

Spee Dee Delivery Service, Inc.

4101 Clearwater Road, St Cloud, MN 56301

Rules 2009, ver 1

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1. SHIPPING RULES

- 1.010 The term “package” means an item designated by the shipper in the shipping book or manifest to be treated as one shipping unit. A “package” may consist of smaller items which have been unitized, strapped, or fastened together by the shipper but shall never the less be considered as a single item for all purposes including the determination of Spee Dee Delivery’s rates and charges, loss and damage claims, and purchasing of declared value coverage.
- 1.015 Spee Dee Delivery’s days in transit are not guaranteed.
- 1.020 Spee Dee Delivery shall not be held liable for service interruption arising from situations beyond our control. These may include, but are not limited to: improperly packaged shipments, incorrect shipping information, inability to obtain consignee signature, refusal of shipment, riots, strikes or labor disputes, natural disasters, and acts of God.
- 1.025 Spee Dee Delivery shall have the right, but is not required, to open and inspect all packages tendered to it for delivery.
- 1.030 Spee Dee Delivery reserves the right to refuse to provide service for any package, to or from any location, or to provide alternative service arrangements, when Spee Dee Delivery, in its sole discretion, deems that it is unsafe or economically or operationally impractical to provide service.
- 1.035 The maximum weight of a package which will be accepted by Spee Dee Delivery for delivery is 150 pounds. The maximum size (length and girth combined) of a package which will be accepted by Spee Dee Delivery for delivery is 170 inches. The maximum length of a package which will be accepted by Spee Dee Delivery for delivery is 10 feet.
- 1.040 Packages weighing 101-150 lbs. require a red Heavy Package label, provided by Spee Dee Delivery. Apply Heavy Package label near the address label. Heavy Package labels identify packages requiring two persons to handle. Packages weighing 101-150 lbs. require shipper provided handling assistance at both origin and destination locations.
- 1.045 Spee Dee Delivery accepts non-bulk quantities of Table 2 hazardous materials (172.504), in accordance with 49 CFR parts 100-180. Anyone intending to offer a hazardous material for shipment with Spee Dee Delivery must be in compliance with the Federal Regulations in regards to training (172.700). The shipper is responsible for proper labeling and marking of packages in accordance with DOT specs. A properly completed Hazardous Materials Shipping Sheet must accompany each shipment. Spee Dee Delivery will not accept for delivery any hazardous materials which require a vehicle placard.
- 1.050 Items may be strapped or taped together provided they are of uniform size and each box is correctly labeled and contains the proper shipper number.
- 1.060 All items shipped should be free of dirt and grease with no sharp corners or objects protruding from the package. Sharp objects must be taped.

- 1.070 Conduit, PVC, grounding rods, etc. should be strapped or taped together with strong tape. Proper shipping label must be taped to pipe. Items with wired or tie-on tags will not be accepted.
- 1.080 All pick-up tags must be addressed back to the shipper. No drop shipments will be accepted. Refer to our On-Call Pick-Up Service for your drop shipping needs.
- 1.085 Labels should be applied on top of packages. Packages must contain only one label. Computer generated labels are preferred.
- 1.090 All boxed items must be shipped in a sealed container or box with adequate packaging.
- 1.100 Product boxes and factory packaging may not be considered adequate packaging. An item shipped between two sheets of cardboard is not considered adequate packaging.
- 1.120 Packaging must protect all sides of the package - top, bottom and sides.
- 1.130 Fragile packages must be labeled accordingly.
- 1.135 Orientation arrows should be used but do not guarantee package orientation throughout our system.
- 1.140 Shippers of transmissions, gas tanks, torque converters or similar products that have not been drained are subject to immediate termination of their account. Leaking transmissions, gas tanks and torque converters will not be transported and will have to be picked up by the shipper or the consignee at the Spee Dee Delivery terminal where the package is located.
- 1.150 Glass bottles or items must have dividers to protect the product.
- 1.160 Spee Dee Delivery's rules and regulations contained herein are subject to change at any time upon our discretion.

2.

GENERAL PROVISIONS

- 2.010 The shipper will be held responsible for damage to other packages due to poorly packed or leaking packages.
- 2.015 Packages may travel down a conveyor track and therefore must withstand a 36" fall.
- 2.020 Delivery Confirmation Adult Signature Required - A shipper may request Spee Dee Delivery to obtain the signature of an adult either 18 or 21 years of age or older. An additional charge, set forth in the Spee Dee Delivery Rates applicable to the shipment in effect at the time of shipping, will be assessed. Spee Dee Delivery, in its sole discretion, will determine if delivery can be completed when such a request is made, and may request photo identification indicating the recipient's age, before completing delivery.
- 2.030 It is the responsibility of the shipper to ensure that a shipment tendered to Spee Dee Delivery does not violate any federal, state, provincial, or local laws or regulations applicable to the shipment. No service shall be rendered by Spee Dee Delivery in the transportation of any shipment that is prohibited by law or regulation of any federal, state, provincial, or local government in the origin or destination country.

