



WORLD WIDE CLAIMS SERVICES

COVID TIMES

We trust that all our Readers are safe and remaining healthy. The last few months have been unprecedented times completely overhauling our life style. But the world has adjusted remarkably to the changed circumstances. We have learnt that life could still go on notwithstanding any calamity. Though the situation is now becoming normal, some of the clients are still operating either from home or at reduced capacity. We, at WWCS, have been operational throughout and will continue to be available to service our clients during these trying times. We wish all our Readers a healthy and peaceful life.

DISAPPEARANCE OF CARGO FROM WAREHOUSE

Cargoes are stored in warehouses on short term or long term basis depending on the customers' requirements. Some cargoes are stored short term pending completion of their export formalities or clearance by the buyers. Some customers have long term contracts with the warehouse. They bring cargoes into the warehouse periodically at different intervals and remove them either partially or in full as and when required. The movement of cargoes in and out of the warehouse is a regular ongoing process. It is the warehouse owner's responsibility to keep tally of the quantities moving in and out of the warehouse. Besides, they have to conduct stock taking periodically to verify the quantity remaining in the warehouse at any given time. The warehouse not only stores the cargo, but also provides additional services like repacking, labelling, fixing promotional material etc.

A customer requested the warehouse to arrange 7000 piece of their cargo of electronic items for shipping out. While arranging this, the warehouse employees noticed shortage of 980 pieces of one brand and 300 pieces of another brand. The total value of the missing pieces was about AED 270,000. Though a thorough search was initiated, they could not trace the missing items. Though the Management could not pinpoint anyone of wrong doing, the concerned Manager had to resign on moral grounds.

"Smile solves problems, Silence avoids problems"

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The matter was reported to the Insurers of the warehouse who appointed **WWCS** to investigate the incident. We first carried out a thorough review of their operational procedures. During our inspection of the warehouse, we noticed that cargoes belonging to different customers were properly marked and stacked separately in designated areas. We could therefore rule out the possibility of different customers' cargoes getting mixed up leading to wrong delivery. We checked the security arrangements of the warehouse which was found satisfactory. We reviewed all relevant documents such as stock ledger reports, stock taking reports, staff hand over reports, cargo receiving and outgoing reports etc. The concerned staff were also interviewed by us. We could find no evidence of the movement of the missing cargo out of the warehouse. Since the last stock taking was carried out 8 months earlier and showed no discrepancies, we could assume that the disappearance of the cargo took place at some stage during those 8 months after the stock taking. Considering the huge quantity and the various checks involved in the movement of the cargo in and out of the warehouse, the possibility of a genuine wrong delivery was ruled out. This led us to the conclusion that it could have been a planned operation of stealing the cargo in small lots over a period of time. Moreover, it would have involved many people in and outside the warehouse. Considering the high value of the cargo, there was definitely an incentive to steal.

It was left to the warehouse owner to refer to the police to identify the culprits. On our part, we provided our recommendations to tighten the internal checks and implementation of additional measures to prevent such incidents in future.

LIMITATION OF LIABILITY UNDER AIRWAY BILL

This issue relates to a House Airway Bill issued by a Freight Forwarding Company in Colombo who had taken Liability insurance with an Insurer in Sri Lanka. Faced with a claim for wet damage to the cargo, the Freight Forwarder wanted the Insurer to settle their customer's claim in full. The Insurer referred to the Limitation clause on the AWB which limited the Carrier's liability. The Freight Forwarder disputed this on the ground that the value of the cargo is declared on the AWB. The issue was referred to **WWCS** for advice.

Upon studying the file, we ascertained that though it was noted on the AWB that –“value as per commercial invoice”, the other conditions for overriding the package limitation were not complied with.



“Getting old is Mandatory. Feeling old is Optional.”



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We, were, therefore of the view that the Freight Forwarder was not obliged to pay the claim in full. The Freight Forwarder refused to accept this view. Following lengthy exchanges , they referred the issue to the Insurance Ombudsman. The Insurer submitted their arguments based on our advices. After thoroughly studying the issue and listening to both parties, the Ombudsman upheld the Insurer's stand and decided in their favour. Our analysis and interpretation of the Airway bill clauses assisted the Insurer in justifying their position.

Funny Motor Claims as received by some Insurers

"The other car collided with mine without giving me warning of its intention"

"I collided with a stationary truck coming the other way".

"A pedestrian hit me and went under my car".

"The guy was all over the road. I had to swerve several times before I hit him".

"I had been driving for 40 years when I fell asleep at the wheel and had an accident".

"I was on the way to the doctor with rear end trouble when my universal joint gave way causing me to have an accident and damage my big end".

"As I approached the intersection, a sign appeared in a place where no stop sign had ever appeared before. I was unable to stop in time to avoid the accident".

"An invisible car came out of nowhere, struck my car and vanished".

COVID NEO WISDOM - Amended proverbs



Divided we live, united we fall.
A sneeze in time... infects nine
Home stay is the best policy
One man's mask is another man's poison
An unmasked guy is the Covid's workshop



"Moral courage is a rarer virtue than Physical courage"



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As you stray, so shall they reap.
Distancing is the best part of labour
The grass is cleaner on your side of the fence
There is no safety in numbers
Out at night is out of mind.

SHARPEN YOUR BRAIN CELLS -



Crack the Code ?



Code

A Numeric Lock has a 3 Digit Key

HINT

<div>6 8 2</div> <div>One number is correct and well placed</div>	<div>6 1 4</div> <div>One number is correct but wrongly placed</div>	<div>2 0 6</div> <div>Two number are correct but wrongly placed</div>
<div>7 3 8</div> <div>Nothing is correct</div>	<div>7 8 0</div> <div>One number is correct but wrongly placed</div>	



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