

ITEM 208 -Specialized Freight Carriers' Liability For Cargo Loss and Damage Claims and Limitations of Liability

This Item describes Specialized Freight Carriers' liability for cargo loss and damage claims and limitations that apply to that liability. Specialized Freight Carriers liability and limitations on that liability will vary based on the type of goods shipped, the packaging of the goods, and the pricing selected by the customer. Specialized Freight Carriers offers its customers options for selecting higher limits of liability, in exchange for additional charges. Customers are encouraged to review this item carefully and to evaluate all options, including the purchase of insurance from independent insurers, to protect their freight.

1. CARGO LOSS AND DAMAGE CLAIM FILING

Specialized Freight Carriers will assume liability for cargo loss and damage claims under the Carmack Amendment to the Interstate Commerce Act, 49 U.S.C. § 14706 et seq. and other applicable federal laws and regulations governing the interstate transportation of freight in effect on the date of the shipment and under the terms and conditions of the Uniform Straight Bill of Lading, except as shown herein, or to the extent otherwise expressly provided in participating tariffs or contracts. The Carmack Amendment and the Uniform Straight Bill of Lading will apply on all shipments, whether interstate, intrastate, or overseas, unless the Carriage of Goods by Sea Act applies by virtue of any contract or authorized bill of lading or by operation of law. To the extent that the provisions of the Carmack Amendment conflict with any provisions of the Uniform Straight Bill of Lading or of this Rules Tariff, such conflicting provisions of the Carmack Amendment are expressly waived pursuant to 49 U.S.C. § 14101(b). Specialized Freight Carriers' liability for cargo loss and damage begins upon signing the receipt or bill of lading for property it receives for transportation and ends when delivery is completed or when cargo is tendered for delivery. Specialized Freight Carriers will investigate and dispose of cargo loss and damage claims as set forth in 49 C.F.R. Part 370, and NMF 100 Series, Items 300100 through 300155.

The following additional rules apply:

- A. All claims for loss, damage or destruction must be filed in writing or online by visiting www.sfctl.com within nine months after delivery or, for non-delivery claims, within nine months after the date of the bill of lading. When claims are not filed within the prescribed times, such claims shall be barred and not paid. Purported claims that do not comply with the requirements of 49 C.F.R. Part 370 will not be considered valid claims.
- B. Any lawsuits for cargo claims shall be instituted against Specialized Freight Carriers no later than two years from the day when written notice is given by Specialized Freight Carriers to the claimant that it has disallowed the claim or any part or parts of the claim

specified in such notice. Where claims are not filed or lawsuits instituted thereon in accordance with the foregoing provisions, Specialized Freight Carriers shall not be liable and such cargo claims will not be paid. A claim shall be considered denied when any response other than an allowance of the claim in its entirety is transmitted.

- C. Customer shall not deduct or offset any cargo claim or other alleged claim or debt of Carrier from the charges owed to Carrier unless authorized in writing by Carrier.

2. LIMITATIONS ON DAMAGES

Specialized Freight Carriers shall not be liable for any loss, damage, or delay caused by an act of God, the public enemy, the governing authorities, the inherent vice of the goods, or the act or default of the shipper, riots or strikes, any related causes, or any other cause recognized by law as relieving the Carriers liability.

In no case shall Specialized Freight Carriers be liable, and it hereby disclaims responsibility for any indirect, incidental, consequential, special punitive, or multiplied damages or other indirect costs, economic loss, penalties, lost profits, fees, or charges of any kind arising from any freight claims filed hereunder or any other acts, including delays or omissions of SFC, whether foreseeable, disclosed or not.

Specialized Freight Carriers agrees to accept, transport, and deliver such merchandise as Customer may tender to Carrier for transportation in the regular course of Carrier's providing transportation services. Specialized Freight Carriers shall not be responsible for any damages, direct, indirect or consequential, which are the results of delays in delivery.

Customer shall, at its cost and expense, comply with all applicable federal, state, local and International laws, rules and regulations pertaining to its shipments and shall be responsible for all costs, liabilities, delays, fines and expenses caused by, resulting from or otherwise associated with any noncompliance by Customer or Customer's shipments with any such laws, rules, or regulations. Customer shall also be responsible for Carrier's charges pertaining to any services by Carrier at Customer's request for compliance with any such laws, rule or regulations.

