FALVEY INSURANCE GROUP

CARGO & STOCK THROUGHPUT

CLAIMS MANUAL



FALVEY INSURANCE GROUP

ONE GROUP,
MANY SOLUTIONS™

401-792-0144

falveyinsurancegroup.com



RISK MANAGEMENT

HELPING TO MITIGATE YOUR GLOBAL RISK EXPOSURE

Falvey's Risk Management team delivers a 360-degree view of risk by uniting live data, connected insights, and cross-functional expertise to enable faster, more confident decision-making. By integrating Claims, Actuarial, Risk Intelligence, and Risk Management into one cohesive system, we turn information into action that protects your client's business and strengthens our partnership. The result is clearer, more client-focused claims service, resilient portfolio management, and transparency you can trust.

WHAT WE DO



- Proactive, consultative risk management tailored to each client's operations, exposures, and goals
- Integration of risk intelligence, real-time insights, and practical mitigation strategies
- Actionable guidance that supports both day-to-day decisions and long-term planning
- Focused on strengthening resilience, reducing loss potential, and protecting critical assets
- All services included in the premium, delivering value beyond coverage

CORE SERVICE OFFERINGS

- SUPPLY CHAIN RISK ASSESSMENT
- SUPPLIER, LSP & PROJECT PARTNER RISK MANAGEMENT
- LOGISTICS, STORAGE & TRANSPORT AUDITS
- SECURITY RISK & THREAT ASSESSMENTS
- GOVERNANCE & CONTRACT ADVISORY

For questions

riskteam@falveyins.com

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THE NEW ONLINE CLAIMS FILING PROCESS

The goal of the Falvey claims team is to go above and beyond expectations in terms of a timely and responsive claims experience – which is why we have revamped our claims intake process. Now, you can file a claim online by answering a quick series of guided questions.

How Does It Work?

1. **Get Started** – visit falveyinsurancegroup.com and click "File a Claim" at the bottom of the page
   - You can also log in and file a claim directly to an existing policy or certificate already in the Falvey system.

2. **General Policy Information** – you will be asked for basic contact info, policy and/or certificate number and date of loss.
   - Note: The email address associated with your submission will serve as the username to review all online claims in the Falvey system. The policy number and IDs will be on the top of the declaration of insurance page

3. **What Happened?** – you will be asked where the loss occurred, the type of loss (ex: non-delivery), modes of transportation involved, who transported the cargo, type of carrier contract, and for reference numbers (eg: Airway Bill).

4. **Claim Details** – you will be asked for the shipment date, types of goods involved, description of damage, where the goods are currently located, estimated loss value of damaged goods, if you have notified the carrier, and any other relevant information related to the claim.

5. **Upload Files/Documents** – you will be asked for any supporting documents you have (please have these documents ready prior to filing): Waybills/BOL, Invoices, Packing List, Delivery Receipt, Pictures of Damage, Notice to Carrier.

6. **Confirmation** – you will be asked to review your submission details prior to filing online, and will receive an on-screen summary, as well as an email receipt, which serve as confirmation your claim has been successfully filed.

A Falvey Claims Specialist will promptly reach out to you to confirm the claim, review the necessary claim documentation, and as necessary arrange for a survey inspection. We look forward to working with you on your claim.

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OTHER WAYS TO REPORT A CLAIM

Aside from online, you can also report your claim to Falvey by any of the following methods:

EMAIL	• Complete the First Notice of Loss or Damage Form found on page 14 of this manual. • You will need to gather all other claims documentation available such as: • Bills of lading (original documents or copies of both sides) • Copy of the shipper's invoice for the entire shipment • Copy of the packing list detailing the merchandise shipped in a • particular carton, case, or other shipping unit • Certificate of insurance (original or duplicate copy, if applicable) • Confirmation of non-delivery from the carrier, if applicable • Return freight bill, if applicable • Evidence of loss or damage • Do not delay reporting the claim if you do not have all of the documentation; you can supplement the report as documents become available • Email the claim form and supporting documents to the Claims Department at claims@falveyins.com
FAX	Gather and complete the above information and fax to the Claims Department at 401-675-9299.
PHONE	You may also telephone the claims department at 401-675-9285.

