

## TARIFF ODFL 100 – O

Effective 9/1/2020

### ITEM 574 – OPTIONAL HIGHER LEVEL OF CARRIER CARGO LIABILITY

#### LIMITATION OF CARRIER CARGO LIABILITY

- a. Unless otherwise agreed in writing, all shipments are subject to the carrier cargo liability set forth in Item 594 of this ODFL 100 Series Tariff. If no optional higher level of carrier cargo liability (also referred to as additional cargo liability) is selected pursuant to this Item 574, shipper, consignee and/or their respective agents (collectively referred to as "Customer" under this Item 574) agree that the maximum carrier cargo liability of Carrier is limited as set forth in Item 594.
- b. The person and/or entity who tenders the shipment to Carrier or its partners represents and warrants it has the authority to bind itself, and any other person and/or entity with an interest in the cargo transported, to the limitation of liability, payment terms, and other terms set forth in this Tariff.
- c. Additional cargo liability is NOT and will not be considered insurance for the cargo. Additional cargo liability is also not available on certain commodities, including but not limited to all articles that are not transported by Carrier as set forth in Item 780. If these commodities are inadvertently accepted, Carrier or its partners shall not be liable, to the maximum extent possible under the law, for the transport, loss or damage of these commodities, regardless if the Customer requests to purchase and/or pays for the additional cargo liability.

#### ALTERNATIVE RATES/HIGHER LEVELS OF CARRIER LIABILITY

All rates/values are in US Dollars unless otherwise noted.

- d. Prior to tendering the shipment to Carrier or its partners, Customer may obtain additional cargo liability for the shipment, which completely replaces the level of carrier cargo liability outlined in Item 594 (or as otherwise provided in an applicable contract or tariff), by complying fully with BOTH of the below steps. Failure to comply with both of these steps will result in the shipment reverting back to the level of carrier cargo liability outlined in Item 594 or as otherwise agreed to in writing.

STEP 1: requesting additional cargo liability in writing for the Covered Value (as defined under (f) below) by either:

- i. sending a written request to a representative of Carrier that includes the full Covered Value to be protected for the shipment, receiving written confirmation of estimated price and agreed upon Covered Value of the shipment, and noting in writing the agreed upon Covered Value on the original bill of lading;\*
- ii. noting in writing the request for additional cargo liability (pursuant to and in compliance with (g) below) on the original bill of lading by writing the full Covered Value of the shipment to be protected on said bill of lading. See (g) below for the maximum limit allowed to be noted on bill of lading without having to obtain written confirmation and approval from an officer of Carrier; \* or
- iii. making a request for additional cargo liability in the Carriers rating system and noting BOTH the applicable quote number and the request for additional cargo liability (with or without the Covered Value amount) on the original bill of lading.\*

\*Please note: Declared Value is NOT a substitute for Covered Value and any notation of only a Declared Value does not trigger a request for additional cargo liability as outlined under this Item 574 due to the various regulatory/statutory requirements to note a Declared Value on many shipments being transported outside the United States.

STEP 2: agreeing to pay and actually paying within terms the higher transportation charge estimated by Carrier as calculated per (e) below for transporting the shipment at the agreed upon higher level of carrier cargo liability.

- e. Carrier offers additional cargo liability at the following rates for requests up to the maximums noted under (g) below, which are provided for information only and are subject to change - please contact Carrier for the current rates applicable to the shipment, including requests for additional cargo liability shipments over the maximums noted under (g) below:

