

## Cargo insurance and the process of dealing with claims

### I. Cargo insurance

The company EGT Express CZ s.r.o. operates under the **international conventions** (CMR for road transport). Concerning this, all of insured events are examined in accordance with the articles of the relevant convention. We recommend to all of the business partners of our company to read and familiarize themselves with the content of the main legal acts that regulate international transportation and **the conditions specified in our transportation requests.**

We mainly ask you to pay attention to the fact that according to the CMR **the cargo is insured only** on the basis of its **gross weight** (article 23, points 1-3 CMR Convention):

*“When the carrier is liable for compensation of damage, the compensation shall be calculated by reference to the value of the goods at the place and time at which they were accepted for carriage (commercial invoice) and **cannot exceed 8.33 SDR \* per 1 kg of gross weight.**”*

\*SDR (so-called special drawing rights) are supplementary foreign-exchange reserve assets, according to the current exchange rate **8,33 SDR = 10 EUR**

#### For example:

A cargo with a gross weight of 20,000 kg is according to CMR insured for the amount of 200,000 euros (20,000 kg x 10 EUR), when the value of the cargo is higher than 200,000 euros (for example 350,000 euros), the cargo must be additionally insured, because in case of complete damage or loss of cargo, the carrier according to CMR is obligated to refund only 200,000 euros (not 350,000 euros) and the customer loses 150,000 euros!

The above mentioned is important keep in mind, mainly in cases of the transportation of light and expensive goods.

The carriage charges, customs duties and other charges incurred in respect of the carriage of the goods shall be refunded only **in case of loss goods - in full** in case of **total loss** and **in proportion** to the loss sustained in case of **partial loss**. In case of **delivery damaged goods the carriage charges and customs duties are not refund!**

**No further damage shall be compensate!**

To prevent unpleasant situations, our company offers you the possibility of **additional insurance** (so-called cargo insurance). We can insure your cargo in different ways:

1. additional insurance of value of shipments;
2. additional insurance of shipments on 110%;
3. additional insurance of shipments included also customs costs, freight and other expenses.

The cost of this insurance depends on several factors, primarily, *the place of loading, the place of unloading, the mode of transport, the number of reloadings, the type of the cargo and its cost*. We have been working with European insurance companies for many years, so we are able to offer the best solution for you.

## II. The process of dealing with claims

When consignee (or your client) receive the cargo at the place of unloading, he must follow the rules below:

- upon receipt, **check** the outer **packaging** and the **condition** of the shipment;
- if damage is detected, **record as a claim in the consignment note** for the carriage of goods (CMR);
- **take photos of the damaged shipment** immediately after its detection, it is better even **before unloading** the shipment **from the vehicle**. After the unloading take photos of it **in detail**.
- **Send a letter of claim** (e-mail) with the message about the insured event to the carrier (to you).

In case that you receive a complaint from your client, you need to request the following documents from him:

1. **letter of claim** from injured party + calculation the required compensation for the loss;
2. **the consignment note for the carriage of goods CMR - with a claim for the receipt of the goods signed by the driver;**
3. **commercial invoice**, delivery invoice or price document indicating the gross weight of the damaged goods;
4. **order for transportation;**
5. and **photos** of the damaged goods.
6. *If the amount of damage is more than 3500 euro, it is necessary to have information about contact details to authorized person, e-mail, phone number and address of place where the goods is located, to immediately inform insurance company about it. A representative of the insurance company will be sent to this place – a specialist for liquidation of losses, who will draw up an expert opinion.*

**Attention!**

In accordance with law, insurance claims should not be confused with transportation, therefore one-sided offsetting of claims against transportation bills is not allowed!