

## PART I -- CARRIER LIABILITY

1. Carrier Liability shall be determined under the Carmack Amendment, 49 USC 14706. The Carmack Amendment shall govern all claims, including intrastate shipments.
2. The following are defenses to claims for delay, loss or damage to freight:
  - a. Act of God
  - b. Act of Public Enemy
  - c. Riots
  - d. Strikes
  - e. Other labor or work stoppages or labor unrest
  - f. Act of Public Authority
  - g. Act of Shipper
  - h. Inherent Vice of Goods
3. Carrier shall not be responsible for special or consequential damage.
4. The party responsible for payment of freight charges shall not offset from or delay the payment of lawfully established transportation charges from amounts claimed for freight claims.
5. Consignee shall have a duty to accept the freight unless the goods are worthless.
6. When the Consignee receives a shipment without noting loss or damage, this is a clear delivery. When damage is claimed after a clear delivery, such is referred to as concealed damage. Concealed damage shifts the burden of proof to the party asserting the claim to show that the damage occurred while the freight was in the possession of the Carrier.
7. Carrier shall not be liable for damage caused by temperature unless temperature controlled service is requested (See Item 790).
8. The party asserting the claim has a duty to mitigate the claim by salvaging the damaged goods.
9. Packaging must meet NMFC standards. Failure to meet NMFC standards is considered to be an Act of Shipper as set forth in 2. above.
10. When shipments are tendered to carrier and are signed for as "\_\_\_\_" wrapped skids, when shipment is delivered in tact where the original wrap has not been broken, carrier will assume no liability for loss or damage discovered therein either at delivery or after delivery has been performed.

## PART II – CLAIMS PROCEDURES

1. Claims shall be processed pursuant to 49 CFR 370.
2. Claims must be filed within 9 months of delivery or within 9 months of when the goods should have been delivered in the case of lost goods.
3. Lawsuit must be filed within 2 years and a day of the denial of the claim.
4. Claims must be (1) in writing; (2) identify the shipment; (3) set forth the amount of damage in a discernible amount (claims "in excess of \$100" are not acceptable).

5. A claim is deemed denied if it is declined to any extent.
6. The party asserting the claim must preserve damaged freight so that it may be inspected by Carrier.
7. For purposes of filing a claim, only the weight of the damaged or lost freight shall be considered.
8. A broker or third party logistics company shall act as agent of the shipper for purposes of agreeing to and binding shipper for released rates.
9. When freight is shipped inbound collect, CARRIER's limitation of liability applies, even though the consignee has not seen the bill of lading. In this situation, the Consignor is deemed the agent of the consignee for purposes of freight arrangements.

**PART III -- LIMITATION OF CARRIER'S LIABILITY**

(See NOTES A and B)

1. Except as otherwise provided, CARRIER maximum liability for cargo loss or damage shall be limited as follows (in the event more than one limit of liability rule may apply to a shipment, the rule with the lesser maximum limit of liability will apply):
  - a. CARRIER's maximum liability on shipments subject to Pallet Rates, Spot Quote, Flat Rate will be:
    - 1) Per Pound per package \$2.00
    - 2) Maximum per shipment \$20,000.00
  - b. Unless otherwise provided, CARRIER's maximum liability per pound per package will be the lesser of the following not to exceed \$50,000.00 per shipment (whichever is less):
    - 1) Actual invoice value;
    - 2) Limited liability provisions shown on the bill of lading;
    - 3) Applicable Released Value or Actual Value liability provisions of STB NMF 100 series;
    - Or
    - 4) As shown in the table below which shall be arrived at by determining the Rated Class of the articles as published in STB NMF 100 series, or the applicable Freight All Kinds (FAK)/Exception Class rating provided for the shipment. CARRIER maximum liability will be that which is shown in Column B opposite the class shown in Column A.

COLUMN A CLASS	COLUMN B MAXIMUM LIABILITY	COLUMN A CLASS	COLUMN B MAXIMUM LIABILITY	COLUMN A CLASS	COLUMN B MAXIMUM LIABILITY
50	\$ .99	85	\$8.55	175	\$16.05
55	\$1.98	92.5	\$9.80	200	\$17.30
60	\$2.35	100	\$11.05	250	\$20.00
65	\$3.92	110	\$12.30	300	\$20.00
70	\$5.50	125	\$13.55	400	\$20.00
77.5	\$7.25	150	\$14.80	500	\$20.00

2. Commodities tendered for shipment with an invoice value exceeding the value shown in (1) above will be considered to be of "Extraordinary Value" and may not be accepted for transportation unless the shipper requests "Full Value Coverage". (See PART VI of this item)
3. Shipments inadvertently accepted with an invoice value or declared value shown on the bill of lading will be subject to: 1. The application of "Full Value Coverage" rates through a 3<sup>rd</sup> party liability company without the consent of the customer. The payor of the freight charges will be responsible for the additional charges to add "Full Value Coverage"; or 2. If

"Full Value Coverage" is not added at the time of billing, the limit of liability for that shipment will be based on the liability limitations as can be found above in Item 570 or customer specific pricing agreement.