2.040 Spee Dee Delivery reserves the right to refuse to provide service, among other reasons, for any package which by reason of the dangerous or other character of its contents may, in the sole judgment of Spee Dee Delivery, soil, taint, or otherwise damage other packages or Spee Dee Delivery's equipment, or which is improperly or insecurely packed or wrapped.

2.050 Shipper is responsible for meeting all of the requirements for proper packaging, marking and labeling as set forth in 49 C.F.R. Spee Dee Delivery reserves the right to charge, and the shipper agrees to pay, for all costs resulting from improperly packed hazardous materials, or the cost of disposal if the shipper refuses to accept a returned item. The shipper agrees to indemnify, defend, and hold harmless Spee Dee Delivery, its officers, directors, employees, agents, and their successors and assigns, from all claims, demands, expenses, liabilities, causes of action, enforcement procedures, and suits of any kind or nature brought by a governmental agency or any other person or entity arising from or relating to the transportation of a Hazardous Materials package, or from the shipper's non-compliance with governmental laws or regulations applicable to the transportation of Hazardous Materials. Under no circumstances shall Spee Dee Delivery be liable for special, incidental, or consequential damages arising from the transportation of a Hazardous Materials shipment.

2.055 Alcoholic beverages

Spee Dee Delivery will only accept alcohol shipments from licensed shippers. Alcohol shipments to residences must contain an AOD tag and the statement "Adult Signature Required Upon Delivery" in large and conspicuous letters. Adult means a person 21 years of age or older. Shippers are solely responsible for following all applicable laws and regulations, which may vary according to each state.

2.060 Tobacco products

Spee Dee Delivery will only accept tobacco products from an account shipper that is a licensed distributor/dealer shipping to another licensed distributor/dealer. The shipper is solely responsible to be in compliance with all regulations, which may vary according to state.

2.065 Firearms

The safe and proper shipping of firearms is the sole responsibility of the shipper.

Spee Dee Delivery's assistance in proper shipping is limited to directing shippers to the appropriate law enforcement agency for training.

The shipping of Firearms is limited to regular shippers who are properly licensed and have advised Spee Dee Delivery *in writing* of their intent to ship firearms.

Packages containing a firearm require the use of an Acknowledgement Of Delivery, (AOD) Tag and the statement "Adult Signature Required Upon Delivery" in large and conspicuous letters. Adult means a person 21 years of age or older.

2.070 Address corrections policy

Spee Dee Delivery will attempt to deliver any package as addressed by the shipper. If the package has an incorrect or incomplete address, Spee Dee Delivery will make reasonable efforts to secure the correct address. Examples of bad addresses include but are not limited to: PO Boxes, Rural Route Box numbers if 911 addresses exist, missing suite or apartment numbers, old addresses, and missing or incorrect zip codes. If correct address is secured, Spee Dee Delivery will attempt delivery and the shipper will be provided the correct address to update their records. An additional charge will be assessed for an address correction.

3.

CLAIMS POLICIES

- 3.010 All claims must be handled through Spee Dee Delivery's Claims Department, not its Accounts Receivable Department. Claimants may not deduct amounts of pending claims from charges owed to Spee Dee Delivery. The shipper waives any and all rights, including statutory and common law rights, pertaining to applying claim amounts against charges owed to Spee Dee Delivery.
- 3.020 Spee Dee Delivery works with the shipper only, not the consignee, when processing a claim.
- 3.030 The shipper is responsible for filing any loss or damage claim with Spee Dee.
- 3.040 Merchandise must be in original shipping container with original packing.
- 3.050 Damaged merchandise must be available for pick up by Spee Dee Delivery or the claim may be denied.
- 3.060 A Spee Dee Delivery representative will inspect the damaged package to determine if Spee Dee Delivery will pay a claim.
- 3.070 Any loss or damage claim must be submitted in writing on a claim form provided by Spee Dee Delivery.
- 3.080 Shippers that manufacture their own products or sell recycled or used products need to subtract their percentage of profit and list only their cost on the claim form. Also attach a copy of their customer invoice.

4.

LIMITATIONS OF LIABILITY

- 4.010 Every package that is picked up by Spee Dee Delivery is automatically covered against loss and damage up to a maximum of \$100 per package if it qualifies for a claim.

