM

Only the shipper, the consignee or a third party who has claim or title to the freight may file a claim. The claim must be filed with the original or destination carrier or with the carrier who was in charge of the freight at the time of loss or damage.

To file a claim with Chargo Fast Cargo, fax or mail your claim to

CHARGO FAST CARGO

Claims Department

2700 SLOUGH STREET

MISSISSAUGA ON L4T 1G3

Fax (905) 696-9133

Email: Collections@chargo.ca

DOCUMENTATION REQUIRED:

You must provide the following documentation:

- 1) A completed copy of Chargo's claim form
- 2) A copy of the carrier's delivery slip or BOL
- 3) A copy of the manufacturer's invoice showing your cost of the lost or damaged freight or a copy of the repair invoice in the even the repairs were made to the damaged freight

NOTE THAT THE FOLLOWING DOCUMENTS BY THEMSELVES ARE NOT SUFFICIENT FOR A CLAIM:

- 1) Bad order reports
- 2) Appraisal reports
- 3) Notations on delivery receipts
- 4) Notations on a packing slips
- 5) Inspection reports or requests
- 6) Debit notes
- 7) Invoice to carriers
- 8) Proof of delivery requests

HOW CHARGO FAST CARGO HANDLES YOUR CLAIM

Once your claim has been received with the proper documentation, Chargo Fast Cargo will acknowledge receipt of the claim and attempt to settle it within a reasonable time. Investigation of some claims may take longer.

Chargo Fast Cargo may have to refer your claim to other carriers if they were involved in the transport of the shipment. You will be notified when this is done.

If a delay in settling your claim occurs, we ask for your understanding.

IMPORTANT FACTORS CONCERNING FREIGHT CLAIMS:

- 1) GST & HST are not applicable on freight claims and therefore, not paid
- 2) Freight charges on the shipment involving the claim must be paid in full claim will be processed
- 3) Salvage must be retained and made available to Chargo Fast Cargo upon settlement of the claim.
- 4) A notation of "subject to Inspection" on a delivery slip/BOL is not verification of damage being in existence at the time of delivery. Such notations will be handled as a concealed damage claim.
- 5) Unless the value of the shipment is declared in the bill of lading /waybill the value of the goods will be the manufacturer's cost of \$2.00 per lb (\$4.41 per kg), whichever is less. All claim settlements, even if a value is declared are subject to the terms and conditions of the standard bill of lading.