4. On shipments handled by CARRIER in connection with another carrier (either Motor; Water or Rail), the lesser of either carrier's maximum liability provisions will apply. FOR EXAMPLE: If the other carrier's maximum liability on a specific shipment is \$5.00 per pound per package and Carrier's maximum liability is \$9.80 per pound per package, the maximum liability of the other carrier and/or LTL FREIGHT SERVICES CARRIERS will be \$5.00 per pound per package.
5. If the shipper does not properly describe the freight on the Bill of Lading or uses a description of "FAK" or "Freight All Kinds" or other language that does not properly identify the commodities shipped, subsequent claims for shortage or damage will be based on the lowest value of any commodity contained in the shipment.
6. The term "package" means any primary shipping package authorized by the provisions of individual tariffs or NMF 100 series. When a number of packages have been unitized, strapped or otherwise fastened together, or contained on pallets, platforms or skids, or have been over packed in an additional complying package, the maximum liability of CARRIER will be determined by separately multiplying the weight of each individual package lost or damaged "times" the maximum liability per pound.
7. In all cases, the weight of packaging and/or shipping container, pallets, skids and the like shall not be included when determining excess liability coverage or Carrier maximum liability.
8. Released Value for Incandescent, Fluorescent or other types of lighting bulb or tube shall be limited to \$0.10 per pound per package or Maximum of \$10,000.00 per shipment.
9. Liability for loss, damage or destruction of Live Plants and/or Perishable Goods will be \$.10 per pound subject to a maximum amount of \$10,000.00 per shipment.
10. Liability for loss, damage or destruction of the following commodities shall be limited to \$1.00 per pound per package subject to a maximum amount of \$20,000.00 per shipment:
  - a. Cigarettes, Cigars and Smokeless Tobacco;
  - b. Plasma, Projection, LCD and any other Television product;
  - c. Metal Filing Cabinets, Metal Tool Boxes on wheels, Pet Carriers, Metal Partitions and Shelving;
  - d. Surfboards, Canoes and Kayaks;
  - e. Wheels, chrome, magnesium, aluminum, or other than steel;
  - f. Ladders;
  - g. HVAC and Air Conditioning units not completely enclosed with appropriate packaging
  - h. Photo Copying Machines (copiers)
  - i. Aircraft Parts
  - j. Items contained in NMFC 116030 ( Computer, data processing, etc.)
  - k. Countertops
  - l. Garage Doors
  - m. Windows
  - n. Wood stove/Fireplaces
  - o. Furniture
  - p. Carpet/linoleum
  - q. Sheet metal
  - r. Cabinets
  - s. Augers
  - t. Showers/bathtubs/surrounds/saunas
  - u. Signs/displays
  - v. Glass products

- w. Vending machines
  - x. Solar panels
  - y. Sinks/toilets
  - z. Siding
11. Liability for loss, damage or destruction of property being returned to the original shipper, which was not initially transported by CARRIER from the original shipper, will be limited to lost freight only and CARRIER will not be responsible for damages.
  12. Liability for loss, damage or destruction of property being returned to the original shipper, which was initially transported by CARRIER from the original shipper and delivered without exception, when CARRIER is not given an opportunity to inspect prior to return, will be limited to lost freight only and CARRIER will not be responsible for damages.
  13. Liability for loss, damage or destruction of property purchased or sold through internet-based marketplaces (including, but not limited to eBay, Amazon, etc), will be subject to a maximum liability of \$0.10 per pound subject to a maximum of \$10,000.00 per shipment, where carrier liability is established.
  14. Corrected bills of lading or letters of authority to change or add valuations after delivery of the shipment shall not be accepted by carrier to determine liability.
  15. When carrier performs a cross dock service on behalf of a customer to load or unload containers for prior or subsequent movement with a water carrier, liability for any claims shall be limited to \$0.50 per pound or actual loss, whichever is less.
  16. Liability for loss, damage or destruction of an Interplant Move will be limited to \$2.00 per pound per package. An Interplant Move is a shipment by a company from one of its facilities to one or more of its other facilities or facilities of its divisions or subsidiaries of any items that are not manufactured or distributed by the company as part of its normal business operations. Facilities of a company include, but are not limited to, its offices, warehouses, distribution centers or manufacturing facilities.
  17. The provisions named above will not apply on commodities subject to specific released or actual value in items contained in STB NMF 100 series, but in no case will CARRIER's liability exceed that outlined in Paragraph 1(a or b) of this part.
  18. Carriers liability on any article that is 8 feet or greater shall not exceed \$.50 per pound.

