

# Freight Insurance Guide

Damaged freight is a frustrating but unavoidable aspect of both LTL and Truckload shipping. If you ship long enough, you'll have to deal with damage. [Finding the right broker](#) and carrier can help avoid it. It's also smart to package your freight correctly. Additionally, our FreightPros have found that **Freight Insurance** plays a large role in both LTL and Truckload shipping. In this definitive guide, we'll supply all the information you'll need to determine when you should look at getting insurance, the different types of insurance, and other helpful hints to keep you and your freight covered.

## What is Freight Insurance?

Freight Insurance is insurance that covers damage or loss in freight shipping. There are three types of insurance that we'll discuss in this freight paper: **LTL carrier insurance, Truckload insurance, and third party insurance**. Though there are differences in coverage and deductibles, they all act like common insurance you might have for your health, or car.

## LTL Carrier Insurance

All LTL carriers have insurance coverage for every piece of freight they ship. These rates are included in the freight rate you'll receive from your broker. The carriers we use at FreightPros have their own internal insurance and claims departments, and pay out the claims from these departments. Coverage and deductibles vary from carrier to carrier, and often depend on [freight class](#), density, or value. You'll need to ask your freight broker for the details of your insurance if you're using this option.

## Third Party Insurance

Third party insurance is offered for LTL shipments and truckload alike. It takes the place of carrier insurance, and has an additional cost separate from the freight rate or quote. Though you'll need to confirm with your freight broker, it's an average cost of \$50.00, with a \$500.00 deductible. **We strongly recommend using third party insurance if you're shipping valuable, or fragile material.** Payouts are commonly faster and easier with third party insurance than with other forms of freight insurance.



## FreightPros at a Glance

Founded in 2009

Austin Business Journal's  
2014 & 2015 "Fast 50"

Inc. 5000 List for fastest-  
growing private  
companies 2013, 2014 &  
2015

Greater Austin Business  
Award Winner 2015 –  
Technology Category

## Freight Solutions

LTL Quoting &  
Transportation  
Management

Full Truckload Services

Strategic Carrier Planning

Billing Auditing

Fantastic Pricing

## Why We Rock at Freight:

We Are Transparent with  
our Customers

We Treat our Customers  
as Partners

We Excel by Actively  
Embracing our Core  
Company Values:

- Support
- Produce
- Respect
- Balance
- Develop

## Truckload Insurance

At FreightPros, we only work with Truckload operators that offer a minimum of \$100,000.00 in insurance coverage. This coverage is included in the freight rate. If you need additional coverage, third party insurance is also available. The coverage and rates for anything over \$100K depend on the value and commodity, so check with your freight broker if you need supplemental insurance over \$100K when shipping via [our truckload team](#).

## Conclusion

When it comes to Freight Insurance, charges and use often vary from shipment to shipment, so you'll need to ask your freight broker what kind of insurance works best for you and your freight. Regardless of your choice in insurance, it's good to keep in mind these bullet points when considering your coverage.

- If you're shipping expensive or fragile items via LTL shipping, invest in third party insurance.
- Truckload shipments will all be covered up to \$100K. If you need additional insurance on top of that, reach out to your broker.
- LTL Carriers **DO** carry insurance, but don't rely on it to pay out for damaged or loss shipments in full.
- Claims take time to investigate and complete. Download our [How to File a Claim Freight Paper](#) for more information.
- When dealing with damaged freight, **ALWAYS** note the damage on the Proof of Delivery. It's very difficult to get paid on your insurance claim without evidence of damage at time of delivery. At times, it may be best to refuse the freight. Consult your broker for instructions for your damaged freight.

For more information, contact us at [www.FreightPros.com](http://www.FreightPros.com) or **888-297-6968**. Happy Shipping!