



CLAIMS CORNER
EXTRA EXPENSE

The insured, an NVOCC, arranged for the shipment of two containers of used carpeting to Vietnam through a co-loading agreement with another NVOCC who issued the bill of lading. The consignee never took delivery of the containers at the port upon arrival of the goods. Storage and demurrage charges accrued in the amount of \$46,500. The Ocean Carrier charged the NVOCC \$6,200 for the disposal of the carpeting and reduced demurrage charges to \$38,000. The NVOCC threatened to sue the insured, for the total cost of charges. Under the insured's Errors & Omissions policy, the extra expense cost is covered since the consignee failed to collect or remove cargo at the designated place of delivery. Final negotiations reduced the claim for demurrage, storage, and destruction to \$32,000. Extra Expense coverage has no deductible, but a limit of \$25,000.

Claim Amount: \$32,000
Claim Payment: \$25,000

For additional information on Avalon's Combined Transit Liability, contact marketing@avalonrisk.com or visit <http://www.avalonrisk.com/nvocc.html> to learn about other products and services offered to NVOCCs.

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