Spee Dee Delivery will pay the shipper's replacement cost (not the retail or wholesale cost charged by the shipper) up to a maximum of \$100 per package unless shipper requests additional declared value coverage. Pick-up tags are excluded from the option of coverage by additional declared value.

- 4.020 To request declared value coverage for a package with a value over \$100, the shipper must enter the amount of declared value coverage requested in the declared value column of the Shipping Book or Manifest. (Note: the insurance column in older shipping books or manifests). The cost of the declared value coverage is 50 cents for each \$100 in coverage, or fraction thereof, up to a maximum of \$24.50 for the maximum declared value policy coverage of \$5,000. This charge is in addition to any other applicable charge. With LTL shipments both the BOL and package must be clearly labeled as having additional declared value.

Shipper will be required to furnish proof of the declared value. In no event shall Spee Dee Delivery's liability exceed the shipper's replacement cost.

Declared value coverage is available for loss, but not for damage, for the following items:

- a. un-boxed items, e.g. tires, pails, bags, etc.
- b. items that are taped or banded to another package
- c. items with loose caps
- d. paint stain and similar materials shipped with cans without at least four clips per can to hold the lid on
- e. cultured marble products such as sinks or vanity tops
- f. porcelain or china such as sinks, toilet bowls, or similar products
- g. auto glass
- h. recycled items
- i. automobile parts shipped in wrap and tie form fitting cardboard
- j. automotive type batteries that are not shipped in a box with protection on all sides and bottom
- k. perishable items, including animals or insects or other products affected by heat or cold or time
- l. glass shipments (any glassware, tile, or glass bottles).
- m. bagged shipments
- n. light bulbs or tanning bulbs
- o. float glass and sheet glass
- p. any item picked up with a Pick-Up Tag

- 4.030 Claims will not be paid on concealed damage.

4. 035 Loss claims will not be paid for packages left at residences. Shippers who require a signature at a residence must adhere an A.O.D. (Acknowledgement of Delivery) tag to package.

- 4.040 Packages can be traced 12 months previous to the current date. Claims for loss and damage must be filed within 9 months after the delivery of the property, except that claims for failure to make delivery must be filed within 9 months after a reasonable time for delivery has lapsed. Any suit for loss, damage, injury or delay shall be

instituted against Spee Dee by shipper no later than two years and one day from the date when written notice is given by Spee Dee to the shipper that Spee Dee has disallowed the claim or any part or parts of the claim specified in the Notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing terms, Spee Dee shall have no liability and such claims will not be paid by Spee Dee.

- 4.050 Spee Dee Delivery will accept unboxed items for delivery, but will not pay damage claims on such items; i.e. tires, pails, bags etc.
- 4.055 Spee Dee Delivery will not accept for delivery cash, coins, stocks, bonds or equivalent. Claims will not be paid on these items.
- 4.060 Claims will not be paid on items that fall out of packages.
- 4.065 Flowers shipped with water must be appropriately sealed. Claims will not be paid on wet pack shipping. Damages incurred by leaking shipments will be the responsibility of the original shipper.
- 4.070 Spee Dee Delivery will not be responsible for lost items that are taped or banded to another item.
- 4.080 Spee Dee Delivery will not be responsible for items with loose caps or faulty packaging.
- 4.090 All paint, stain and similar cans of any size must have a minimum of 4 clips per can to hold the lid on. Claims will not be paid if clips are not used. Pails can be shipped unboxed with label placed on top but damage claims will not be paid.
- 4.100 For glass shipments (any glassware, tile, glass bottles); damage claims will only be paid if more than 50% of a package's contents are damaged.
- 4.110 Claims will not be paid on light bulbs or tanning bulbs unless more than 50% of the bulbs are broken.
- 4.120 Claims will not be paid on cultured marble products such as sinks or vanity tops.
- 4.130 Claims will not be paid on porcelain or china such as sinks, toilet bowls or similar products.
- 4.140 Float glass and sheet glass must be enclosed in a wood frame for shipping or damage claims will not be paid. Claims will not be paid unless more than 50% of the product is broken.
- 4.150 Claims will not be paid on auto glass.
- 4.160 Claims will not be paid on used or recycled items.
- 4.170 Claims will not be paid on automobile parts shipped in wrap and tie form fitting cardboard.
- 4.180 Claims will not be paid on automotive type batteries that are not shipped in a box with protection on all sides and bottom.
- 4.190 Claims will not be paid on perishable items including animals or insects; i.e. anything affected by heat or cold or time.
- 4.200 Claims will not be paid on any item frozen in transit.

4.210 Claims will not be paid on packages handled by another delivery company