3. GENERAL LIMITATIONS ON LIABILITY AND NOTES

This item explains the overall liability limits and conditions established by Carrier for all shipments tendered to it for transportation. All parts of Item 208 are subject to 1 through 6 below. Other provisions of Item 208 apply where made applicable by their terms.

1 - Whether applicable to new, used, or reconditioned articles, and regardless of NMFC released, declared or actual value provisions, Carrier's liability for any loss, damage, theft, or destruction of freight shall not exceed the least of the following:

- A. The actual cost of the goods supported by a certified copy of the original invoice;
- B. The cost of replacement or repair of the lost or damaged cargo;
- C. For shipments subject to the Carriage of Goods by Sea Act, \$500 per package or customary freight unit;
- D. \$50,000 per shipment.

2- In all cases released values will be based on a per-item or article basis. Liability limitations based on weight will not be determined based on the weight of the packaging of the entire shipment nor the entire weight of the commodity in question but only on the damaged portion of the cargo. Furthermore, the weight of the packaging and/or shipping container, pallets, skids and the like shall not be included when determining maximum liability.

3- Items described in NMFC and shipped under RELEASED VALUE provisions will be subject to the maximum released value depending on the class listed at time of the shipment. When the NMFC offers the Consignor or Consignee the option to declare an actual, declared, or released value on the Bill of Lading and such valuation is NOT declared by the Consignor or Consignee and the shipment is inadvertently accepted by the carrier, charges will be assessed based on the lowest available released value.

4- Failure to describe articles as USED on the original Bill of Lading will not affect the application of this item 208 Sections 8-9 herein.

5- FULL VALUE COVERAGE IN THE FORM OF INSURANCE IS OFFERED IN THIS ITEM 208 PER SECTION 8. ANY AND ALL INSURANCE OFFERED HEREIN IS PROVIDED BY THIRD PARTY INSURERS AND NOT BY SPECIALIZED FREIGHT CARRIERS. SPECIALIZED FREIGHT CARRIERS IS NOT IN THE BUSINESS OF PROVIDING OR SELLING INSURANCE BUT MERELY OBTAINS SUCH INSURANCE FOR THE BENEFIT OF ITS CUSTOMER WHEN REQUESTED BY THE CUSTOMER IN ACCORDANCE WITH THE PROVISIONS OF THIS ITEM 108. ANY AND ALL INSURANCE OFFERED HEREIN IS SUBJECT TO THE MAXIMUMS ESTABLISHED BY SECTION 8 OF THIS ITEM 108. ANY EFFORT TO REQUEST INSURANCE OR DECLARE A VALUE IN EXCESS OF THE MAXIMUMS ALLOWED IN THIS TARIFF IS NULL AND VOID, AND THE ACCEPTANCE FOR CARRIAGE OF ANY SHIPMENT BEARING A REQUEST FOR INSURANCE OR A DECLARED VALUE IN EXCESS OF THE MAXIMUMS ALLOWED DOES NOT CONSTITUTE A WAIVER OF ANY PROVISIONS OF THIS TARIFF

AS TO SUCH SHIPMENT. SHIPMENTS THAT ARE INADVERTENTLY ACCEPTED THAT EXCEED THESE LIMITATIONS WILL BE CAPPED AT THE MAXIMUMS ESTABLISHED BY THIS TARIFF AND CHARGES ASSESSED ACCORDINLY.

6- For special rules governing flatbed shipments, see item 1046.

4. SHRINK WRAPPED PALLETS

A. General

Shipments tendered to Specialized Freight Carriers on a plastic shrink wrapped pallet/skid, shall be signed for as shrink wrapped skid(s), _____ Shrink wrapped pallet(s), _____ SWP, or SWP UTC, or _____ SWP STC. When a plastic shrink wrapped skid is delivered to the consignee intact, the plastic shrink wrap unbroken, Specialized Freight Carriers shall assume no liability for loss or damage discovered therein, either at delivery or after delivery has been performed. Pallets are only considered to be not intact at time of delivery if there is a written exception indicating the number of pallets and that they were not intact.

