

Dealing with claims in Carelog Freight Service A/S

At Carelog Freight Service A/S (hereafter Carelog), we want to deal with claims both properly and effectively. So our aim is to ensure that both our staff and our customers are fully aware of the procedures for dealing with claims quickly and professionally.

The general procedure for dealing with claims:

Carelog, or direct representative at destination (for contact details: see bottom of the Bill of Lading), must be notified immediately damage is found. At this point all loading / unloading of the goods should be ceased. Based on the nature and extent of the claim, including a reasonable damage assessment, the parties actively involved in the transport process must be given a fair chance to assess whether a surveyor inspection is necessary before loading / unloading can be completed. It is our aim to ensure that a conclusion is reached within 2 hours. If an inspection is deemed unnecessary, loading/unloading can proceed.

At the same time we kindly draw attention to the fact that any claim must also be directed to the transport insurance company – if any. Carelog ensures that relevant parties will be held accountable and that they will receive information immediately.

Goods valuation takes place at the time the damage is discovered. The value of the goods is set at market price – or at the usual value of goods of the same type and quality if no market price is available.

All formal claims must be sent to Carelog, and/or direct representative at destination, by e-mail or letter and include the following:

- Full details of the claim and assessment of the cause of the damage
- Copy of the commercial invoice and packing list
- The HAWB or HB/L
- The delivery note with receipt – if issued
- Photographs of the damaged goods
- Photographs of the container with the container number visible
- Detailed information on the compensation claimed and how it was calculated
- Survey report, if a survey was made

With the above documentation, Carelog can ensure the claim is dealt with efficiently. In practice, insufficient documentation means there is no evidence of liability for compensation, which can then be refused. Claims can be rejected in the following circumstances:

- The insured intentionally contributed to the damage
- The nature of the goods is the cause of the damage
- Inappropriate or inadequate stowage or packing by the sender
- Inappropriate or inadequate loading or unloading by the sender/receiver
- Unsuitable or inadequate packaging
- The claim can be referred to force majeure, war, strikes, or other interference
- External price increases, exchange rate changes, or changes in fuel/bunker charges
- There is no compensation for operational costs, lost income, waiting time costs, extra handling costs, lost market share or other indirect losses

Carrier liability for damage and loss:

In accordance with our general terms and conditions, Carelog has shipping liability insurance covering liability under the relevant legal conventions on transportation. Our contracts with our customers are based upon NSAB 2000, which is used if the Danish Air Navigation Act, the Danish Merchant Shipping Act, and the Act on Contracts for the International Carriage of Goods by Road (CMR) do not apply.

Shown below are important time limits and limits to liability; amounts are stated in SDR, the monetary unit referred to in §505 of the Danish Merchant Shipping Act. SDR are converted to DKK in accordance with the exchange rate of the date the damage is found.

Limit to liability for damage occurring to sea freight (ref. the Bill of Lading)

Compensation cannot exceed SDR 666.67 per package or other unit of cargo, or SDR 2.00 per kilo gross weight, of the damaged goods, whichever is the greater. If the goods are in containers or similar transportation unit for contents, the compensation cannot exceed SDR 10,000.

Regulations:	The Danish Merchant Shipping Act
Time limitation:	One year from the delivery date (cf. waybill) / agreed delivery date
Deadline for claims:	Visible damage, immediately; invisible damage, three days (from delivery date)
Late claims:	These result in reversal of the burden of proof, so that the claimant must prove the damage occurred while the carrier had the goods

Limit to liability for damage occurring to air freight (ref. the Airway Bill)

Liability for air freight is limited to SDR 19.00 per kilo goods.

Regulations:	The Danish Air Navigation Act
Time limitation:	Two years
Deadline for claims:	Visible damage, immediately; invisible damage, 14 days
Late claims:	These result in loss of claim rights

Limit to liability for damage occurring to road freight* (ref. CMR waybill)

Liability for road freight is limited to SDR 8.33 per kilo goods.

Regulations:	The CMR Act (*insofar as the CMR Act applies in this case)
Time limitation:	One year (three years in the case of gross negligence / intention)
Deadline for claims:	Visible damage, immediately; invisible damage, seven days
Late claims:	These result in loss of claim rights insofar as receiver and carrier have checked the goods together on delivery. Otherwise, the burden of proof is reversed, so that the claimant must prove the damage occurred while the carrier had the goods.

Limit to liability for damage ref. NSAB 2000

Our liability for loss, deterioration or damage of goods is limited to SDR 8.33 per kilo goods and for delays cannot exceed the freight costs up to a maximum of SDR 50,000 per order.

Regulations:	Nordisk Speditørforbunds Almindelige Bestemmelser (NSAB 2000)
Time limitation:	One year
Deadline for claims:	Visible damage, immediately; invisible damage, seven days
Late claims:	These result in reversal of the burden of proof, so that the claimant must prove the damage occurred while the carrier had the goods

Carrier liability in the event of delays:

The word delay has a different meaning in transportation law than in ordinary usage. In transport law, there is no distinction between significant and insignificant delay. As soon as goods are delayed, the carrier is liable for compensation (insofar as the customer has actually suffered a loss). The delay can basically arise in two ways:

1/ If a delivery time has been promised, a delay arises if the goods arrive even one minute later than the stated time. In this connection, it should be stressed that an ETA is not a promised time of delivery.

2/ If no delivery time has been promised, a delay arises if the goods do not arrive within a reasonable time, which is a subjective evaluation. This means that in transport law goods are not considered delayed because they arrive later than a stated ETA.

Limit to liability for delays in delivery of sea freight (ref. the Bill of Lading)

Liability for delays under the Danish Merchant Shipping Act is limited to 2½ times the freight costs for the delayed goods, but not exceeding the total freight costs in the transport contract.

Regulations:	The Danish Merchant Shipping Act
Time limitation:	One year from the delivery date (cf. waybill) / agreed delivery date
Deadline for claims:	60 days from the delivery date
Late claims:	These result in loss of claim rights

Limit to liability for delays in delivery of air freight (ref. Airway Bill)

Liability for delays under the Danish Air Navigation Act is limited to SDR 19.00 per kilo.

Regulations:	The Danish Air Navigation Act
Time limitation:	Two years from date of arrival
Deadline for claims:	21 days from the date the goods are available for the receiver
Late claims:	These result in loss of claim rights

Limit to liability for delays in delivery of road freight* (ref. CMR waybill)

Liability for delays to road freight (covered by the CMR Act) is limited to the freight costs.

Regulations:	The CMR Act (*insofar as the CMR Act applies in this case)
Time limitation:	One year from delivery date
Deadline for claims:	21 days from the date the goods are available for the receiver
Late claims:	These result in loss of claim rights

Limit to liability for delays in delivery ref. NSAB 2000

Liability for delays is limited to the freight costs

Regulations:	Nordisk Speditørforbunds Almindelige Bestemmelser (NSAB 2000)
Time limitation:	One year
Deadline for claims:	14 days
Late claims:	These result in loss of claim rights