

## CARGO CLAIMS POLICY FOR FIRST-TO-FINAL MILE SHIPMENTS

This Cargo Claims Policy ("Agreement"), effective as of the date of last signature (the "Effective Date") is made by and between Schneider National Carriers Inc., ("Service Provider"), and the signatory below ("Shipper"). This Agreement is being entered into by Service Provider on behalf of itself and, as applicable, the following affiliated companies: Watkins and Shepard Trucking, Inc. and/or Lodeso, Inc. (the "Affiliates"). Notwithstanding that Service Provider is the signatory to this Agreement, this Agreement shall govern the filing, processing, and disposition of cargo claims for all first to final mile ("FTFM") (as defined in section 1 below) Shipments performed by Schneider National Carriers, Inc., the Affiliates, and/or its' Affiliates' respective delivery agents; Shipper acknowledges that Service Provider is executing this Agreement on behalf of the Affiliates and such delivery agents, and that the terms herein apply to FTFM Shipments performed by such Affiliates and such delivery agents). As applicable, the term "Service Provider" hereunder shall also mean such Affiliates and delivery agents.

**WHEREAS**, Service Provider, a licensed and registered motor carrier and broker, may provide Shipper with specialized transportation services (the "Services") on a spot basis or pursuant to a transportation services agreement, and Shipper may utilize such Services, as further defined in such transportation services agreement, a service schedule or tender sheet, (if applicable) and this Agreement.

**WHEREAS**, the parties desire that this Agreement shall govern the Parties' obligations and liabilities with respect to cargo claims for FTFM shipments (each such shipment, a "Shipment" and, collectively, the "Shipments").

**NOW, THEREFORE**, in consideration of the above recitals and the following covenants, the parties agree as follows:

1. **Definitions:** For purposes of this Agreement, first-to-final-mile ("FTFM") services or Shipments shall refer to those shipments which are *tendered* to Service Provider (or the Affiliates) as a "less-than-truckload" motor carrier Shipment (i.e., the shipment is *intended* to be a less-than-truckload motor carrier shipment), and will encompass any one (1) or more of the following: (1) first mile shipments, (2) middle-mile shipments, and/or 3) final mile shipments. In certain instances, a "less-than-truckload" tendered shipment may, ultimately, encompass the entire capacity of a trailer; in such an instance, so long as the shipment was tendered to Service Provider as a "less-than-truckload" shipment, it will be considered a FTFM Shipment and the terms of this Agreement will apply. For clarity, shipments that are tendered as "full-truckload" shipments, and shipments that are tendered to Service Provider in its capacity as a broker, shall not be subject to this Agreement.
2. **Term:** The initial term of this Agreement shall commence on the Effective Date and shall continue thereafter for one (1) year (the "Initial Term. Unless terminated by either party as provided herein, this Agreement shall automatically renew for successive one (1) year periods (each such period, a "Renewal Term") (the Initial Term and Renewal Term(s), collectively, the "Term"). Notwithstanding the foregoing, either party may terminate this Agreement at the end of the Initial Term or any Renewal Term by providing thirty (30) days advance written notice to the other party.