Except as otherwise specifically stated, rates, and charges dependent on price per pallet or skid named in tariffs, in contracts and all other supporting correspondence or documentation shall be limited to pallets or skids not exceeding 40"X48"X84". The driver will sign only for the number of pallets, not the number of pieces. A driver's signature that purports to sign for a number of pieces shall be ineffective to establish that Specialized Freight Carriers actually received that number of pieces.

Pallets that exceed the maximum weight stated in item or contract will be rated as additional pallet. The total weight of the shipment will be divided by the highest maximum weight to determine number of pallets.

Unless otherwise specified within the items or contract, Specialized Freight Carriers calculates pallet weight as 50 pounds per pallet.

B. Delivery Service Distribution Centers requiring unattended delivery including but not limited to Amazon.Com, Costco, Sam's Club, Target or Wal-Mart Distribution Centers

All shipments to Distribution Centers requiring unattended delivery, including but not limited to Amazon.com, Costco, Sams Club or Wal-Mart Distribution Centers, or retail locations must be palletized and shrink wrapped for unattended unloading at delivery. Shipments accepted as pieces tendered on pallets and transported on pallets by Specialized Freight Carriers will be tendered for delivery on pallets with shrink wrap intact. Subsequent shortage claims will not be accepted if shrink wrap was intact and the correct number of pallets was delivered to the Amazon.com, Costco, Sams Club, or Wal-Mart Distribution Center or retail location. The delivery receipts must have a notation of pallets not intact or

freight will be considered intact.

5. UNDELIVERED FREIGHT

Undelivered shipments will be subject to applicable storage or detention storages if no reply is received from attempts to notify shipper. See **Specialized Freight Carriers tariff item 1010** for explanation of applicable storage charges.

6. SHIPPER LOAD OR CONSIGNEE UNLOAD

In lieu of pickup or delivery service and when convenient for Customer and Carrier, Customer may load/unload Carrier's trailers or vehicles. See **Specialized Freight Carriers Tariff Item 2039** for conditions unless a separate agreement is already established and signed in place.

7. GENERAL LIMITATIONS OF LIABILITY FOR NEW ITEMS (Subject to Section 3)

Cargo is considered NEW only if (a) it is tendered for transportation directly from manufacturing facility, and (b) it remains in its original box, carton, or shipping container, and (c) it has never been removed from the manufacturers original packaging. Except as provided in Section 8 herein (FULL VALUE COVERAGE) or as otherwise provided herein, Specialized Freight Carriers' maximum liability for loss, damage, or destruction to all or any part of a shipment of NEW articles while in the Carrier's possession within the points in the U.S. shall be limited to \$1.00 per pound per package or \$25,000.00 per shipment, whichever is lower.

8. FULL VALUE COVERAGE (Subject to Section 3)

This section describes options available to customers who desire liability coverage in excess of those limitations described within Item 208. Customers should review this section carefully to understand their options for increased liability coverage.

Specialized Freight Carriers makes available, through third-party insurers, full value coverage at rates provided herein, which are subject to change. The full value coverage option is protection against All

Risk of physical loss or damage to the cargo from any external cause only and completely replaces the level of carrier liability otherwise established within Item 208 subject to rules and exceptions indicated herein. To obtain full value coverage, Shipper must properly request full value coverage by following the procedure set forth in this Section 8, and Shipper must declare an Invoice Value for the shipment on which full value coverage is requested. Covered Value is defined as the sum of the amount of invoice value presented on the request by the Shipper for new or used items, plus freight charges, plus 10% (invoice value + freight charges + 10%) and always subject to limitations and rules set for in this Section 8.

A. RATES

Where full value coverage is properly requested, Carrier will impose, and Shipper or the Payor of freight charges must pay, within terms, the following charges (in addition to all other charges incurred):

- a. For shipments not covered within subsection (a) above, Shipper should contact Carrier, in advance of shipment, for pricing of full value coverage.

Example 1: If customer requests full value coverage of \$25,000.00 invoice value, the customer must note FULL VALUE COVERAGE AT \$25,000.00 at least one inch in height on the BOL. The Full Value charge will be **\$175.00**.

