

Filing Claims

What Is A Claim?

A demand in writing... For a specific amount of money... That contains sufficient information to identify the shipment...

Received by the originating carrier, delivering carrier, or carrier on whose line the alleged loss, damage, or delay occurred...

Within the time limits specified in the Bill of Lading contract.

Claim Forms

Claims are usually submitted on a standard form for presentation of loss and damage. These can be obtained from our Quality Assurance Department or directly from the carrier. However, a specific form is not required and the claim can be filed in letter form.

Claimant's Number is for your reference number. This number will appear on all correspondence regarding your claim. Carrier's Number is the carrier's freight bill number, commonly known as the pro number.

When To File A Claim

Claims should be filed promptly once loss or damage is discovered. In the United States the time limit for filing is nine (9) months from date of delivery, or, in the event of non-delivery, nine (9) months after a reasonable time for delivery had elapsed. If the claim is not received by the carrier within this time, it legally expires and will be declined.

Who Should File Claim

A claim may be filed by the shipper, consignee or the owner of the goods. The party that has suffered an actual loss should be the claimant.

With Whom Claim Should Be Filed

The claim should be filed directly with the carrier that actually transported the goods for your company. Freight Solutions LLC is a third party logistics provider, making arrangements for transportation with qualified carriers, and is not a carrier. Freight Solutions LLC will be happy to assist you in the preparation of your claim with the carrier. However, your company is ultimately responsible for the accuracy of the information presented to the carrier.

Documents Needed

Original invoice: Original invoice verifies that the amount of the claim doesn't exceed the terms of the sale (value of the goods) at destination, and exclude any prospective profit. The original invoice must disclose all discounts and allowances, if any. A clear photocopy is acceptable.

Repair or Replacement invoice (if applicable): When sending a repair invoice, it should include a breakdown of hours, labor rate, and materials.

Concealed Loss or Damage

When damage is discovered after the delivery receipt is signed and the cartons are opened, it is termed concealed damage. When this occurs the carrier should be contacted immediately to request an inspection. While awaiting inspection, the consignee must hold the shipping container and its contents in the same condition they were in when damage was discovered. The carrier will send a representative to perform the inspection or will waive inspection.

The inspection report is not a claim. It is the responsibility of the claimant to file a cargo claim within the prescribed time frame and to respond to any request for the carrier for supporting documentation. The claim will then be concluded based on facts determined during investigation.

Burdens Of Proof

The law requires that the claimant establish three things:

1. The carrier received the freight in good condition at origin.
2. The freight was short or damaged at delivery.
3. The dollar amount of loss or damage.

Paying The Freight Bill

Section 217(b) of the interstate Commerce Act 49 U.S.C. 317(b) prohibits a carrier from collecting any charges different from those published in the carrier's effective tariff. The payment of freight charges may not be postponed due to alleged loss or damage. These charges should be paid in full and the portion applicable to the lost or damaged item should be included in the freight claim.

1. Claims and payment of freight charges are two entirely different transactions.
2. Regulations prohibit withholding payment of freight bills because of a pending claim or claims.
3. Without payment of freight charges, payment for transportation has not been made. A valid claim will not be paid until freight charges are paid.

Salvage Retention

Salvage must be retained until the claim is resolved, or until you are given disposition by the carrier. No salvage is to be disposed of without written authorization of the carrier.

If Claim Is Declined

If the claim is declined, and you feel it should have been paid, you should present a rebuttal letter to the carrier. If you have additional information or evidence, it should be included. Always refer to the assigned claim number when dealing with Claims Department.