

WSL Claims Policy

Effective Date: July 1, 2025

1. Introduction

This Claims Policy outlines the procedures for filing and resolving claims related to loss, damage, or shortage of goods during transportation, warehousing, or storage services provided by WSL. This policy supersedes all prior policies and aligns with industry standards including NMFC guidelines.

2. Definitions

- **Claimant:** The individual or entity filing a claim.
- **Consignee:** The party receiving goods.
- **Shipper:** The party sending goods.
- **Carrier:** WSL, providing transportation and storage services.
- **Loss and Damage:** Physical damage or loss of goods.
- **Freight Charges:** Fees paid for transportation services.
- **Inspection:** Examination of goods for damage or loss.
- **Salvage:** Recovery of value from damaged goods.

3. General Claims Guidelines

Time Limits for Filing Claims

- Claims must be filed within 9 months from delivery date.
- Concealed damage must be reported within 30 days. Concealed damage claims are paid at no more than one-third of the provable loss unless the claimant shows the damage happened while the freight was in WSL's possession.
- Freight signed for without an exception noted on the delivery receipt is presumed delivered in good condition. A notation such as "subject to inspection" or "subject to count" is not an exception.

Claim Submission Requirements

Claims must be submitted digitally at app.wslservices.com/tp/claims.

Supporting documentation required:

- Bill of Lading
- Paid Invoice
- Freight Bill
- Inspection Report
- Photographs

All uploaded documents and images must be clear and legible. Accepted file formats: PDF for documents, JPG or PNG for images. WSL acknowledges and decides every claim within the times 49 CFR Part 370 requires, but pays no claim until all freight charges on the shipment are paid. Claims may not be deducted from freight charges.

4. Claim Types

- **Loss:** Total or partial shipment loss.
- **Damage:** Visible or concealed physical damage.
- **Shortage or Incorrect Shipments:** Missing or incorrect items delivered.

5. Examples of Acceptable and Unacceptable Claims

To clarify the above claim types, below are common scenarios illustrating when claims are considered valid or not:

Acceptable Claim Scenarios:

- **Visible Damage at Delivery:** The consignee notes significant crate damage and product dents on the delivery receipt. Photographs are taken, and all required documents are provided. This is a valid damage claim because the issue was documented upon delivery and supported with evidence.
- **Shortage with Driver Verification:** One pallet is missing upon arrival, and the driver co-signs the delivery receipt noting the shortage. The claim for the missing pallet is acceptable since the loss was verified at delivery.
- **Concealed Damage (Reported Timely):** After unpacking, minor damage is found on a product. The claimant reports it within the 30-day window and retains all packaging for inspection. This concealed damage claim is acceptable due to prompt reporting and proper preservation of evidence.

Unacceptable Claim Scenarios:

- **Unreported Delay:** The shipment arrived later than expected, but no guaranteed transit time was promised. A claim solely for delivery delay without a specific service guarantee or documented financial loss is not honored.
- **Damage Reported Late:** The consignee discovers damage weeks after delivery and did not note anything on the delivery receipt or notify WSL within 30 days. This claim is denied as it falls outside the required reporting timeframe and lacks delivery documentation.
- **Improper Packaging by Shipper:** Freight was damaged, but an investigation shows it was due to insufficient packaging (no external damage to the crate). The claim is denied because the damage resulted from the shipper's packaging failure, not carrier mishandling.
- **Incomplete Documentation:** A claim is submitted with missing paperwork (e.g., no invoice or Bill of Lading) or illegible photos. Until proper documentation is provided, the claim cannot be processed and may be denied for not meeting requirements.
- **Freight Charges Unpaid:** The claimant has not paid the transportation charges for the shipment. WSL processes the claim but pays nothing until all freight charges on the shipment are paid.

6. Filing Procedures

- File claims digitally at app.wslservices.com/tp/claims.
- Complete all sections of the digital form.
- Attach all required supporting documentation (see Section 3 above for documentation standards).
- After submission, you will receive a confirmation and a claim reference number for tracking.

Claims Department Contact:

Email: claims@wslservices.com
Phone: (253) 872-0797

7. Claim Investigation and Processing

- Claims are acknowledged by WSL within 30 days of receipt.
- A final resolution (payment, denial, or compromise settlement) is provided within 120 days, barring extenuating circumstances.
- WSL reserves the right to inspect any damaged goods during the investigation.
- Salvage rights are reserved by WSL; if a claim is paid in full, WSL may take possession of the damaged goods or direct their disposal.
- Settlements may be issued via payment, credit memo, or replacement of goods, as appropriate.

8. Responsibilities

Carrier (WSL)

- Handle and transport goods with reasonable care to prevent loss or damage.
- Investigate and resolve claims in a timely and fair manner.
- Communicate with claimants regarding additional information or inspections needed.

Claimant

- Inspect goods immediately upon delivery and document any issues.
- Promptly report any loss or damage and file claims within stated deadlines.
- Preserve all packaging and damaged goods for inspection until the claim is resolved.
- Provide complete and accurate documentation to support the claim.

9. Indemnity and Liability

Liability Limits: WSL's maximum liability for cargo is limited to:

- Carpet and Carpet Tile: \$30.00 per square yard
- Other Freight: \$2.00 per pound

Valuation of Claims: The compensation for approved claims is calculated based on the lesser of the actual cash value of the lost or damaged item or the liability limit per weight/measure above. WSL will not pay more than the invoice value of the goods lost or damaged.