- **Full Value charge= \$25,000.00 X .75%= \$187.50**

Example 2: If customer requests full value coverage of \$1500.00 invoice value the customer must note FULL VALUE COVERAGE AT \$1500.00 at least one inch in height on the BOL. The Full Value charge will be **\$50.00** minimum charge.

- **Full Value charge = \$1500.00 x .75% = \$11.25 thus minimum of \$50.00**

- B. **Maximum Coverage: The Full Value coverage is protection against All Risk of physical loss or damage to the cargo from any external cause only and completely replaces the level of carrier liability otherwise established within Item 108 subject to the following rules and maximums:**

- . **New and Used Goods supported by invoice:** The limit of covered value for new or used goods is \$100,000.00 per shipment, \$100,000.00 per one land conveyance. Lower limits apply to household goods, personal effects, excluded goods.

- a. **Household Goods and Personal Effects:** The limit of covered value for Household Goods and personal effects is \$1000.00 per any one carton, package, box, or crate subject to all the following rules:
 - i. Cargo must be properly packed for transport

 - ii. An itemized inventory must provide a value and contents per carton, package, box or crate.

 - iii. Each carton, package, box, or crate must be numbered and number must correlate to the inventory list.

- C. **Exclusions:** The following are not eligible for recovery under full value coverage.
Damages arising from:
 - . Delay, loss of market, damage or deterioration arising from delay, loss of use, loss of business, or any consequential loss whether caused by a peril insured against or otherwise;

 - a. Loss or damage or expense attributable to willful misconduct of the Customer;

 - b. Ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject matter insured;

 - c. Loss, damage, or expense caused by insufficiency or unsuitability of packing or

preparation of the subject matter insured;

- d. Mechanical breakdown, inherent vice or defect, wear and tear, insects, vermin or gradual deterioration;
- e. Neglect of the Customer to use all reasonable means to save and preserve the property at the time of or after any loss or damage;
- f. Goods Excluded. To obtain full value coverage for the following goods, Customer must call Specialized Freight Carriers in advance of shipment. Full Value coverage is not available for these goods unless agreed to, in writing, in advance of shipment, by an authorized representative of Specialized Freight Carriers. See Section 15 herein and Item 175 of this Tariff.
 - i. Household Goods and Personal Effects not meeting the specified guidelines in Section 8. B (b) herein
 - ii. Antiques and/or Fine Art
 - iii. Precious Stones, diamonds
 - iv. Precious metals and bullion (Gold, platinum, silver, and other precious metals or articles)
 - v. Money and currency in any form
 - vi. Accounts, bills, deeds, notes, securities, stock certificates, trading stamps, valuable papers or documents, evidences of debt, letters of credit, tickets, passports, manuscripts, mechanical drawings.
 - vii. Recorded or electronic data and media

- viii. Contraband or property in the course of illegal transportation or trade
- ix. Furs or fur garments
- x. Cadavers and/or bodily fluid
- xi. Piano(s)
- xii. Perishables, live plants
- xiii. Live animals

D. To Purchase Full Value Coverage, Shipper must:

- . For goods valued at more than \$100,000, request Full Value coverage in writing prior to tendering goods to Carrier, and Carrier must agree in writing to provide such coverage and provide a quote number that must be entered on the Bill of Lading in addition to writing on the Bill of Lading, in clearly visible and legible manner in print or type at least 1 inch in height, FULL VALUE COVERAGE QUOTE # and \$_____ (invoice value) OR
 - a. For goods valued at \$100,000.00 or less, write on the Bill of Lading, in a clearly visible and legible manner in print or type at least 1 inch in height, FULL VALUE COVERAGE AND
 - b. Provide, on the Bill of Lading, the Invoice Value of the goods for which coverage is requested AND
 - c. Pay, within applicable payment terms, such charges as Carrier imposes for Full Value coverage.

Unless Shipper complies with all requirements, Carrier will not be liable for full value coverage. Please note: Declaring a Value alone on a Bill of Lading, without

following the other procedures specified herein, is NOT a substitute for Full Value Coverage.

