



# High-Value Customer Compensation Addendum (HK)

APPLIES TO  
UDB Logistics Limited

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v1.0

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OWNER  
Legal & Compliance (Head of Legal)

GOVERNING LAW  
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UDB Logistics — High-Value Customer Compensation Addendum (HK)

## 1. Purpose and relationship to Terms

1.1. This High-Value Customer Compensation Addendum (“Addendum”) forms part of the agreement between the Customer and UDB for eligible Shipments.

1.2. This Addendum applies only where expressly agreed in writing (e.g., in a quotation, booking confirmation, or signed addendum reference) for the specific Shipment(s).

1.3. Where this Addendum applies, it prevails over Section 9 (Limitation of liability) of UDB Terms & Conditions (HK) only to the extent expressly stated herein.

## 2. Eligible Shipments (scope)

This Addendum applies only to Shipments that are confirmed in writing at booking acceptance as “High-Value Compensation Addendum applies” for the specific Shipment(s) and accepted under the handling/packing/DG/security requirements agreed for that Shipment.

## 3. Customer Compensation Undertaking (physical loss or physical damage)

3.1. UDB undertakes to compensate the Customer for physical loss of or physical damage to the eligible Shipment occurring while the Shipment is in the custody or control of UDB and/or its subcontractors, agents, carriers, handlers, or warehouses engaged by UDB, from acceptance into custody/control until delivery/release to the consignee or the consignee’s expressly authorized representative.

3.2. Compensation under this Addendum is capped at twenty-six (26) Special Drawing Rights (SDR) per kilogram of the gross weight of the affected goods (the “Compensation Cap”).

3.3. “SDR” means Special Drawing Right as determined by the International Monetary Fund (IMF).

## 4. What counts as loss/damage (clarification)

For purposes of this Addendum:

- “Physical loss” includes total loss, partial loss/shortage, pilferage, and misdelivery (delivery to an unauthorized party).

- “Physical damage” includes breakage, wet damage, contamination, crushing, tampering, and evidence of suspected unlawful interference where cargo integrity is affected.

## **5. Notice and claim pack (simple and customer-friendly)**

5.1. The Customer must notify UDB in writing within 7 calendar days of discovery of the loss/damage and, in any event, no later than 7 calendar days from delivery, or (if not delivered) the scheduled arrival/cargo availability date as notified by the carrier/handler, whichever is earlier.

5.2. The Customer must provide the minimum claim documentation within 30 calendar days after notice, unless UDB agrees an extension in writing.

5.3. In any event, a claim under this Addendum must be submitted no later than 90 calendar days from delivery or the scheduled arrival/cargo availability date (if not delivered), whichever is earlier.

This is UDB's internal claim submission deadline under this Addendum and does not limit any mandatory rights or time limits that cannot be excluded under applicable law.

## **6. Minimum required documents (only)**

Supporting documents are limited to:

- commercial invoice (value evidence);
- packing list;
- proof of gross weight of affected goods (packing list weight and/or UDB acceptance weight record);
- reasonable evidence of loss/damage (photos where permitted, inspection/survey report if available, terminal/airline/warehouse records where available);
- for suspected theft, tampering, shortage, or unlawful interference: police report and/or security irregularity record where reasonably obtainable/applicable;
- RA/RAR, SPX/UNK, screening, seal, terminal/airline acceptance, or handling references where relevant and available.

### **6A. No additional conditions**

UDB will not require a specific claim form or original documents as a condition to pay the undisputed amount, unless required by law or reasonably necessary to verify the claim.

A claim under this Addendum is deemed submitted upon the Customer's written notice to [claims@udb.com.hk](mailto:claims@udb.com.hk) within Section 5.1, followed by the minimum documents in Section 6.

## **7. Weight determination (no volumetric weight)**

The gross weight used to calculate the Compensation Cap will be the higher of:

- gross weight stated on the commercial invoice/packing list; or
- gross weight recorded by UDB at acceptance (supported by scale/acceptance record).

Volumetric/dimensional weight shall not apply for compensation calculations.

## **8. SDR conversion**

Any SDR amount payable shall be converted and paid in HKD using the IMF SDR valuation rate applicable on the date of payment (or, if not available for that date, the immediately preceding published rate).

## **9. Payment timeline and partial payment**

9.1. UDB shall pay the undisputed compensation amount within 15 business days after receipt of the minimum required documents in Section 6.

9.2. If any part of a claim is disputed, UDB will nonetheless pay the undisputed portion within the timeline above.

## **10. Recovery from third parties (customer not exposed)**

UDB's obligation to compensate the Customer under this Addendum is not contingent upon and shall not be delayed by any recovery from carriers, subcontractors, or insurers.

### **10A. Contractual obligation and recourse**

UDB's payment obligation under this Addendum is contractual and shall not be reduced or defeated by any AWB terms, carrier/third-party limitations, or international convention limits; such regimes apply only to UDB's recourse. Following timely notice to UDB, UDB shall be solely responsible for complying with any carrier/third-party notice requirements and limitation periods, and failure to do so shall not prejudice the Customer's claim under this Addendum.

Legal note: Nothing in this Addendum prevents UDB from complying with mandatory applicable law, carrier rules, aviation security requirements, or air carriage regimes applicable to the Shipment.

## **11. Inspection cooperation (no payment hold)**

The Customer shall reasonably cooperate with any request for inspection/survey of goods and/or packaging. Any inspection shall not delay payment of the undisputed amount beyond Section 9.

Where security, tampering, shortage, or suspected unlawful interference is alleged, Customer must preserve available evidence and cooperate with UDB's reasonable requests for inspection, timeline reconstruction, and evidence collection.

The Customer must preserve the goods/packaging and provide reasonable evidence of loss/damage; failure to do so may affect UDB's ability to verify the claim and may result in a reasonable reduction of the disputed portion.

## **12. Exclusions (narrow)**

This Addendum covers physical loss or physical damage only. It does not cover consequential loss, loss of profit, loss of market, or delay damages, except to the extent prohibited by mandatory applicable law.

This Addendum does not apply to loss/damage caused by the Customer's acts or omissions, including insufficient/defective packaging, incorrect marking/labeling, inaccurate security status, inherent vice, or inaccurate/false shipment declarations, to the extent such cause is established.

Nothing in this Addendum requires UDB to make any payment that is prohibited by applicable law or where the claim arises from fraud or wilful misconduct by the Customer or its representatives.

## **13. Governing law and jurisdiction**

This Addendum is governed by the laws of Hong Kong SAR. The courts of Hong Kong have exclusive jurisdiction.