



Reasons You Need Cargo Insurance

LOSSES HAPPEN!

CARGO INSURANCE CAN COVER YOUR GOODS WHEN BEING SHIPPED DOMESTICALLY, AS WELL AS INTERNATIONALLY.

Cargo Insurance is a critical component for reducing the risks of financial loss when buying, selling, or distributing goods both domestically and internationally. No matter how robust your loss prevention strategy may be, it is reported [30% of all freight damage](#) in transit is unavoidable and unforeseen. Most of these losses occur on the way to or from ports. Furthermore, the FBI estimates up to [\\$30 billion in cargo theft](#) occurs each year.

All of these causes of loss, and much more, are fully covered in the Cargo Insurance coverage facilitated by ICAT Logistics, Inc.

CARRIER LIABILITY LIMITATIONS AND EXCLUSIONS

AVOID THE RISK OF UNCOVERED LOSSES.

Shippers are often unaware that while carriers have liability for damage to cargo, they also have the legal right to limit their liability, and do so aggressively. Therefore, the amount recoverable is usually much less than the actual claim amount.

It is also important to note that carriers are only liable (for a limited amount) if they are considered negligent. Carriers are not responsible for losses that are unforeseen or beyond their control. Carriers are not held liable for:

- Acts outside of their control;
- Fire (unless caused by the actual fault or knowledge of the carrier);
- Acts of God (i.e., heavy weather, earthquake, lightning, hurricane, tornado);
- Acts of War;
- Acts of Public Enemies;
- Strikes, riots, and civil commotions; or
- Insufficient packing and insufficient or inadequate marks.

Without Cargo Insurance in place, you may only be compensated for a small portion of what your cargo is worth—or not at all—in the event of a loss. Cargo Insurance provides an additional layer of protection for the full commercial invoice value plus freight.



Reasons You Need Cargo Insurance

GENERAL AVERAGE

WHEN LOSS AND DAMAGE IS SHARED BY ALL, KNOW THAT YOU'RE COVERED!

General Average is a common, yet widely unknown risk that can affect any shipper moving goods via ocean vessel. When General Average is declared, overall costs for cargo loss and damage, as well as costs for any damage to the vessel itself, are assigned proportionally to each shipper. This can total [hundreds of thousands of dollars](#) and must be paid immediately in the form of cash or a bond.


Cargo Insurance will respond to these expenses and complications, which would otherwise be financially devastating events.

BEST-IN-CLASS SERVICE AND PROTECTION

PROTECT YOUR FINANCIAL INTERESTS!

Perhaps most valuable to shippers, Cargo Insurance is a first-party insurance coverage. This means in the event of a covered loss, the insurance company will pay out the claim to the shipper and then, if necessary, subrogate against the carrier. The shipper does not need to retain an attorney to sue for damages or prove negligence.

By purchasing cargo insurance through ICAT Logistics, Inc., shippers secure the most comprehensive coverage for their goods. Coverage through ICAT Logistics is backed by the largest and most respected insurance broker in the industry, as well as the most experienced cargo insurance market, and direct claims handling and servicing teams.

Coverage Conditions	Cargo Insurance	Carrier's Liability
 Provides door-to-door protection	✓	?
Pays whether or not transportation provider negligence is proven to have caused the loss	✓	✗
Pays for losses occurring outside control of carrier	✓	✗
Pays shipper for the full invoice value of cargo lost or damaged plus freight and other associated costs	✓	✗
Can pay for expediting replacement goods	✓	✗

Talk to your ICAT Logistics account representative or operations expert today to learn more about insuring and protecting your valuable assets to ensure you will be properly compensated for any unavoidable losses!