EMERGENCY CLAIMS HOTLINE

In addition to the normal claims reporting procedures, Falvey has instituted a 24/7/365 telephone hotline for emergency claims reporting. This emergency hotline will typically be used for large value claims which need immediate attention. Claims that fall in this category include the following:

- Hijacking, mis-shipment and short-shipment of targeted raw materials and finished goods.
- Damage to capital equipment still in transit.
- Potential spoilage of temperature sensitive goods delayed in-transit.

It is not necessary to have all claims documentation and information at the time of the call but having on-site contact information is helpful to initiate the investigation. As a result of this initial contact, we will work with you to determine whether the situation requires immediate response. The emergency hotline is available 24 hours a day, 7 days a week, 365 days a year at **1-877-572-5553**.

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MEET YOUR RISK AND RECOVERIES LEADERSHIP TEAM



Eric Newman
Chief Risk Officer



Sean Quinn
Executive Vice President, Claims Management



John Larimer
Senior Vice President, Head of Complex Claims



Lisbeth White
Senior Vice President, Claims Operations



Jackie Trainor
Vice President, Recoveries

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YOUR DUTIES AS AN ASSURED IN THE EVENT OF LOSS OR DAMAGE

1. Take Steps to Minimize the Loss

Reasonable steps must be taken to minimize loss or damage covered under the marine cargo policy. One example of a "reasonable step" would be to remove cargo from packaging that shows evidence of water damage (wetness, stains) to prevent additional damage from occurring.

2. Document the Loss in a Thorough Fashion

- Note any shortages/discrepancies on the delivery receipt
- Sign and retain a copy of the delivery/receiving document
- Take photos of the damaged product and all packaging
- Retain all packaging materials
- Promptly provide all carriers with written notification of the loss
- Keep thorough records of verbal and written correspondence with all parties

3. Provide First Notice of Loss or Damage

Upon discovery of the loss, notification should be given to Falvey using the online claims reporting form found in the Client Gateway at falveyinsurancegroup.com. Alternatively, the Notice of Loss or Damage Form may also be used (emailed to claims@falveyins.com accompanied by the appropriate transit documents and any other pertinent documentation).

4. Prompt Notification to All Parties

Immediate written notification must be provided to all carriers and/or freight forwarders. If more than one carrier is involved then written notification must be filed against each.

Copies of written notification, documents and evidence of damage should be sent to:

Falvey Insurance Group
(See the contact information on page 4)

5. Preserve the Rights of Subrogation

Upon acceptance of delivery of goods, IT IS REQUIRED THAT YOU note evident damage or shortage of goods on the carrier's delivery receipt. Failing to note evident damage on receiving documents may allow the carrier to legally deny any claims.

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WHAT IS A LOSS?

In order for a loss to be recoverable under the marine cargo policy, the following conditions must be present:

1. A loss must be PHYSICAL

Non-delivery, shortage and rough-handling are examples of PHYSICAL losses. Loss of Market or Loss Due to Delay are NOT physical losses.

2. A loss must be FORTUITOUS

The loss to the cargo must be accidental.

3. A loss must be EXTERNAL

The loss must be a result of an event occurring outside of the insured goods. Loss or deterioration caused by the inherent quality of the cargo would not come under the scope of the "All Risk" policy. Internally caused loss usually involves food stuffs which over-ripen or go bad due to their nature rather than an external cause.

4. A loss must occur DURING THE DUE COURSE OF TRANSIT

Subject to the terms and conditions of the policy, coverage applies from the time the cargo leaves the care, custody and control of the shipper and enters transit until such time as the cargo is delivered into the care, custody and control of the consignee. Pre-or-post shipment damage or loss would not come under the coverage provided by the policy, unless covered by special endorsement to the policy.

