

CARGO CLAIMS POLICIES AND GUIDELINES

1. NOTIFICATION

Receipt of the shipment by the consignee without written shortage or damage notations on the delivery receipt will be prima facie evidence that the shipment was delivered free from shortage or damage.

2. BILL OF LADING NOTATION

Shortages and/or apparent damage must be noted on the Delivery Receipt by the consignee at the time of receipt.

3. CONCEALED DAMAGE

In the case of concealed damage, notification must be reported in writing to the Pegasus claims department within 5 business days of the actual delivery date. When formal claim is filed, claimant must prove that the damage in question occurred in Pegasus' custody and control. All merchandise should remain in the original shipping container, in the same condition it was in when loss or damage was discovered, until inspected.

4. TRANSPORTATION CHARGES

No Claim for loss or damage will be entertained unless the transportation charges have been paid.

5. BURDEN OF PROOF

The claimant must establish 3 things:

- a. The carrier received the freight in good condition at origin (BOL)
- b. The freight was short or damaged when received at destination (POD)
- c. The dollar value of the lost or damaged goods (Proof of Value)

6. CLAIM AMOUNT

Claim amounts may not be deducted from the transportation charges.

7. INSPECTION

If necessary, Pegasus will arrange for an inspection of the damaged freight as soon as practical following notification.

- a. All containers and packing materials must be retained for inspection
- b. An inspection report can be provided upon request to the customer

8. FILING A CLAIM

All claims must be submitted in writing by mail, email or website within 270 days from the date of delivery of the shipment and at a minimum must be supported by:

- a. Completed Pegasus Customer Claim form
- b. Hard Copy Proof of Delivery (POD)
- c. Copy of Original Bill of Lading the shipment was tendered to Pegasus on
- d. Documentation supporting the value of the damaged or lost items
- e. Documentation supporting the weight of the damaged or lost items
- f. Copy of shipper's House Bill (if applicable)
- g. Copy of repair invoice or estimate, or a statement from a certified repair technician as to why the goods cannot be repaired (Damage Claims only) (if applicable)
- h. Damage Inspection Report (if performed)
- i. Photos of damaged items and packaging (if applicable)
- j. Any additional documentation or pictures that may pertain to the claim

9. CLAIMS FROM THIRD PARTIES

If you are not the beneficial owner of the goods that were shipped, you must provide either:

- a. Proof that you have paid a claim to the beneficial owner of the goods, or
- b. Written authorization for Pegasus to pay any settlement amount directly to the beneficial owner of the goods.

10. CLAIMS ADDRESS

All claims must be addressed to:

Pegasus Logistics Group, Inc.
Attn: Claims Department
306 Airline Drive, Suite 100
Coppell, TX 75019
claims@pegasuslogistics.com

11.ACKNOWLEDGEMENT

Upon receipt of a claim, Pegasus will acknowledge the claim in writing within 10 days and request any additional documentation or information that may be required.

12.DISPOSITION OF DAMAGED FREIGHT

Damaged goods and all packaging materials must be retained until the claim is resolved, or until the claimant is given disposition by Pegasus.

13.IF CLAIM IS DENIED

If the claimant has additional information, a rebuttal letter should be sent to the claims@pegasuslogistics.com address. The letter should clearly indicate why the claimant believes the claim payment should be reconsidered and include any evidence or documentation not previously submitted. Always refer to the assigned claim number when corresponding with the claims department.

14.PACKAGING

It is the responsibility of the shipper to tender freight that is adequately packaged to withstand normal hazards of transportation for any claim to be valid.

15.USED OR UNPACKAGED SHIPMENTS

Unless otherwise contractually agreed, Pegasus will not offer nor accept liability for Declared Value coverage or All-Risk Insurance for any shipment that consists of used and/or unpackaged items. The basic liability coverage outlined below will apply based on mode of transport.

16.LIABILITY

- a. **US DOMESTIC** – Unless shipper states a Declared Value on the tendering BOL and agrees to pay the additional “Declared Value Fee”, Pegasus’ liability for lost or damaged goods in transit within the US is limited to the greater of \$0.50 per actual pound per piece lost or damaged or minimum of \$50.00.
- b. **INTERNATIONAL AIR** - Unless shipper states a Declared Value on the tendering BOL and agrees to pay the additional “Declared Value Fee”, Pegasus’ liability for lost or damaged goods in transit is limited to 19 SDRs (Special Drawing Rights) per kilogram as stipulated in the Montreal Convention of 1999.
- c. **INTERNATIONAL GROUND to/from CANADA** - Unless shipper states a Declared Value on the tendering BOL and agrees to pay the additional “Declared Value Fee”, Pegasus’ liability for lost

or damaged goods in transit via ground between the US and Canada is limited to \$25.00 per 100 pounds.

- d. **INTERNATIONAL GROUND to/from MEXICO** - Unless shipper states a Declared Value on the tendering BOL and agrees to pay the additional "Declared Value Fee", Pegasus' liability for lost or damaged goods in transit via ground between the US and Mexico is limited to \$25.00 per Metric Ton (2200 pounds)
- e. **INTERNATIONAL OCEAN** - Unless shipper states a Declared Value on the tendering BOL and agrees to pay the additional "Declared Value Fee", Pegasus' liability for lost or damaged goods in transit via ocean is limited to \$500.00 per container or other shipping unit in compliance with the US Carrier of Goods by Sea Act (COGSA).
- f. **WAREHOUSING** – Unless otherwise addressed in a fully executed Warehousing Agreement, Pegasus' liability for loss or damage while in Pegasus care, custody and control is limited to the greater of \$5.00 per actual pound or \$5,000.00 per occurrence.