

# EXTENDED PROTECTION

## FAQS – MSC EXTENDED PROTECTION SERVICE

### **1. Why should I purchase MSC's Extended Protection service?**

Despite taking necessary precautions, transportation (ocean and inland) does not come risk-free. Events such as rough weather, fire, theft, and many other occurrences, can cause damage to your cargo. MSC's Extended Protection service can provide merchants who purchase it with a supplemental level of protection for their cargo's value. The service is available for a wide range of cargo categories being carried to or from the United States of America or Canada, and it offers procedures specifically designed to simplify the process for handling damage and loss claims for many causes. For details concerning MSC Extended Protection, including important procedures, time requirements, cargo and geographical exclusions and restrictions, and inapplicable causes, please see our Extended Protection General Terms and Conditions.

### **2. Why should I opt for MSC's Extended Protection service over alternatives?**

MSC offers a one-stop shop for all your cargo and logistics requirements. By opting for this service, your cargo claim(s) under the Extended Protection service will be directly handled by MSC through a fast-tracked procedure. We also aim to conclude all Extended Protection claims within a 30-day average running from completed submission.

### **3. Can I still purchase MSC extended protection if I am shipping my cargo with another carrier (when the Bill of Lading is issued by another ocean carrier, but container is carried on an MSC vessel)?**

No, our Extended Protection is a service that can be purchased and applied only when shipping cargo with MSC.

### **4. Is this service available for spot and volume shipments?**

MSC Extended Protection is adaptable to both types of shipments and all volumes.

### **5. How do I know if my port pair is included in the MSC Extended Protection service?**

MSC Extended Protection is only available if your shipment is to or from the United States of America, Canada and Bahamas and if your shipment does not involve locations subject to geographical exclusions.

Geographical exclusions for the service are the following countries, territories, or regions: Afghanistan; Angola; Balkans; Belarus; Burma (Myanmar); Burundi; Central African Republic; Cuba; DRC Congo (Zaire); Iran; Iraq; Ivory Coast (Cote d'Ivoire); Kenya; Lebanon; Liberia; Libya; Mali; Nicaragua; Nigeria; North Korea; Sierra Leone; Somalia; South Sudan; Sudan and Darfur; Syria; Ukraine; Venezuela; Yemen; Zimbabwe.

Other locations are subject to geographical restrictions. In geographical restriction locations, the service immediately ceases to apply upon discharge in those locations.

Geographical restrictions for the service are the following countries, territories or regions: Armenia; Azerbaijan; Bolivia; Dominican Republic; Ecuador; Estonia; Former CIS; Georgia; Latvia; Lithuania; Mexico; Mongolia; Pakistan; Papua/New Guinea; Russia; Solomon Islands; and all countries which were formerly Soviet Republics (except for Belarus and Ukraine which are subject to complete geographical exclusion).

## **6. Does the service apply to all cargo and equipment types?**

Currently, the MSC Extended Protection service is only available for shipments carried in Dry and Reefer containers. For carriage in those equipment types, the service can be purchased for shipments of a wide range of goods. However, shipments of certain cargo types are excluded, and the service never applies to shipments of Excluded Cargo. Shipments of some other cargo types are restricted from the service, and the service will apply to Restricted Cargo subject to MSC express agreement to do so and issuance of a Restricted Cargo Inclusion Addendum to be signed by you. Please note that the service is not currently available for any out-of-gauge shipments.

## **7. What is the procedure to obtain a quote?**

Obtaining the price per shipment with MSC is easy. In order to provide you with an instant quote, the following will be required:

- Place of Origin
- Port of Loading
- Port of Discharge
- Final Destination
- Commodities
- Equipment type

Additionally, the following information will need to be provided:

- CIF or FOB value of the cargo
- Target ETD

Should you wish to purchase this coverage after placing a booking with MSC, the booking number and the CIF or FOB value of its cargo will be needed.

### 8. Can I still purchase protection from MSC after my shipment has commenced?

Our Extended Protection service must be purchased prior to the cargo loading into the MSC container at the shipment's place of origin. Please note that the cargo value and the service level should be declared prior to the shipment departing from the place of origin.

### 9. How is the cost calculated?

We have several tranches and depending on the declared value of your cargo, a set amount will be charged for our Extended Protection service. Shipment values are based on CIF terms, plus 10%. The charge for purchasing the Extended Protection service is called the EPR Charge.

#### 9a. FCL:

REEFER		
TRANCHE	SHIPMENT VALUE (CIF + 10%)	EPR CHARGE PER SHIPMENT
1	up to US \$20,000	USD US \$70
2	US \$20,001 up to US \$60,000	USD US \$200
3	US \$60,001 up to US \$100,000	USD US \$350
DRY		
TRANCHE	SHIPMENT VALUE (CIF /FOB + 10%)	EPR CHARGE PER SHIPMENT
1	From USD 1 to USD 15,000	USD 30
2	From USD 15,001 to USD 30	USD 60
3	From USD 30,001 to USD 70,000	USD 125
4	From USD 70,001 to USD 100,000	USD 170
5	From USD 100,001 to USD 150,000	USD 240
6	From USD 150,001 to USD 300,000	USD 500
7	From USD 300,001 to USD 500,000	USD 1000
8	From USD 500,001 to US 1,000,000	USD 2000

#### 9b. LCL:

\$1.5 per every \$100 shipment value (CIF + DUTIES + 10%) with \$25 minimum.

### 10. What is the invoicing procedure?

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The charge applicable will be manifested on your freight invoice and should be paid as per the payment terms (credit or payment on sail) of your account with MSC. A dedicated charge code (EPR) will be used to represent this amount.

**11. Should I always inspect a container and my goods immediately and give MSC notice about any loss or damage?**

Yes, you are required to immediately inspect the container and your goods before or at the time of delivery. At that time, you need to give notice to MSC if loss or damage is apparent. You also need to give notice to MSC if you assume there is loss or damage because the container is damaged, its seals or locks are broken, or its seals or locks are missing. If loss or damage is not apparent upon delivery, you need to notify MSC within 3-days after delivery.

**12. Is it mandatory that I (as the client) appoint a surveyor and provide the report to MSC to substantiate my claim?**

Should any damages be noted as above, you must contact MSC immediately to organize a survey inspection, using a surveyor of our choice and at MSC's expense.

**13. In the event of damages, how do I submit my claim?**

A full set of claim documents must be presented to MSC in order to support your claim under the Extended Protection service. Obligatory documents that must be provided with your claim submission include:

- Bill of Lading, Sea WayBill, or other contracts of carriage or storage
- Commercial invoice
- Packing list
- Letter of protest with claim amount
- Delivery Receipt noting exceptions upon delivery

**14. What is the processing time for claims to be considered?**

Please note that for your claim to be considered by MSC, it must be submitted, with the required documents, within 30-days of delivery.

Note that other documents can be requested at any time to support your claim. The list mentioned under question number 13 is not exhaustive and can be subject to change on a case-by-case basis.

**15. Is there a specific currency in which my claim should be submitted?**

Claims can be submitted in either Canadian or US currency.

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**16. What happens in the event of a General Average?**

In the event of a General Average, MSC Extended Protection will post the General Average Guarantee on behalf of the shipper and pay for the loss of damage to the merchandise, along with the contribution required for the general average loss.