3. **Claims Filing:** All claims for cargo loss or damage to a Shipment (each, a "Claim") must be filed on Service Provider's website (if available) or via email to Service Provider ([ftfmclaims@schneider.com](mailto:ftfmclaims@schneider.com)), and Shipper must provide the following information: (a) The Shipment number and order number; (b) the dollar amount of the alleged loss; (c) Shipper's original purchase-invoice for the goods (not the end-consumer's purchase price); (d) proof of payment for delivery or service charges; (e) copy of the bill of lading with receipt; (f) other records indicating the loss or damage as requested by Service Provider (e.g., photos); and (g) estimates or invoices for repair, if applicable (collectively, the "Claim Information"). Shipper may file only one (1) Claim per Shipment, and Shipper may refuse to process a Claim if all Claim Information is not provided. Claims must be filed within nine (9) months after the delivery of the Shipment or, if no delivery, within nine (9) months from the earlier of (i) date of the occurrence resulting in the Claim (e.g. vehicle accident) or (ii) the scheduled delivery date of the Shipment (the "Filing Period"). Shipper's failure to file such Claim within the Filing Period shall be deemed a full and complete waiver of Shipper's right to file the Claim. Any civil suit must be commenced within two (2) years from the date Service Provider gives written notice disallowing the Claim or any part of the Claim; failure to commence such civil suit within such period shall be deemed a full and complete waiver of Shipper's right to file such civil suit.
4. **Claims Processing:** Except as otherwise set forth in this Agreement, Claims shall be processed in accordance with 49 C.F.R. Part 370. A delivery receipt signed by the consignee (including any individual who signs on behalf of end consumer) which does not indicate any damage or loss to the Shipment shall be prima facie evidence that the Shipment was delivered in good condition and without damage. Shipper's acceptance of Claim payment from Service Provider shall be deemed full satisfaction of the Claim, and shall terminate Shipper's right to any further recovery in connection with such Shipment.
5. **Disposition and Storage of Cargo:** Service Provider will provide Shipper with notice when, for any reason, the cargo cannot be delivered or is returned. In such an instance, Service Provider may, by written notice (via email is sufficient) request disposition instructions from the Shipper (the "Disposition Request Notice"); if no disposition instructions are received within ten (10) days after Service Provider's delivery of the Disposition Request Notice, Service Provider will invoice Shipper thirty-two dollars (\$32.00) per day per order thereafter until disposition instructions are received ("Pending Disposition Fee"). Without limiting the foregoing, and without limiting any of Service Provider's other rights, if disposition instructions are still not received from the Shipper within twenty-one (21) days after Service Provider's delivery of the Disposition Request Notice (the "Disposition Deadline"), Service Provider may (at Service Provider's option) consider the goods abandoned and take title and ownership thereof (with all attendant rights to dispose of such goods in any manner Service Provider deems advisable, and Shipper shall have no claim against Service Provider thereafter (and Service Provider shall be entitled to keep any proceeds from such disposition). *Shipper specifically acknowledges that failure to provide disposition instructions to Service Provider by such Disposition Deadline may result in loss of ownership of, and entitlement to, the goods and any rights therewith.* In addition to the Pending Disposition Fee, any disposition of goods by Service Provider will result in a charge to Shipper at Service Provider's standard disposition rates. Service Provider may agree to store goods beyond the Disposition Deadline at rates agreed upon by Shipper and Service Provider.
6. **Salvage Rights.** In the event that Shipper takes possession of the damaged goods which are subject to a Claim, and such goods are salvageable, then Service Provider is entitled to receive a salvage credit from Shipper for the fair market value of the damaged goods. Such credit may be deducted by Service Provider, in its sole discretion, from the total amount owed to Shipper for a Claim. In instances

