



Goods in Transit Insurance, Explained

Accidents Can Happen...

Although every care is taken when we handle your freight, things can occasionally go wrong.

It's what we do when this happens to correct the situation and what your next course of action is that's important. You need to know what to do if this should happen to your freight

Background

Virtually all freight carried within the UK (not European or Worldwide) is carried under; **The Road Haulage Association Conditions of Carriage**. This is a standard form of conditions which sets out, in formal terms, the haulage contract including insurance liability.

These conditions are an industry standard and if you haven't got a copy please ask or you can download them from our website.

Every time you send out freight by us or any other carrier you are in effect entering into a contract, The RHA Conditions of Carriage is the core of the contract and although you could add or alter these with sufficient agreed written notification, in most cases these standard terms will apply.

IT IS IN YOUR INTEREST TO READ THEM OR ASK FOR CLARIFICATION, Should something happen to your freight, are you covered?

Pounds Against ££'S, How Much Can I Claim?

In short probably not as much as you think

Regardless of how much your freight is worth to you, your level of standard cover is:

£1.30 pence per kilo total loss

£1,300.00 per tonne

GIT is not designed to be a blanket cover regardless of what we carry for everyone. If you think about it realistically, it can't be; we carry everything from Laptops (expensive, but light in weight) to Bricks (heavy, but not expensive) What our insurers are taking is up to £1.30 per kilo /£1300.00 per tonne worth of RISK

This amount depends on certain factors.....

- + £1.30 per kg is the maximum amount of cover
- + It is weight related and applies only to the damaged, unsalvageable, part of the goods
- + In most cases it is based on COST not SELLING value
- + This cost must be provable

Can The Damage Be Repaired?

Please note: If the cost of repair is greater than the total loss cost then the total loss cost will apply

The RHA conditions states "**limited to the lesser of**"

This is how insurance works

- + The conditions specify time limits for making a proper claim
- + From receipt of goods you have 7 days, excluding weekends and bank / public holidays, to notify us in writing (email or letter) of damage / loss.
- + Submit an **INTENT TO CLAIM** Even if you think that there is a chance of a possible claim, please do this.
- + You then have a further 21 days, excluding weekends and bank / public holidays, to make a written claim
- + By signing the delivery note "unchecked" or "not examined", does not extend the claims timescale.



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What Happens Next?

Our insurance providers are ordinarily quite quick to sort the claims out, but only if the correct information is supplied by you.

Large claims can take time, weeks if not months, so be prepared, (again, this depends on you supplying the correct information)

...To Summarise

- + Assess what the damage is
- + How much does it weigh?
- + Could it be repaired?
- + Calculate what your COST price is for the damaged part
- + Is repair cheaper than total loss value?
- + Inform us within 7 days in writing (email / letter)

CALCULATING YOUR CLAIM

You will know the weight of the damaged part and the provable cost price so to illustrate, please see below examples:

- 1) Goods Weight Is 125Kgs + Cost to you is £1.30 per kilo or more
= 125kgs x £1.30 per kilo = £162.50
- 2) Goods Weight Is 125Kgs
Cost to you is £1.05 per kilo (actual cost)
= 125Kgs x £1.05 per kilo = £131.25
- 3) Goods Weight Is 1200Kgs
Cost to you is £1.60 per kilo
=1200Kgs x 1.30 per kilo =£1560.00

If your COST price is equal to or more than £1.30 per kilo, Use £1.30

If it's less than £1.30 per kilo then use that amount to calculate your claim

Don't try to be inventive, and don't dispose of the damaged goods

- + A claim that is "not correct" could be rejected in total
- + Making a false claim is illegal
- + Don't dispose of the damaged goods. If the claim is settled, the goods become the property of the insurers who may want them, possibly for inspection or to claim salvage.
- + Don't forget you are claiming for the goods, not any other incidental cost, Hence the term "**Goods**" in **Transit**" insurance



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Intent To Claim Template

Dear... The following goods have been damaged whilst in your care. The consignment of (**) pallets or boxes was collected from...(**) on (date/time) and was to be delivered to.. (**) on (date/time). Our reference is (your ref/our job no). We hold you (SSO LOGISTICS LTD) fully responsible for any claim which may arise.

What Can I Do If This Won't Cover My Freight?

There are additional policies which can be added as "customer specific" policy, we can arrange a quotation for this, firstly:-

- + Tell us what your freight is worth (cost price) this is not what you intended to sell it for, but what it has cost you to buy or manufacture.
- + We can ask our brokers for a quote or if it's regular traffic we arrange blanket cover
- + Be sure to give us as much time as you can as we need to give our brokers adequate notice
- + Upon acceptance of the policy, we will add this amount to your account (fully payable)
- + You can arrange "top-up" cover via your own insurance company, this would incorporate RHA terms up to the maximum claimable, then your insurance would claim for the shortfall.

Contact Us

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