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- i. A rate of \$1.00 per \$100.00 of value (value is calculated using the Covered Value requested by the Customer plus freight charges), subject to a \$79.00 MINIMUM CHARGE PER SHIPMENT ONLY for shipments either:
    1. while on land within the 48 Contiguous States;
    2. while on land between the 48 Contiguous States and Canada;
    3. between the 48 Contiguous States/Canada and Mexico, but only with respect to the 48 Contiguous States/Canada inland portions of such shipment.
  - ii. For any shipment governed by the below tariffs, please see applicable tariff:
    1. Alaska – see ODFL 501 Series Tariff
    2. Caribbean – see ODFL 502 Series Tariff
    3. Hawaii – see ODFL 503 Series Tariff
    4. Air Freight – see ODFL 665 Series Tariff
  - iii. The current market rate per \$100.00 of value (value is calculated using the Covered Value requested by the Customer plus freight charges), subject to a \$50.00 MINIMUM CHARGE PER SHIPMENT for Ocean Conveyance or any inland portions of a shipment that are not included within item (e) 1 or 2 above, EXCEPT for those shipments to:
    1. Countries that Carrier is prohibited from entering due to US economic sanctions against that country;
    2. Countries that Carrier has noted in writing that this type of transportation service is not available to that particular country; or
    3. Mexico, unless approved in writing by an officer of Carrier PRIOR TO tendering the shipment.
- f. The term "Covered Value" is defined as the entire amount (starting at first dollar) for which the Customer requests carrier cargo liability protection on the shipment, subject to the limitations set forth in this Item 574. For Example: If the level of carrier cargo liability under Item 594 would be a maximum of \$50,000 and the Customer desires carrier cargo liability of \$145,000, the Customer must request a Covered Value of \$145,000, as additional cargo liability completely replaces the level of carrier cargo liability outlined under in Item 594 (or as otherwise provided in an applicable contract or tariff). This notation can be made on the bill of lading as "Covered Value requested at \$145,000" or "Additional Cargo Liability of \$145,000" or "Covered Value \$145,000".
- g. Unless Customer receives written confirmation and approval from an officer of Carrier for an amount higher than what is noted below PRIOR TO tendering the shipment to Carrier or its partners, additional cargo liability cannot exceed the below maximums:
- i. \$250,000 per shipment - new commodities (excluding Tradeshow commodities).
  - ii. \$15,000 per shipment - used commodities, reconditioned commodities, refurbished commodities, household goods, and/or personal effects (excluding Tradeshow commodities).
  - iii. \$50,000 per shipment - any commodities associated with or to be used in a Tradeshow exhibit or demonstration subject to the limitations and exclusions noted under (l) below.
- If Customer requests additional cargo liability on an original bill of lading in an amount that is higher than the above maximums, but the Customer does not have the required written confirmation and approval of an officer of Carrier PRIOR TO tendering the shipment to Carrier or its partners, the request for additional cargo liability will defaulted back to the appropriate maximum noted above.
- h. This higher level of carrier cargo liability commences from the time Carrier or its partners takes possession of the approved commodities and continues in force during the ordinary and customary course of transit to the final destination, except as noted under (l) below for Tradeshow commodities. Carrier will not, however, accept requests for additional cargo liability on a corrected bill of lading after the shipment has been picked up by Carrier or its partners.
- i. Carrier shall not be liable for a higher level of carrier cargo liability through any unilateral act of the Customer. In no event shall Carrier's liability include damages for delay, loss of use, loss of market, lost profits or business interruption, consequential damages, punitive damages, indirect damages, special damages, fees or charges of any kind arising from any claim filed. Carrier shall also not be liable for damages caused by or resulting from mechanical breakdown, inherent vice, act of God,

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act of public authority (including US Customs), act of the Customer, wear and tear, insects, vermin or the like, gradual deterioration, or damage caused by weather of any kind or severity. Carrier is also not liable for any damage or loss due an act of public enemy including terrorist attack or action or any nuclear incident/radiation/contamination (controlled or uncontrolled), whether foreseeable, disclosed or not.

- j. Carrier's total carrier cargo liability obligation for loss or damage to any shipment or part thereof shall be limited to the lowest of: 1) the actual invoice value; 2) replacement cost; or 3) the total additional cargo liability requested and approved under this Item 574. Charges associated with additional cargo liability are not recoverable in the event of a cargo claim for loss or damage. Carrier must receive all claims for cargo loss or damage, including all supporting documentation, within nine (9) months of the date of delivery or, if lost, the date delivery was anticipated and Carrier must be allowed to perform a proper inspection of the freight and circumstances of the claimed loss or damage. Carrier must be notified of any claims for concealed loss or damage within five (5) business days from the date of delivery and Carrier must be allowed to perform a proper inspection of the freight and circumstances of the claimed loss or damage. Failure to timely submit a claim and supporting documents or allow for a proper inspection to be performed, as set forth herein shall result in denial of the claim and Carrier shall have no liability for the claim. Civil actions instituted against Carrier shall be instituted no later than two (2) years from the day when written or electronic notice is given by Carrier to Customer that Carrier has disallowed the claim or part thereof. When civil actions are instituted after this date, Carrier shall have no cargo claim liability.
- k. With respect to Ocean Conveyance shipments only, this additional cargo liability is only available 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.
- l. With respect to any commodities associated with or to be used in a Tradeshow exhibit or demonstration, this additional cargo liability shall extend only while said commodities are in the care, custody and/or control of Carrier or its partners, subject to the following exclusions, and ceases upon delivery of the commodities.
  - i. Loss arising from wear, tear, gradual deterioration, depreciation or inherent vice.
  - ii. Loss of or damage to any type of electronic mobile devices - including, but not limited to, cell phones, smart phones, and tablets.
  - iii. Loss of or damage to televisions and monitors.
  - iv. Late arrival of goods.
  - v. Damage to goods being returned from exhibitions or shipped elsewhere unless they are packed to the same standard as for the outward journey.
- m. The use of the term "partners" in this Item 574 shall include agents, employees, interline carriers, designated brokers, freight forwarders and other service providers in any way involved in the transportation of the shipment.