NOTE 1: It is the Customer's responsibility to be aware of and always follow the procedure listed below when receiving shipments of Harloff products. It is also the Customer's responsibility to make drop ship recipients aware

of these procedures. FAILURE TO FOLLOW THESE INSTRUCTIONS WILL RESULT IN LOSS OF RIGHTS TO PLACE A

DAMAGE CLAIM AND DENIAL OF CREDIT FROM HARLOFF. IN THIS EVENT CUSTOMER IS RESPONSIBLE FOR PAYING ORIGINAL INVOICE VALUE.

NOTE 2: Freight Damage Claims will not be accepted if items have been reshipped by customer and damage is reported after product arrives at second destination. (Reshipment)

- A. It is the recipient's responsibility to inspect all deliveries upon arrival, including opening cartons to examine contents <u>before</u> signing Bill of Lading or Shipping Manifest.
- B. Any apparent product damage, damage to cartons, or other shipping irregularity such as short shipment must be noted on the Bill of Lading or Shipping Manifest <u>before</u> signing! In cases where cartons are physically damaged or contents cannot be inspected immediately upon arrival, mark the Bill of Lading or Shipping Manifest "Cartons indicate possible damage, extent unknown" before signing. In cases of severe carton damage the shipment should be refused
- C. FAILURE TO FOLLOW THE ABOVE PROCEDURES WILL RESULT IN THE DENIAL OF A FREIGHT DAMAGE CLAIM BY CARRIER. CLAIMS DENIED BY CARRIER(S) CANNOT BE CREDITED BY HARLOFF AND ORIGINAL INVOICE REMAINS DUE AND PAYABLE IN FULL.
- D. Products should be unpacked <u>immediately</u> and inspected for concealed damage including removing all stretch film or protective covering. If the product is either initially received or found upon inspection to be damaged, NOTIFY HARLOFF IMMEDIATELY. <u>Do not move the product from receiving area or discard the packaging</u>. Carrier policies require that concealed damage claims are filed within 48 hours.

## E. The following are procedures must be followed and condition met for placing freight claims on truck shipments:

- Harloff paid the freight or shipped on a prepay--and--add basis Harloff offers a free replacement program. Harloff will file the freight claim. In order for Harloff to file, the following must be done:

   Harloff must be notified of damage within 48 hours of delivery.
  - b. Consignee must send pictures of the damage to Harloff 2 calendar day after delivery
  - c. Customer must return a signed Free Cart Replacement Agreement.
  - You signature indicate that you agree with the terms including payment of original invoice within terms.
- 2. Shipments delivered more than 48 hours when no notes of damage were on the delivery receipt are not eligible for free replacements
- 3. Orders reshipped are not eligible for free replacement (See Note 2 above)
- 4. Bill Direct shipments with damage are not eligible for the free replacement. The Customer must file claim with their carrier.
- 5. Customers or their end users should not file claims if Harloff arranged freight. Harloff will file claim as the shipper. If customer files claim with freight carrier without notifying Harloff they cannot receive a free replacement.
- F. If the shipment was made via moving van company, items must receive a thorough inspection at time of delivery prior to signing Shipping Manifest. FAILURE TO DO SO WILL RESULT IN DENIAL OF CLAIM.
- G. If the damage has occurred during shipment by UPS or other small package carrier, recipient must accept package. Contact Harloff Customer Service <u>immediately</u> and Harloff will place claim. FAILURE TO DO SO WILL RESULT IN DENIAL OF CLAIM. Replacement order will be entered upon satisfactory completion of required documentation.
- H. Any questions regarding the above policy should be addressed to Harloff Customer Service at 800-433-4064.
  I. FAILURE TO FOLLOW ABOVE FREIGHT POLICY SHALL CONSTITUTE ACCEPTANCE OF SHIPMENT AND SHALL ALSO CONSTITUTE WAIVER OF ALL CLAIMS AGAINST HARLOFF FOR DEFECTS AND ERRORS REGARDING SHIPMENT.