



PROCEDURE FOR PROCESSING LOSS AND DAMAGE CLAIMS

Ground transportation (not including air or ocean transportation) Yusen Logistics (Americas) Inc. (YLA), works to eliminate the problems that result in claims. Working with the shippers, consignees, carriers and experts on loading, blocking and bracing, we assist in the design of loading configurations that help make claims a non-issue. This proactive approach has enabled us to achieve one of the lowest claims ratios in the industry. If it is ever necessary to file a claim, our own claims department will deal with it directly and promptly with the actual carrier. Failure to follow the following procedures in filing claims could cause a claim to be declined by YLA or the underlying carrier. This Policy and Procedure governs all loads handled by YLA and any of its affiliated companies. Failure to follow these procedures will invalidate your claim. The terms of any written contract between Shipper and YLA other than a bill of lading shall supersede these terms to the extent that there is any conflict.

1. Notification of loss or damage must be given within 24 hours of delivery for intermodal loads and within a reasonable time for truckload moves, by verbally reporting to the YLA office that supports your transportation needs. Failure to give prompt notification and to allow opportunity for inspection of damage before unloading will invalidate a claim. Reasonable time must be allowed to the carrier, YLA division, or our insurance adjuster opportunity to inspect the damage prior to unloading. Consignee must retain copy of exception or inspection report to be filed with claim.
2. Customer must make notation of shortages on the delivery receipt and show seal number. Delivery receipt must be signed by delivering carrier. Claims for shortages in trailers received with original shipper's seal intact will be declined. In the event of concealed loss or damage, notice must be given within 10 days of delivery.
3. Claims must be filed and received within eight months of date of delivery. Claims will be acknowledged within 30 days of receipt. Payment or advice of status of claim will be made within 120 days after receipt of claim with full documentation. If full documentation is not included with the initial claim, the 120 day time period will commence upon receipt of the necessary documentation.
4. Carrier liability for loss or damage to the lading in any single vehicle shall not exceed \$100,000.00 per trailer or container while in due course of transit within the Continental limits of the United States and inbound to Canada, unless specifically stated on the order acceptance, or by contractual agreement and if so requested different rates will apply. Goods in-transit in Canada will be covered at a released value of 4.41\$C per Kilogram based on the total weight of the

shipment, unless shipper's interest coverage is requested for an additional charge.

5. Neither Carrier nor YLA is liable for loss or damage to goods while in-transit in Mexico. YLA will assist in arranging for the purchase of separate shipper's interest insurance if requested for an additional administrative charge.
6. For FTL (full truck load) and Intermodal services, claims for amounts less than \$100.00 per shipment will not be processed and will be declined. For LTL (less than truck load) services, claims for amounts less than \$50.00 per shipment will not be processed and will be declined.
7. Shipper shall be responsible for the compliance with packaging rules as set forth in the Uniform Freight Classification, and blocking and bracing as set forth by the AAR.
8. Carrier liability will be for actual loss to the lading only. YLA is not liable for special, consequential, indirect, and exemplary or punitive damages or attorney's fees, or for any amount in excess of actual loss. YLA will not be liable for loss caused as a result of delays.
9. Cargo liability does not cover loss or damage caused by an act of God, the public enemy, act or default of the shipper or receiver, authority of law, riots, strikes, or inherent defects in the goods.
10. Carrier liability will be based on seal records. Any break in the seal must be shown on all delivery receipts at time delivery is made. Shortages must be noted on the delivery receipt, which must be signed by the delivering carrier and consignee. It is important that the exact exceptions be made in writing on the delivery receipt. If the delivery is a "Drop and Pull" please indicate so and insure that seal record is made on delivery receipt by delivering carrier. Failure to demonstrate a break in the seal records could preclude liability.
11. Method of blocking and bracing should be noted on unloading documents or a copy of the loading diagram should be provided. This is extremely helpful in determining carrier liability. Photos of the shipment with damage (preferably while still in trailer) are highly recommended.
12. Shippers of loads that will be moved on the Union Pacific (UP) Railroad, either as the origin or destination rail carrier or as an interlined rail carrier, with contents valued at greater than \$100,000 must meet the requirements and follow the procedures of UP's high value STCC program, which is available on request from YLA or UP; failure by the shipper to follow the requirements of the program will result in the UPRR applying a released value rate of a maximum value of \$100,000 for cargo loss or damage.

13. Collect complete documents in support of claim, complete a claim form and forward to:

Yusen Logistics (Americas) Inc.
Attention: Claims Dept.
13901 Sutton Park Drive South, Suite C 270
Jacksonville, FL 32224

When submitting claim the following supporting documents must be furnished:

- a) Shippers Bill of Lading (Original or Certified Copy)
 - b) Commercial Invoice or Certified Price List current at time of shipment.
 - c) Inspection Report verifying damages
 - d) Exception or receiving report showing exceptions.
 - e) Photos of damage (preferred, if available)
 - f) Freight bill (YLA invoice)
 - g) Salvage Documents (disposition, sale of, proceeds from)
 - h) Verification of the Claimant's authority to file (if claimant is other than the beneficial owner of the goods pursuant to the commercial documents)
14. Notices filed directly with a carrier do not serve as notice to YLA as required herein. Partial settlement made with a carrier without the express permission of YLA will waive any liability on the part of YLA.