E. General Rules for Full Value Coverage:

- . Coverage commences from the time Carrier takes possession of the goods and continues in force during the ordinary and customary course of transit to the final destination. Final destination is the place of business of consignee as per the bill of lading.
- a. Coverage described herein remains in force up to the time of a signed delivery, at which time coverage ceases. Concealed damages must be reported to customer service at Specialized Freight Carriers 305-591-8911 within 10 days of delivery. Moving or transporting the cargo from one location to another by car, truck, rail, or any other means after it has been delivered to consignee voids full value coverage.
- b. Shortages must be reported at delivery or same day as delivery.
- c. All product must be held until claim is finalized and be available for inspection.
- d. Shipper may not request full value coverage after goods are tendered to Carrier.
- e. Full Value coverage replaces all levels of Carrier cargo liability provided under Item 208 in their entirety and replaces contractual provisions governing Carrier's liability.
- f. All claims for cargo loss or damage, including all proper supporting documentation required by 49 CFR Part 370, must be received by Specialized Freight Carriers within nine (9) months of the date of delivery or, if not delivered, the date delivery should have occurred.
- g. All lawsuits must be filed against Specialized Freight Carriers no later than two

(2) years day from the original written declination.

- h. With respect to Ocean conveyance shipments only, this additional coverage is available only on shipments that are conveyed by Approved Ocean Carriers. Approved Ocean Carriers are defined as operating vessels maintained in class, excluding barges, being regular line iron or steel steamers or motor vessels operating in regular trade less than 25 years old.
- i. U.S. Economic and Trade Sanctions: Whenever coverage provided by this Policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.
- j. Charges for full value coverage will not be voided or refunded under any circumstances, including, but not limited to instances when Carrier refunds or voids freight charges due to service failures.
- k.

9. GENERAL LIMITATIONS OF LIABILITY USED - OTHER THAN NEW (Subject to Section 3)

For the purposes of limitations of liability, applying to **USED** cargo, the following definition applies:

1. Cargo is considered NEW only if (i) if it is tendered for transportation directly from the manufacturing facility, and (ii) it remains in its original box, carton, or shipping container, and (iii) has never been removed from the manufacturer's original packaging. All cargo not considered **NEW** under this definition is considered **USED**, even if it has not actually been used for the intended purposes; OR
2. If cargo has been reconditioned, refurbished, rebuilt, remanufactured, and it is considered **USED** for the purpose of the applicable rates and liability limits, even if such is shipped in its original packaging or similar to its original packaging; OR
3. **USED** cargo includes all commodities other than new, including but not limited to internet auctions, interplant moves, articles of household goods, personal effects, antiques, and display or demonstration models, whether listed as such on the Bill of Lading or not. These articles will only be accepted for transportation as **USED** cargo.

Except as provided in Section 8 of this item (FULL VALUE COVERAGE) or as otherwise provided herein, Specialized Freight Carriers' liability for loss, damage, or destruction to all or any part of a shipment of USED articles while in the Carrier's possession within points in the U.S. shall be limited to 10 cents (10¢) per pound per package or \$10,000.00 per shipment, whichever is lower.

10. [RESERVED]

11. [RESERVED]

12. LIABILITY FOR LOSS OR DAMAGE OF CERTAIN COMMODITIES (Subject to Section 3)

Except as provided in Section 8 herein (FULL VALUE COVERAGE), Specialized Freight Carriers' liability for loss, damage, or destruction to all or any part of a shipment that has incandescent, fluorescent or other type of lighting bulb or tube is limited to 10 cents (\$.10) per pound.

13. PROHIBITED OR RESTRICTED ARTICLES (Subject to Section 3 Notes)

For property of extraordinary value, except for antique furniture described in NMFC items 100240 or 100260, or pictures or paintings described in items 100240,100260, or 149420, the following property will not be accepted for shipment nor as premiums accompanying other articles:

Aircraft disk brakes - carbon

Antique Furniture

Articles of extraordinary value

Bank Bills

Biological products

Carbon Black

Coins

Consignor/Consignee is U.S.P.S.