where a claim is settled by Service Provider at greater than seventy percent (70%) of the manufacturer's replacement cost, Service Provider shall retain title to the cargo, and shall have the right to dispose of the cargo in any manner Service Provider, in its sole discretion, deems advisable including, without limitation, by destroying, donating, disposing, selling, or salvaging the cargo (and Service Provider shall be entitled to keep any proceeds from such disposition).

7. **Cargo Liability and Claims:** Except as otherwise set forth in this Agreement, Service Provider's liability for cargo loss and damage shall be governed by 49 U.S.C. 14706. Service Provider assumes no liability for cargo loss or damage in Mexico. Notwithstanding anything contained herein to the contrary, Service Provider's cargo liability for goods (excluding carpet) in a FTFM Shipment shall be limited to the lesser of (i) the manufacturer's cost of the Unit or (ii) five-hundred dollars (\$500.00) per Unit. A "Unit" shall be defined as a single item, or as a group of items sold as a set, as applicable. For clarity, a "Unit" may be a single item (e.g., a chair, table, sofa, etc.), if ordered individually (even though it could also be ordered as part of a set); if the consumer orders a set of goods containing multiple pieces (e.g., a dining room set consisting of a table and four chairs; a bed set consisting of the bed, frame, headboard, and/or footboard, etc.; a bedroom set consisting of the bed set, nightstand(s), dresser(s), etc.) the entire set, combined, will be considered a single "Unit" for purposes hereof. Service Provider's cargo liability for carpet shall be limited to the lesser of (i) the manufacturer's cost, or (ii) twenty dollars (\$20.00) per square yard. Service Provider's liability for Shipments originating in Canada will be subject to a liability limitation of the lesser of (i) the manufactured cost or (ii) two dollars (\$2.00) per pound (CDN Funds) per shipment weight. The limitations of liability set forth under this Section 7 and Section 8 shall be referred to, as applicable, as the "Liability Cap(s)".
8. **Concealed Damage:** Claims for concealed loss or damage not noted on the delivery receipt at the time of delivery must be reported to Service Provider in writing within five (5) days after the delivery of Shipment. Shipper must prove to Service Provider's satisfaction that the concealed damage was not the result of a manufacturing defect, insufficient packaging, or any other reason for which the Service Provider would not be held responsible for such damage. Service Provider's liability for concealed loss or damage Claims to cargo (excluding carpet) shall be limited to the lesser of (i) one-third (1/3) of the manufacturer's cost of the Unit or (ii) five-hundred dollars per Unit. Service Provider's cargo liability for concealed damage to carpet shall be limited to the lesser of (i) one-third (1/3) of the manufacturer's cost, or (ii) twenty dollars (\$20.00) per square yard. For clarity, for any delivery where the Service Provider is not required to obtain a signature in connection with the delivery of goods (e.g., basic service level deliveries), the concealed damage limitations herein shall apply with respect to such goods regardless of whether Service Provider's driver remains on-site while the goods are opened by consumer, and regardless of whether the driver makes a notation of damage on the delivery receipt.
9. **Declared Value Shipments:** Shipper may choose to declare a cargo value and exclude the Shipment from the Liability Cap(s) contained in this Agreement, subject to the following requirements: (i) a charge of two-dollars per one-hundred dollars of declared value will be charged to Shipper; (ii) Shipper must declare a value at least twenty-four hours prior to pick-up of the Shipment, and (iii) such declared value shall only be valid if acknowledged and agreed upon (as indicated by an increased freight charge) by Service Provider, in writing, prior to pick-up. Service Provider shall have the right, at its discretion, to reject the tender of any Shipment, including any Shipment that has a declared value.
10. **Special Damages; Exclusions from Liability:** In no event shall Service Provider be liable for lost profits or any economic (including but not limited to, loss of business or lost profits), special, consequential, indirect, or punitive damages (however caused and on any theory of liability) even if SERVICE PROVIDER knew or should have known of the possibility of such damages to the other party. Further, Service Provider will not be liable for any damages resulting from (i) elements beyond Service Provider's control (including, but not limited to, manufacturer defects, defects or loss or damage which may be caused by packaging insufficient to protect the contents from the normal rigors of handling, etc.), (ii) the acts or omissions of Shipper, its employees, its agents, or other carriers, or (iii) the inherent vice or nature of the cargo, (iv) acts of god, public enemy, public authority, or an act of war. Service Provider will not be liable for damages caused while goods were in storage (including, without limiting, while in Service Provider's possession pending disposition instructions). Shipments are not guaranteed on-time delivery, but will be delivered with reasonable dispatch; reasonable dispatch, and reasonable delay(s) in delivery, shall be determined by Service Provider and shall not be governed by the Shipper or the cargo being shipped.
11. **Entire Agreement/Amendments.** This Agreement contains the complete understanding and agreement between the parties pertaining to Claims. The subtitles and paragraph headings provided are for reference only and should not be considered in the interpretation of this Agreement. Service Provider may amend the terms of this Agreement at its discretion so long as Shipper receives at least ten (10) days advance written notice of such amendment. For avoidance of doubt, Shipments tendered by Shipper after receiving such notice shall constitute acceptance of the updated terms. Otherwise, no amendment, modification or waiver of this Agreement shall be binding on either party unless it is reduced to writing and signed by both Parties.
12. **Applicable Law.** This Agreement shall be governed by federal transportation laws and the laws of the State of Wisconsin. Any dispute shall be filed exclusively in the State or Federal Courts of Brown County, Wisconsin, and the Parties consent to the same.
13. **Waiver.** No waiver of any right, power or privilege hereunder shall be binding upon any Party unless in writing and signed by the Party against which the waiver is asserted.
14. **No Offset by Shipper.** IN NO EVENT SHALL SHIPPER OFFSET CHARGES INVOICED BY SERVICE PROVIDER AGAINST FEES OTHERWISE DUE FOR CARGO LOSS OR DAMAGE CLAIMS.

Service Provider Name:  
SCHNEIDER NATIONAL CARRIERS INC.

Shipper Company Name:  
\_\_\_\_\_

Representative Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: 3101 S. Packerland Drive, Green Bay, WI 54313

Representative Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_

Signed By: \_\_\_\_\_  
Date: \_\_\_\_\_

Signed By: \_\_\_\_\_  
Date: \_\_\_\_\_