

## CARGO INSURANCE POLICY

### WHAT IS A CARGO INSURANCE POLICY?

This insurance covers physical loss or damage of goods carried by vessel, road, rail, aircraft, or by any other conveyance. Cargo insurance protects the subject who have an insurable/financial interest in the cargo. ALPI USA & ALPI LOGISTICS INC can provide cargo insurance for any commodities for which have received a shipping order and written instructions to provide insurance coverage.



### WHAT DOES THIS INSURANCE POLICY COVER?

- Material/direct damages to the cargo in transit
- Partial or total loss of the cargo
- Theft, robbery, mis-delivery
- General average contributions (see next page for further details)

### WHICH COMPANIES DO WE ENTRUST TO OFFER THIS SERVICE?

We are working with primary international companies, which have an excellent reputation within the cargo insurance market: **AXA XL** as our Insurer and **AON** as our Insurance broker. Thanks to AON's support, and to their high level of know-how and experience on the marine cargo insurance market, we can offer you:

- Certainty of coverage
- Wide insurance conditions at competitive rate for any type of goods
- Consultancy on risk management and loss prevention
- A dedicated claim department with a wide expertise in cargo complex claim
- Worldwide support through Aon/AXA-XL network of lawyers and surveyors

# AON



## “SOME GOOD REASONS FOR NOT BUYING A CARGO INSURANCE”:

- a) “In case of loss or damage to the goods I will not face any trouble: I will claim the damage to the freight forwarder”

Of course, this is a good starting point, but you have to bear in mind that, if the freight forwarder acts as NVOCC assuming carrier’s liabilities, he could be held liable only up to the limits of liability provided by International conventions, which are based on the weight/size of cargo. Instead, cargo insurance indemnity calculation will be based on **the value of cargo and the perils included will not be limited to FF liability (such as fire, storm, etc.)**.

- b) “The vessel carrying the goods had a fire and the Master declared the General Average: I do not have to pay any contribution as I am neither the shipowner nor the freight forwarder.”



Every sea voyage is a maritime adventure, so it may happen that during the voyage the Master should be obliged to declare General Average. In this case, the shipowner is entitled to ask a contribution **to each cargo owner**. This means additional unexpected and elevated costs related to the shipment, for which generally it is not possible to claim against the freight forwarder. Applying for cargo insurance, means that the Insurers will cover the contributions on your behalf, so you can easily avoid this kind of risk.

- c) “I always solve any potential claims/issues amicably with the parties involved (gentlemen’s agreement).”

Even small mistakes or omissions can sometimes result in large claims, and in such instances, we know from experience that the involvement of insurance companies would be inevitable. Although we are client-oriented, pragmatic and solution driven, such claims can usually not be settled over a cup of coffee but would require special expertise and negotiating skills.