

Cargo Claims Policies & Procedures July 2021

- Filing a Claim: Cargo claims for loss or damage can only be initiated online at www.pilotdelivers.com. Click on the 'Let's Talk' option at the top of the webpage and choose the 'Loss/Damage Claim' option from the drop-down menu. An email will be sent to the email address provided on the online form advising the claim has been initiated. Claims cannot be filed with a local Pilot station, nor via U.S. Mail. Any claim not submitted via the Pilot website will be deemed invalid. Notification to the local Pilot station, or Pilot's National Customer Service team, either verbally or in writing, does not constitute the filing of a preliminary claim.
- <u>Timeframe for Filing:</u> Claimant must submit a formal claim within 180 calendar days after the date the shipment was tendered to Pilot. In the case of reported concealed damage with a clear delivery receipt (defined as without notation of damage), the claim process must be initiated within:
 - Business-to-Business: Within twelve (12) calendar days after delivery of shipment.
 - Business-to-Consumer: Within three (3) business days after delivery of shipment.
- Allowable Claimant: The billable party indicated on the Pilot waybill is the only claimant that may file the claim.
- <u>Transportation Charges:</u> No claim can be processed until all transportation charges are paid in full. The amount of a claim may not be deducted nor subrogated against the claimant's account receivable balance with Pilot.
- Wholesale Value of Goods: All claims for loss or damage are subject to documented proof of original wholesale value showing the cost of goods. For damage claims, photographs of the damage to the item along with the packaging are required. Pilot reserves the right to request additional documentation on an as-needed basis.
- Concealed Damage Deductible: A 50% deductible will apply for all business-to-consumer concealed damage claims.
- Response Time Requirements: Claimants have thirty (30) calendar days to respond to any requests for documentation
 and/or proof of damage via photographs, etc. If no response is received, the claim will be closed out for insufficient
 evidence of damage or loss.
- Inquiries/Disputes post-Claim Settlement: For any responses to a settled claim, either for clarification of a ruling or dispute of the claim settlement amount, the claimant has thirty (30) calendar days to submit their inquiry to Pilot. Inquiries received past the thirty (30) calendar day period will not be considered for any further claim reassessment.
- Inspection of Cargo: As a condition for recovery of a claim for loss or damage, Pilot shall have the right to inspect the containers and contents within 15 days after receipt of claim notification. All merchandise must be retained in the original shipping container, in the same condition it was in when damage was discovered, until inspected by Pilot, or Pilot advises no inspection is necessary. Removal or disposal of the outer and inner packaging prior to the inspection taking place will constitute denial of the claim.
- Mitigation of Loss: It is the duty of the claimant, where there is value in the salvage, to accept and handle it in such a manner as to mitigate the claimed loss as much possible, either through repair or discounted sales. Unauthorized disposal of the product will result in denial of the claim. If mitigation is not possible, a reason for same must be provided to Pilot in writing.
- <u>Salvage Rights:</u> Pilot reserves the right to request the goods for salvage, if the claim is being paid at the full wholesale value of the goods, and if the claimant doesn't deduct an appropriate salvage allowance from the claim amount.
- <u>Prevailing Documents:</u> All shipments tendered to Pilot are subject to the Conditions of Contract on the reverse of the Pilot waybill and Pilot Rules Tariff #2, which is available upon request.
- Declared Value Coverage: Declared value coverage is capped at Fifteen Hundred Dollars (\$1,500).
- <u>Limited Liability Coverages:</u> Unless the shipment is tendered to Pilot with Declared Value or Insurance coverage, all cargo claims will be settled based on Pilot's carrier limited liability as follows:

Shipment Type	Liability Coverage
U.S. Domestic Shipments	US \$0.50/lb. or US \$50.00 minimum, whichever is greater, up to a maximum of US \$2,500.00.
Canadian Transborder & International Air Shipments	US \$9.07/lb. (US \$20.00/KG) or \$50.00 minimum, whichever is greater
Canada Domestic Shipments	CDN \$2.00/lb. or CDN \$50.00 minimum, whichever is greater, up to a maximum of CDN \$2,500.00.
International Ocean Shipments	US \$500.00 per shipping unit