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RECEIPT OF GOODS

RECEIPT OF GOODS

Before signing for goods:

- Carefully count and inspect all containers and/or cartons in the shipment for damage.
- Signs of damage to watch for include:
  - o Cartons not delivered in upright position
  - o Activated Tip-N-Tell and/or Shock-watch devices
  - o Missing Tip-N-Tell and/or Shock-watch devices
  - o Signs that the carton has been opened and resealed
  - o Crushed corners
  - o Holes and tears
  - o Wetness/water stains
- Document any shortages or discrepancies on the delivery receipt (Manifest, Bill of Lading, Airway Bill, etc.). Be as thorough as possible in your description.
- Take photos of damaged products as well as all packaging
- Sign and retain a copy of the delivery or receiving document.
- Retain all packaging materials for inspection purposes.

Non-Delivery/Shortage of Goods

Promptly notify all carriers that the goods have not been received and request that the goods be traced (See Sample Form Letters on pages 14 & 15)

Concealed Damage

When loss or damage is not discovered until the shipment has been completely unpacked or opened, a written claim must be filed against the carrier for loss or damage within strict time limits. By failing to do so, the carrier is effectively relieved of liability for the damage or loss (See Sample Form on page 15).

Carrier Notification

Prompt notification is critical to ensure that Underwriters' rights of recovery are protected in the event of a claim. There are statutory and contractual time limitations requiring a claimant to file a written claim against carriers that vary by type of shipment, mode of transport and jurisdiction.

If any discrepancies are noted, the carrier must immediately be placed on written notice. In this letterof notice (See Sample Form Letter on page 15):

- Hold the carrier responsible for causing such loss or damage and make a demand for immediate payment for the full amount of the invoice.
- For damage claims, advise the carrier of their right to inspect the goods. Before the goods may be repaired or scrapped, the carrier must either perform an inspection or waive their rights of inspection.

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TIME LIMITATIONS FOR FILING CLAIM AGAINST CARRIER

The following time limits are in some cases very short and are strictly adhered to by carriers while defending claims against them. It is recommended that notice be sent immediately upon discovery of the loss, notwithstanding the time limits listed below:

INTERNATIONAL AIR	• Visible damages - 7 days from time of delivery • Concealed damages - 14 days from the time of delivery • Non-Delivery - 120 Days from the date the shipment should have been delivered.
OCEAN	3 days from the date of delivery.
INTERSTATE TRUCK & RAIL	9 months from the date of delivery.
LOCAL TRUCK & AIR CARRIERS	Varies by state law.

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STANDARD DOCUMENTS REQUIRED TO FILE A CLAIM

Evidence of Contract of Carriage

The primary contract between the shipper and the carrier for transport of merchandise such as:

- Ocean Bill of Lading
- Master Air Waybill
- House Air Waybill
    - o This is usually issued by freight forwarders, who contract directly with shippers, to deliver the merchandise to the actual air carrier

It is important to have original documents or copies of both sides

- Copies of letters of claim filed against the carrier along with any correspondence
- received in response from the carrier
- Copy of the shipper's invoice for the entire shipment
- Copy of the packing list detailing the merchandise shipped in a particular carton, case, or other shipping unit
- Certificate of Insurance (original or duplicate copy), if applicable
- For loss due to Non-Delivery: confirmation of non-delivery from the carrier
- Return Freight Bill
- Evidence of Loss or Damage

Evidence of Loss or Damage

- Delivery Receipt(s) noting exceptions, if any
- Consignee's Receiving Report: consignee's record of delivery showing damage, shortage, or loss of merchandise. This may be:
    - o A copy of the carrier's Bill of Lading or Waybill
    - o A copy of the Inland Waybill (a contract for transporting cargo to or from the international carrier's port or airport of loading or discharge)
    - o A copy of the Consignee's form
    - o A copy of the carrier's inspection report
- Survey Report, if issued
- Any correspondence to and/or from the carrier
- Repair estimates or testing results (if any)
- Photographs of the damaged product and all packaging (preferably digital)

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6 WAYS TO EXPEDITE ADJUSTMENT OF A CLAIM

1. Prompt Notification

Upon discovery of a loss, ALL parties should be promptly notified.

