BILL OF LADING

What is a bill of lading?

Sometimes abbreviated to a BOL or a B/L a bill of lading is document used around the world by carriers of cargo to indicate to the shipper that specific goods have been received onto a ship as cargo to be taken to a specific place for delivery to the person or entity accepting delivery of those goods, otherwise known as the consignee.  It is actually an object which can be traded because it is representative of a property right in the goods being transported and evidence of the existence of a contract between the carrier and the shipper.  Many bills of lading contain the full terms and conditions of the contract for carriage or charter of the ship or reference the document which contains the full contract.  It also acts as a receipt for the loading of the goods.  A so called ‘clean’ bill of lading indicates that the goods which are being loaded onto the ship have been received in good condition and stowed for transport.  It can actually be bought and sold as the holder of the bill of lading acquires a proprietary interest in the goods.

If you are shipping an item, a bill of lading is a very important document because it is the legal contract between you and the carrier of the goods.  If the goods are damaged or destroyed in the journey of the ship or the ship is lost at sea, taken over by pirates or some other misadventure befalls it on the high sea, a bill of lading will be a very important document because it will enable you to claim against the owners of the ship or your insurance company if the goods were insured during the journey.