

**Specification of Competency Standards**  
**for the Logistics Industry**  
**Unit of Competency**

Functional Area - Insurance, Legal Matters and Compliance

Title	Handle transport operator's liability insurance claims
Code	LOCULC407B
Range	This unit of competency is applicable to sea freight, air freight, and relevant freight operators. Practitioners should be capable to understand the course of the incident, insurance law and relevant insurance contract terms; to select and provide claim documents and information for insurance companies or intermediaries and follow up matters related to liability claims according to claim procedures so as to protect the interests of the company.
Level	4
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of claim-related regulations, and the claim procedures and requirements of insurance companies</p> <ul style="list-style-type: none"> <li>• Understand the basic principles of insurance law, including the principle of utmost good faith, duty of disclosure, insurable interest, contract of indemnity, etc.</li> <li>• Understand the impact on the validity of insurance contracts by violation of the basic principles of insurance law</li> <li>• Understand the details of the freight forwarders' services provided to customers and of the contracts, including the rights and obligations of both parties, and standard trading terms</li> <li>• Understand the terms of transport operator's liability insurance, including cargo liabilities, third party liabilities, errors and omissions, fines and duties, costs and expenses, etc.</li> <li>• Understand the survey reports and recommendations from experts</li> <li>• Understand the tortuous liabilities, impacts errors and omissions arising from operation, and the impact of relevant legislations on handling the liabilities of logistics and freight operators</li> <li>• Understand the claim procedures and requirements of insurance companies (including notification period, submission of relevant proofs and arrangements for inspection of cargo damage)</li> </ul> <p>2. Handle liability insurance claims for logistics and freight operators</p> <ul style="list-style-type: none"> <li>• Capable to act according to the claim procedures of the insurance company, for example, informing the insurance company or the claim agent of the accident or the claim within the specified period of time, appointing eligible surveyor to investigate and analyse the accident as deemed necessary, and making defences against the claimant</li> <li>• Contact relevant departments and staff for the details and causes of the incident; collect relevant documents and information for lodging a claim; take appropriate measures to minimise the losses of the company</li> <li>• Inform, if necessary, the third party, including carriers, warehousing services providers and other subcontractors, of the details of the accident and the claim amount; reserve the right to claim damages</li> <li>• Provide relevant claim documents and information for insurance companies, including notice of claim, list of claim, bill of lading, survey report, standard trading terms and the claim documents exchanged between the insured and the third party</li> <li>• Respond to the requests of the claimant properly, including liabilities sharing, guarantee provision or compensation</li> <li>• Follow up the progress of the claim with insurance companies or intermediaries, including joint actions like negotiating with all the claimants and fighting for the best compensation option, and appointing lawyers to handle possible legal proceedings</li> </ul>

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	<ul style="list-style-type: none"> <li>• Verify the final compensation and collect it from insurance companies/intermediaries or through other departments</li> </ul> <p>3. Professionalism in handling liability insurance claims for logistics and freight operators</p> <ul style="list-style-type: none"> <li>• Handle claims in a cautious manner</li> <li>• Act according to the instructions of the customer if handling the claim as an agent</li> <li>• Avoid conflict of interests</li> <li>• Abide by the rules in respect of confidentiality and non-disclosure</li> <li>• Handle claims according to the terms of transport operator's liability insurance, relevant laws, and the claim procedures and requirements of insurance companies</li> </ul>
Assessment Criteria	<p>The integrated outcome requirement of this unit of competency is:</p> <ul style="list-style-type: none"> <li>• Capable to provide insurance companies with relevant documents and information according to claim procedures so as to handle liability claims for logistics and freight operators.</li> </ul>
Remark	<p>This UoC is adopted from the Logistics UoC LOCUIL407A</p>