2. Report Online

Using the online claims reporting form will result in a faster return confirmation and processing of the claim. https://falveyinsurancegroup.com/portal-login/

3. Detailed Correspondence

Always reference the following items on all correspondence concerning the loss:

- Assured Name
- Policy Number
- Falvey's Reference Number
- Carrier Name and Freight Details

4. Documentation

All documentation should be forwarded to Falvey Insurance Group as made available via email at claims@falveyins.com

5. Evidence of Loss or Damage

Provide all possible evidence of loss or damage.

6. Surveyor Assistance

Surveyors are assigned to assist us in the inspection and investigation of your claim. All reasonable requests by surveyors should be met with full compliance and cooperation.

SAMPLE FORMS



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FIRST NOTICE OF LOSS OR DAMAGE FORM

(Falvey recommends filing online)

To: Falvey Insurance Group Date:
66 Whitecap Drive
North Kingstown, Rhode Island 02852-7445
Tel. (401) 675-9285/Fax (401)675-9299
Email: claims@falveyins.com

Date:

Assured's Name: **Marine Cargo Policy #**

Name of Person Filing Claim:	
Address:	
Phone:	
Email:	

Claim Information
Type of Loss:

Airway Bill or Bill of Lading #:			
Incoterms (Terms of Shipment):			
Bill of Lading Date:			
Carrier:		Origin:	
Product/Equipment #:			
Contact:			
Phone:			
Estimated Value of Claim:			
Please Describe Loss in Detail:			

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SAMPLE LETTER

NOTICE TO THE CARRIER THAT A SHIPMENT WAS NOT RECEIVED

DATE:

ATTN: Claims Department
Name and Address of Transportation Carrier

RE: Vessel, Airline, or Truckers Name
Bill of Lading Numbers
Bill of Lading Date
Description of Shipments
Loss Estimate
Reference No.

The shipment described below has not been delivered. Please trace and effect delivery as quickly as possible advising date delivered, signature, and any other information to substantiate delivery.

This letter will serve as our formal notice of claim in the event you are unable to establish delivery of the shipment described. If necessary, additional documents will be furnished substantiating the claim.

Consignee: _____ Order No.: _____
Consignor: _____ Invoice No.: _____
Date Shipped: _____
Shipment Contents: _____
Pro. No.: _____ No. of Cartons: _____ Weight: _____ Value: _____

Remarks:

Thank you for your prompt reply.
Sincerely,
John Smith
Traffic Manager

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SAMPLE LETTER

NOTICE OF LOSS TO THE CARRIER

DATE:

ATTN: Claims Department
Name and Address of Transportation Carrier

RE: Vessel, Airline, or Truckers Name
Bill of Lading Numbers
Bill of Lading Date
Description of Shipments
Reference No.

Note: This Amount Should be the Full In voice Value NOT the Carrier's Legal Liability.

We formally file claim on you in the amount of $_____ for the above-captioned shipment which was received short and/or damaged for which we hold you fully responsible. Upon request, additional documents will be furnished substantiating the claim.

Describe specific loss or damage (i.e. container was received five cartons short or nature of damaged goods).

IF CARGO WAS DAMAGED, ADD THIS SENTENCE.

We invite you to contact the undersigned and arrange to survey the damaged shipment.

Thank you for your prompt reply.

Sincerely,
John Smith
Traffic Manager

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INCOTERMS – SHIPPING TERMS

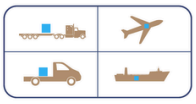
Incoterms® 2020 by the International Chamber of Commerce (ICC)
TRANSPORT OBLIGATIONS, COST AND RISK

Blue indicates seller's
Gold indicates buyer's
Black indicates mixed or shared

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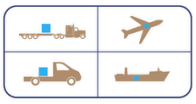
RULES FOR ANY MODE OR MODES OF TRANSPORT

