

# Do you know the difference...

Carrier liability and cargo insurance (aka freight insurance) are two very different things! When it comes to insurance and protecting your cargo, the differences between the two may surprise you, and even cost you. Lower your risk and make the right decision for each and every shipment with this quick comparison chart.



## ➔ Carrier Liability

VS

## Cargo Insurance ⬅

Included with booked shipment. Coverage amount determined by carrier & dependent on commodity type. Often lower than actual value of cargo.

Shipper must prove shipment loss or damage is fault of the carrier. Must provide proof of value and proof of loss.

**DOESN'T COVER:** Acts of God, weather-related disasters, concealed damage or if shipper incorrectly packages cargo or doesn't load properly.

Varies significantly & is based on limits set by the carrier on BOL. Can range from 10¢ - \$25/lb & is often lower than full value of cargo.

Claim must be filed within 9 months of delivery. Shippers may have to file individual claims with each carrier.

Carriers have 30 days to acknowledge a claim & must respond within 120 days. It could take more time if additional documentation is needed.


It's hard to file a concealed damage claim with the carrier if the delivery receipt is already signed.

Cost of expediting a replacement shipment due to damage or loss is not covered. Costs to repair items may be considered.

  
**Definition**

  
**Fault/Proof**

  
**What's Covered**

  
**Claim Payout**

  
**Claims Process**

  
**Timeline**

  
**Concealed Damage**

  
**Replacement Coverage**

Additional, optional coverage above & beyond carrier limited liability coverage. It is an additional cost based on the value of the goods being shipped. Full value of your goods can be protected.

No need to prove the carrier is at-fault or negligent for damages or loss, only that the damage or loss actually occurred while in carrier's possession.

**COVERS:** All types of disaster, weather-related damage/loss, concealed damage. High risk cargo may not be covered, check with your 3PL.  
**Note:** Service guarantee failures are not usually covered.

Claim settlement is based on the full value of the damaged or lost shipment.

Shippers file one claim form with the insurance company, even if multiple carriers were used.

Faster more efficient claims process. Claims are typically resolved within 30 days, much quicker than carrier liability claims.

Shippers must notify insurance provider of loss/damage within 5 days of discovering it.

Shipping & cost to expedite a replacement shipment are not covered. Original shipping charges are covered if included in amount of insurance coverage.  
**Note:** All packaging must abide by industry standards.

[Contact us](#) today and get peace of mind knowing your shipment is protected.