Maximum Payout: No claim payout will exceed the stated liability limits multiplied by the weight (or area, if applicable) of the affected freight. If multiple items are affected, each item's recovery is capped by its proportional weight or area-based limit.

Partial Loss/Damage: Claims are only paid for the portion of shipment actually lost or damaged. If goods can be economically repaired, liability may be limited to the repair cost.

Excluded Damages: WSL is not liable for indirect or consequential losses (such as lost sales or production downtime) arising from transit delay or damage.

Additional Insurance: Shippers or consignees are responsible for obtaining additional insurance for shipments valued above these limits. Unless a higher declared value is agreed to in writing by WSL (with any applicable surcharge paid), the above liability limits apply to all shipments.

Acceptance of any claim settlement payment is final and constitutes full and final release of that claim against WSL.

10. Common Reasons for Claim Denials

While WSL works to resolve claims fairly, certain situations commonly result in claim denial or no payout. Understanding these reasons can help prevent denied claims:

- **Late Filing:** The claim was not filed within the required timeframe (e.g., beyond 9 months from delivery or concealed damage reported after 30 days).
- **No Notation of Damage/Shortage at Delivery:*** Visible damage or shortage was not noted on the delivery receipt at the time of delivery. Without initial notation, it is difficult to prove the carrier's responsibility.
- **Insufficient Documentation:** The claim lacked necessary supporting documents (Bill of Lading, invoices, photographs, etc.), or the information provided was inaccurate or incomplete.
- **Freight Charges Not Paid:** Outstanding freight charges or fees have not been paid in full. WSL will hold payment of the claim until all transportation charges are settled.
- **Improper Packaging/Inherent Vice:** Damage resulted from the shipper's improper packaging or the inherent nature of the goods (e.g., spoilage, corrosion) rather than carrier mishandling.
- **Unauthorized Disposal or Repair:** The claimant discarded damaged goods or conducted repairs without WSL's inspection or authorization. Doing so removes the opportunity for verification and can nullify the claim.
- **Exceeded Liability Limits:** The amount claimed exceeds WSL's liability limits or the actual value of the goods. The portion of a claim above the allowable limit will not be paid.
- **Force Majeure Events:** Loss or damage caused by events outside of WSL's control (e.g., natural disasters, acts of government or public authority) may be excluded from carrier liability under applicable law, leading to denial.

If a claim is denied, WSL will provide an explanation for the decision. Claimants may address the issue (for example, by providing additional documentation) and request a reevaluation if within the allowable filing period.

11. Dispute Resolution

Escalation to Arbitration: In the event a claim cannot be resolved to the claimant's satisfaction (for example, if a claim is denied and the claimant disputes the decision), the dispute must be submitted to binding arbitration rather than litigated in court.

Arbitration Procedure: The party seeking arbitration should notify the other party in writing within 90 days of WSL's final claim determination. Arbitration will be conducted by a neutral arbitrator in Washington State, under the rules of the American Arbitration Association or a similar recognized body, unless both parties agree to an alternative.

Timeline: Once arbitration is invoked, the process will be initiated promptly. Both parties are expected to cooperate in selecting an arbitrator and scheduling a hearing, typically within 60–90 days of the arbitration notice.

Costs and Award: Each party is responsible for its own costs and legal fees, but the arbitrator's fees or filing fees may be split or assigned as part of the arbitration award. The arbitrator will issue a written decision, typically within 30 days after the hearing.

Binding Outcome: The arbitrator's decision is final and binding on all parties. By using WSL's services, the shipper, consignee, and any claimant agree to this method of dispute resolution and jurisdiction. The arbitration award can be enforced in a court of law if necessary.

12. Compliance and Record Keeping

Record Retention: All claim-related records and correspondence must be retained for a minimum of 2 years from the date of claim resolution. This applies to both WSL and the claimant, to facilitate any audits or legal compliance checks.

Audit Rights: WSL reserves the right to audit claims and associated documentation for compliance and accuracy. Audits may be random or triggered by unusual claim patterns (such as high claim frequency or values). Claimants should maintain organized records; failure to produce supporting documents during an audit could result in claim denial or reversal of a paid claim if fraud or non-compliance is discovered.

Data and File Standards: The digital claims portal requires standard file formats (see Section 3). Ensure all uploaded files are virus-free and legible. Falsification or alteration of documents is strictly prohibited and will void the claim.

Legal and Regulatory Compliance: This policy is designed to comply with applicable federal regulations (e.g., Carmack Amendment for interstate shipments) and industry standards. WSL and claimants are expected to adhere to all relevant laws during the claims process.

13. Policy Exceptions

Exceptions to this policy are granted only if confirmed in writing by an authorized WSL representative. The Claims Manager (or a designated executive) has the authority to approve any deviations or special arrangements not outlined in this policy. Such exceptions are handled on a case-by-case basis and do not constitute a permanent change to the policy.

14. Contacts and Additional Resources

Claims Department:

Email: claims@wslservices.com

Phone: (253) 872-0797

Online Claims Portal: app.wslservices.com/tp/claims

Additional Support:

For any questions about this policy or the status of a claim, contact the WSL Claims Department at the above email or phone number. Additional resources, including a step-by-step guide to filing a claim and FAQs, are available on our website.