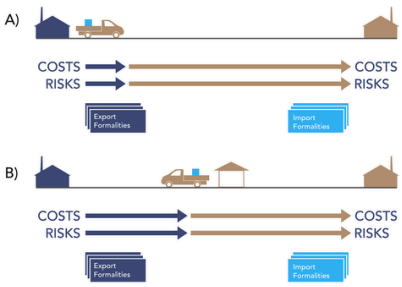
EXW
Ex Works
(insert named place of delivery)
Incoterms® 2020





FCA
Free Carrier
(insert named place of delivery)
Incoterms® 2020





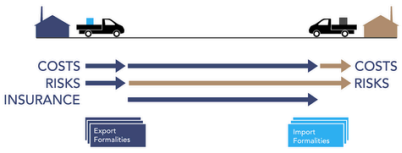
CPT
Carriage Paid To
(insert named place of delivery)
Incoterms® 2020





CIP
Carriage and
Insurance Paid To
(insert named place of delivery)
Incoterms® 2020





DAP
Delivered at Place
(insert named place of delivery)
Incoterms® 2020





DPU
Delivered at
Place Unloaded
(insert named place of delivery)
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DDP
Delivered Duty Paid
(insert named place of delivery)
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INCOTERMS – SHIPPING TERMS

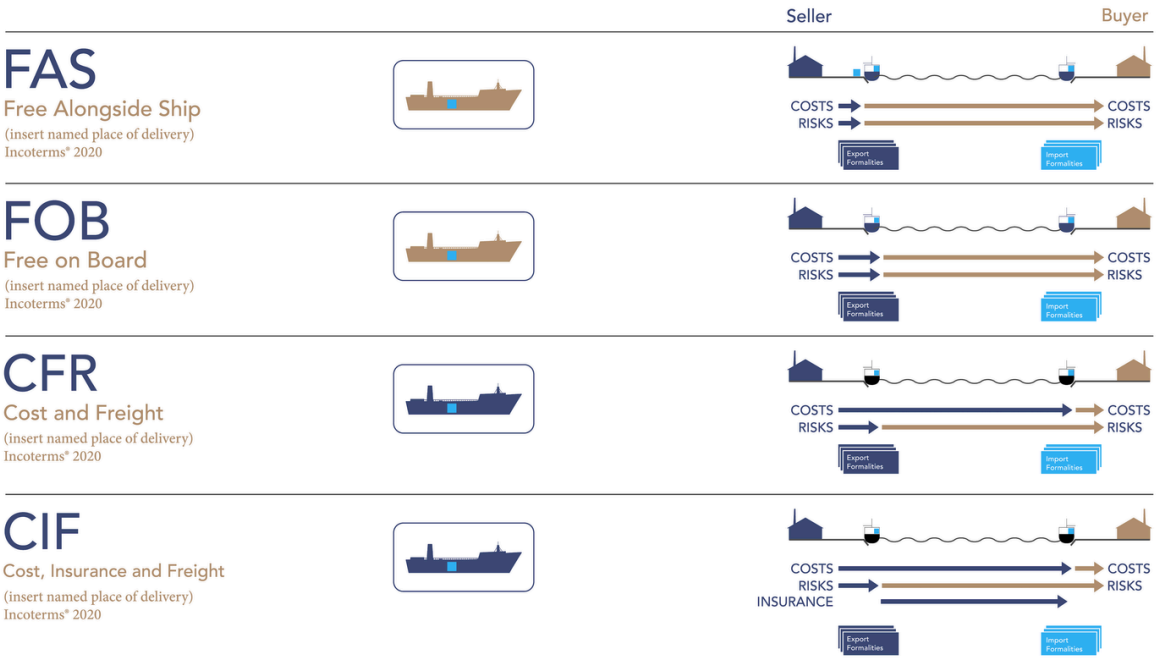
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RULES FOR SEA AND INLAND WATERWAY TRANSPORT



INTERNATIONAL CHAMBER OF COMMERCE
The world business organization

ICC Publication: 803E
ISBN: 978-92-842-0514-1
ICC Knowledge 2 Go: 2go.iccwbo.org

WARNING: This chart is not intended to be used alone, and should always be used in conjuction with the incoterms 2020 rule book.

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