#### PART IV -- LIMITATION OF CARRIER'S LIABILITY, "OTHER THAN NEW" COMMODITIES

1. The liability of CARRIER for cargo loss or damage on "other than new" commodities will be limited to a maximum liability of not exceeding \$0.10 per pound per package subject to a maximum amount of \$10,000.00 per shipment. These provisions will apply on ALL commodities "other than new".
2. For the purpose of these provisions, commodities which have been rebuilt, reconditioned, remanufactured or refurbished will be considered as "other than new".
3. If the shipper declines or fails to declare the value or agree to a released value not exceeding \$0.10 per pound per package, the shipment will not be accepted. If shipment is inadvertently accepted it will be deemed to have been tendered subject to terms on file with CARRIER without benefit of any discount that would otherwise apply had the shipment been released to a value not exceeding \$0.10 per pound per package.
4. Failure of the shipper to declare the commodity as "other than new" will not alter the application of this part.

5. Limited liability on "other than new" commodities includes, but is not limited to, STB NMF 100 series commodity groups as follows:
  - a. Machinery Group (NMFC Items 114000 - 133454)
  - b. Automobile Parts Group (NMFC Items 17800 - 20252)
  - c. Electrical Equipment (NMFC Items 60500 - 63561)
  - d. Vehicles, Motor, Parts Group (NMFC Items 188500 - 193100).

**PART V -- LIMITATION OF CARRIER'S LIABILITY: AIR FREIGHT**

CARRIER maximum liability for cargo loss or damage on goods with prior or subsequent movement via air, whether on continuous bill of lading or the creation of a new bill of lading, will be subject to the following limits or liability:

1. The limitation of the air carrier;
2. Or the following:
  - a. On Domestic Traffic, Maximum Liability Per Shipment will be \$.50 per pound.
  - b. On International Traffic (the less of):
 

Maximum Liability Per Package .....	\$100.00
Maximum Liability Per Pound .....	\$9.07

**PART VI -- FULL VALUE COVERAGE: EXTRAORDINARY VALUE**

1. Commodities tendered for shipment with an invoice value exceeding values stated in Part I will be considered to be of "Extraordinary Value".
2. If shipper desires to tender a shipment to CARRIER requiring carrier liability in excess of the limited liabilities named in this item, the shipper must indicate such in writing on the Bill of Lading at time of shipment, along with the invoice value of the shipment in substantially the following manner:

"FULL VALUE COVERAGE REQUESTED - INVOICE VALUE: \$ ."

EXAMPLE: 1,000 pound shipment with an invoice value of \$30,000.00 is \$30.00 per pound which exceeds the limited liability provisions named in this item.

A customer requiring "Full Value Coverage" would show on the Bill of Lading at the time of shipment: "FULL VALUE COVERAGE REQUESTED - INVOICE VALUE: \$30,000.00"

3. Charge per \$100.00 for "Full Value Coverage":
 

Between points in Continental U.S.A.....	\$0.80
Between Continental U.S.A. and Canada, or Puerto Rico.....	\$0.80
Minimum Charge Per Shipment.....	\$45.00
For all other International traffic, .....	call for estimate.
4. "Full Value Coverage" includes the amount of the invoice supplied by the shipper or consignee, plus the prepaid or collect freight charges not included in the invoice, plus 10.0% calculated, as follows (examples):
  - a. INVOICE AMOUNT - \$30,000.00, plus Freight Charges of \$395.50 = \$30,395.50
  - b. AMOUNT OF COVERAGE - \$30,395.50 multiplied by 110% = \$33,435.05
  - c. \$100.00 UNITS - \$33,435.05 divided by 100 = 334.35
  - d. FULL VALUE COVERAGE CHARGE = 334.35 multiplied by \$.80 = \$267.48
5. Unless otherwise indicated on the Bill of Lading at time of shipment, charges for "Full Value Coverage" will be paid by the party responsible for the freight charges.
6. When the rate and/or class is dependent upon released value as provided in the NMFC 100 series and "Full Value Coverage" is requested, the customer will receive benefit of lowest released value for the purpose of determining the applicable rate and/or class published in the NMFC 100 series.

7. "Full Value Coverage" is available on traffic moving between points within the 48 contiguous United States, as well as between points in the 48 contiguous United States and points in Canada or Puerto Rico. Full Value Coverage will be added to all LTL Puerto Rico shipments unless specifically waived by the customer.
8. Full Value Coverage may not be available on all commodities or values. For example, other than new items, items not properly packaged, perishable items, or prohibited items (as can be found in Item 780 of this Rules Tariff) are not eligible for "Full Value Coverage."

NOTE A-- When shipments move in international commerce between the USA and Canada the carrier's maximum liability will be \$2.00 per package.

NOTE B-- Liability for loss, damage, or delay of cargo moving between Mexico and other countries: With respect to any shipment originating outside Mexico with ultimate destination in Mexico or any shipment originating within Mexico with ultimate destination outside Mexico, Carrier shall have no liability, either for itself or for the Mexican carrier involved in the move for loss, damage, or delay while in the possession of the designated brokers, freight forwarders, or Mexican carriers.

NOTE C--There is no application for full value coverage on shipments to Mexico.

End Item 570