Goods In Transit – Contingent Policy

What procedure should the transport broker follow in the event of a claim?

Immediately upon hearing that there has been an incident with a subcontractor, the transport broker should do the following as soon as possible:

i) Advise Insurer (via their broker) of the incident and supply copies of the following:
   a) Completed Transport Broker Contingent Claim Notification.
   b) Copy of the confirmation of own insurance previously supplied by the subcontractor.
   c) Copy of the load confirmation / load instruction to the subcontractor for that particular load.

ii) Confirm with the subcontractor that the subcontractor has reported this claim to his own insurance company, and obtain contact details of the assessor appointed to assess the claim.

iii) Make contact with the assessor, explain how they (the transport broker) fit into the chain of subcontracting, ensure that the assessor is supplied with a copy of the cession signed by the subcontractor, offer to assist in providing any further documentation that may be required by the assessor relating to the load, and ask the assessor to keep them updated regarding progress of the claim and request contact details of the claims person at the insurance company handling this claim.

iv) Begin to withhold haulage fees from the subcontractor, as security against non-payment for the loss from the subcontractor. Obviously if it is known that damage to the goods is minor, or if the load value is relatively low then discretion should be used in what maximum value of haulage fees are withheld.

v) Keep Insurer up to date on developments regarding settlement of loss by the subcontractor or his insurer. If payment is received or the matter is resolved through off-set against haulage fees, please advise Senate to close their claim on the incident. If problems are experienced, please advise Senate, whom will decide on the best course of action for going forward.

Please insure that the Terms & Conditions are understood as set out by the Policy Schedule which must be read in conjuction with the Policy Wording.

Also note the Standard Extensions as well as Excesses applicable under each Policy Section.

Kindly contact our offices should you have any enquiries.

Regards
Versaflex Team