Corpses

Cream, fresh

Cultures of Etiologic agents

Currency

Deeds

Diagnostic specimen

Distilled spirits, wine and beer

Drafts.

Electronic data and media.

Envelopes or wrappers, government.

Etiologic agents.

Explosives, Domestic - (Class 1.1, 1.2, 1.3, 1.5).

Explosives, Mexico - (All Classes & divisions).

Flammable Solids (Mexico only) - Div 4.2 - Spontaneously Combustible, Div 4.3 - Dangerous when wet.

Fruits, fresh.

Furs or fur garments

Garbage.

Handguns.

Hazardous Waste.

Jewelry, other than costume or novelty.

Letter, with or without stamps, unless.

Liquids, in bulk, requiring special tank truck equipment.

Live animals.

Live plants.

Meat, fresh.

Medical Waste.

Milk, fresh.

Moving picture films or other films.

Museum exhibits or articles of antiquity.

Nitrocellulose (Except UN3270).

Notes.

Original works of art.

Piano(s)

Poison Gas Div 2.3.

Poisonous / Infectious Substances:

- Infectious substances div 6.2
- Poison materials (with inhalation toxicity) Div 6.1 (Mexico only)
- Poison materials (with inhalation toxicity) Zone A
- Poison materials (with inhalation toxicity) Zone B bulk (over 119 gallons).

Postage stamps.

Poultry, live.

Precious and semi-precious stones.

Precious metals, including but not limited to gold, silver, platinum, palladium, etc.

Radioactive substances regulated by the D.O.T.

Stamped, in shipments weighing 30,000 pounds or more.

Tires that can be defined as used, defective, scrap, salvage, waste, or otherwise other than new

Valuable Papers of any kind.

Any cargo requested to be transported under its own power or towed on its own axle for example except for loading and unloading, motor vehicles, motor cycles, caravans, horse boxes and trailers

Vegetable, fresh.

Because these articles are prohibited, they will not be accepted for transportation. If prohibited articles are inadvertently accepted by Carrier, Carrier's liability will be limited to:

E. If properly described:

Except for shipments moving to or from Mexico, and if properly described on the Bill of Lading, Carrier's liability for shipments containing PROHIBITED OR RESTRICTED ARTICLES inadvertently accepted by Carrier shall be limited to the least of the actual value supported by a certified copy of the original invoice, any released value made applicable by the NMF 100 series or SFC Tariff 170-D, or \$100,000 per shipment.

F. If **NOT** properly described:

Except for shipments moving to or from Mexico, and if NOT properly described on the Bill of Lading, Carrier's liability for shipments containing PROHIBITED OR RESTRICTED ARTICLES inadvertently accepted by Carrier shall be limited to the least of the actual value supported by a certified copy of the original invoice, 10 cents (\$.10) per pound per package, \$500.00 per shipment, or any released value applicable by the NMF 100 series or SFC Tariff 170-D herein.

G. For FULL VALUE COVERAGE options for Prohibited Articles, Customer must call Specialized Freight Carriers in advance of shipment. FULL VALUE COVERAGE is not available unless agreed to, in writing, in advance of shipment, by an authorized representative of Specialized Freight Carriers. See Item 175.

H. Miscellaneous:

0. Monetary coins will not be accepted as premiums with other articles except as authorized in NMF 100, Item 310.<.li>
1. United States Mail will be accepted only when the consignee is a United States government or foreign government Postal Facility.
2. U.S. Internal Revenue Distilled Spirit Stamps will be accepted in truckload or volume shipments only.
3. Numismatic exhibits subject to NMF 100, Item 63830 may be accepted for transport.

14. FREIGHT LIABLE TO DAMAGE OTHER FREIGHT OR EQUIPMENT:

Carriers are not obligated to receive and transport freight liable to impregnate or otherwise damage other freight or Carrier's equipment. Such freight may be accepted and signed for "subject to delay for suitable equipment" or may, for lack of suitable equipment, be refused.

Any commodity that causes damage to other freight will result in liability to the shipper for damage caused to Carrier's equipment or to other freight.

15. TERMS CHANGE AFTER OS&D DELIVERY

Specialized Freight Carriers reserves the right to deny a change of terms to a freight bill after an OS&D delivery exception has occurred. If the request is inadvertently accepted after the exception, Specialized Freight Carriers reserves the right to revert to the original terms of the shipment.

16. PACKAGING REQUIREMENTS

Where packaging requirements are not otherwise provided by tariff or contract, the packaging requirements of NMFC will apply. Where packaging requirements are provided in this tariff, rates provided therewith will apply only when the article or articles are packaged in accordance with such packaging requirements, except that rates subject to such packaging requirements will apply also when the article or articles so packaged as required are placed on pallets. It is the responsibility of the shipper/consignor to ensure that proper packaging is used and that contents of packages are adequately and securely packaged, wrapped, and cushioned for transportation. Carrier is not liable when loss, damage, or destruction is caused by insufficient or improper packaging, securing, marking, or labeling of the goods.

17. ACCEPTANCE OF GOODS

The consignee must accept delivery of the goods upon delivery unless they are determined to be totally worthless.

18. SALVAGE OF UNDELIVERED OR REFUSED FREIGHT

0. Whenever property transported by Carrier is damaged or alleged to be damaged and is, as a consequence thereof, not delivered or is rejected or refused upon tender thereof to the owner, consignee, or person entitled to receive such property, Carrier, after giving due notice wherever practicable to do so to the owner and other parties that may have an interest therein, and unless advised to the contrary after giving such notice, shall undertake to sell or dispose of such property directly or by the employment of competent salvage agent. Carrier shall dispose of the property only in a manner that will fairly and equally protect the best interests of all persons having an interest thereon. Carrier shall make an itemized record sufficient to identify the property involved so as to be able to correlate it to the shipment or transportation involved, and claim, if any, filed thereon. Carrier shall also assign to each lot of such property a successive lot number and note that lot number on its record of shipment and claim, if any claim is filed thereon.
1. Upon receipt of a shipment on which salvage has been processed in the manner prescribed, Carrier shall record on its claim file thereon the lot number assigned, the amount of money recovered, if any, from the disposition of such property, and the date of transmittal of such money to the person or persons lawfully entitled to receive the same.
2. To the extent that the Shipper asserts that the goods should be destroyed for any reason, Carrier remains entitled to the salvage value the goods would have generated had the goods been salvaged instead of destroyed.

19. FOOD ITEMS

For food, food-related items, medical supplies, drugs, and toiletries, Carrier shall not be liable unless actual damage to the freight itself (and not damage only to the packaging or potential or suspected damage to the freight) is proven.

If shipper transports items covered under any food, drug or cosmetics legislation, law, statute, code and or regulation which requires rejection or destruction of the entire shipment because the items are or may be contaminated under the definition of the legislation, shipper must clearly indicate on the bill of lading that carton and/or packaging damage may contaminate product.

FULL VALUE COVERAGE above the maximum carrier liability limits shown in this item are available in accordance with provisions of Section 8 of this item.

If the consignor has given the carrier notice on the bill of lading as required above, carriers liability for

loss, damage, or destruction to any shipment or part thereof is limited in accordance with the terms of this Item 208.

In the event that shipper requires that any freight subject to this section be destroyed without a showing of actual damage, Carrier will be entitled to a salvage offset for the actual value of the freight when tendered for delivery by Carrier.

20. UNATTENDED DELIVERY

When shipper, broker, or consignee requests that freight be delivered at an unattended location or be delivered without signature by the consignee, Carrier is not liable for loss, damage, theft, or destruction that occurs after Carrier delivers freight, and Carrier's delivery receipt signed by driver will constitute evidence of delivery in good condition.

21. RETURNED GOODS

Liability for loss, damage or destruction of property being returned to the original shipper, which was not initially transported by Specialized Freight Carriers from the original shipper, will be limited to lost freight only and Specialized Freight Carriers will not be responsible for damages.

Liability for loss, damage or destruction of property being returned to the original shipper, which was initially transported by Specialized Freight Carriers from the original shipper and delivered without exception, when Specialized Freight Carriers is not given an opportunity to inspect prior to return, will be limited to lost freight only and Specialized Freight Carriers will not be responsible for damages.