

Cobalt Holdings, LLC

1111 N. Centerville Rd, Sturgis, MI 49091

Rules 2024, ver 1

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Terms and Conditions for Carriage

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1. SHIPPING RULES

- 1.002 All shipments are subject to Cobalt Holdings, LLC's ("Cobalt") Terms and Conditions for Carriage in effect on the date of shipment, which are available upon request or at www.cobaltrubber.com.
- 1.005 At time of pickup, the shipper is responsible for providing in writing accurate and complete shipment information for all packages on an approved shipping document or in an approved manner.
- 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 Cobalt's rates and charges, loss and damage claims, and purchasing of declared value coverage.
- 1.015 Cobalt's days in transit are not guaranteed.
- 1.020 Cobalt 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 Cobalt shall have the right, but is not required, to open and inspect all packages tendered to it for delivery.
- 1.030 Cobalt reserves the right to refuse to provide service for any package, to or from any location, or to provide alternative service arrangements, when Cobalt, in its sole discretion, deems that it is unsafe or economically or operationally impractical to provide service.
- 1.035 The maximum weight of an individual package which will be accepted by Cobalt for delivery is 2,500 pounds. The maximum weight that Cobalt will transport in a single truckload is 44,000 pounds. The maximum width of a package which will be accepted by Cobalt for delivery is 90 inches. The maximum height of a package which will be accepted by Cobalt for delivery is 90 inches. Total load of any shipments cannot collectively exceed the depth of Cobalt's trailers.
- 1.040 Packages weighing 101-2,500 lbs. require a red Heavy Package label, provided by Cobalt. Apply Heavy Package label near the address label. Heavy Package labels identify packages requiring two persons or possibly a forklift or other vehicle to handle. Packages weighing 101-2,500 lbs. require shipper provided handling assistance at both origin and destination locations.
- 1.045 Cobalt does not accept hazardous materials. Anyone intending to offer a hazardous material for shipment with Cobalt must disclose this to Cobalt. The shipper is

responsible for proper labeling and marking of packages in accordance with US DOT requirements. Cobalt will not accept for delivery any hazardous materials.

- 1.050 Other than tires, 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 sharp corners or objects protruding from the package. Sharp objects must be taped. Shipper accepts that any materials shipped with Cobalt may be exposed to dirt and/or rubber and will not hold Cobalt liable for any damage caused by such exposure.
- 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.
- 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, provided, however, Cobalt shall use ordinary care in its handling of packages marked fragile but makes no guaranty that fragile items will not be damaged from ordinary handling. It is the shipper's responsibility that fragile items are packaged sufficiently to protect the items from ordinary handling (glass bottles or items must have dividers to protect the product).
- 1.135 Orientation arrows should be used but do not guarantee package orientation throughout Cobalt's system.
- 1.140 Shippers of any items containing fluids (e.g., transmissions, gas tanks, torque converters or similar products) that have not been drained are subject to immediate termination of their account. Items leaking fluids will not be transported and will have to be picked up by the shipper or the consignee at the terminal where the package is located.

2. GENERAL PROVISIONS

- 2.010 The shipper will be held responsible for damage to other packages due to poorly packed or leaking packages or otherwise caused by the shipper.
- 2.015 Packages may travel down a conveyor track and therefore must withstand a 50” fall.
- 2.020 Delivery Confirmation Adult Signature Required – A shipper may request Cobalt to obtain the signature of an adult either 18 or 21 years of age or older. An additional charge will be assessed. Cobalt, 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 Cobalt does not violate any federal, state, provincial, or local laws or regulations applicable to the shipment. No service shall be rendered by Cobalt 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 Cobalt 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 Cobalt, soil, taint, or otherwise damage other packages or Cobalt’s equipment, or which is improperly or insecurely packed or wrapped.
- 2.050 Shipper is responsible for proper packaging, marking and labeling of packages. Cobalt reserves the right to charge, and the shipper agrees to pay, for all costs resulting from improperly packed materials, or the cost of disposal if the shipper refuses to accept a returned item. The shipper agrees to indemnify, defend, and hold harmless Cobalt, 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 package, or from the shipper’s non-compliance with governmental laws or regulations. Under no circumstances shall Cobalt be liable for special, incidental, or consequential damages arising from the transportation of a shipment.
- 2.70 Address corrections policy
- Cobalt will attempt to deliver any package as addressed by the shipper. If the package has an incorrect or incomplete address, Cobalt 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, Cobalt 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.
- 2.71 Package Correction Fee

Fee will be applied to shipments that are inaccurately documented and corrected by Cobalt – incorrect package weights, oversize package is not recorded as an oversize, etc. Fee will be in addition to the actual shipment charges.

2.72 Pallet Correction Fee

Fee will be applied to pallet or LTL shipments inaccurately documented – incorrect dimensions, incorrect weights, etc. Fee will be in addition to the actual shipment charges.

2.75 Manual Processing Charges

Noncompliant customers who do NOT update their shipping manifest software to current rates will be charged Cobalt On-Call base rates.

Customers who opt to use a handwritten shipping logbook for their shipments will be charged Cobalt On-Call base rates.

Package weight omissions:

When a shipper using the Cobalt handwritten shipping logbook fails to enter a package weight, a 50 pound package charge will be recorded.

2.80 Unboxed Parcel Fee

Unboxed Parcel Fee will be applied to shipments containing unboxed parcels. Fee will be charged per parcel in addition to the base rate. Applies to parcels not fully encased in a shipping container made of corrugated cardboard.

3. CLAIMS POLICIES

3.010 All claims must be handled through Cobalt's Claims Department, not its Accounts Receivable Department. Claimants may not deduct amounts of pending claims from charges owed to Cobalt. The shipper waives any and all rights, including statutory and common law rights, pertaining to applying claim amounts against charges owed to Cobalt.

3.020 Cobalt 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 Cobalt.

3.040 Merchandise must be in original shipping container with original packing.

3.050 Damaged merchandise must be available for pick up by Cobalt or the claim may be

denied.

- 3.060 A Cobalt representative will inspect the damaged package to determine if Cobalt will pay a claim.
- 3.070 Any loss or damage claim must be submitted in writing on a claim form provided by Cobalt.
- 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.
- 3.090 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 Cobalt by shipper no later than two years and one day from the date when written notice is given by Cobalt to the shipper that Cobalt 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, Cobalt shall have no liability and such claims will not be paid by Cobalt.

4. LIMITATIONS OF LIABILITY

- 4.010 Cobalt's maximum liability for loss and damage is \$100.00 per package/pallet or LTL shipment unless shipper elects to purchase declared value coverage as set forth in Section 4.020 below. Cobalt will pay the shipper's replacement cost (not the retail or wholesale cost charged by the shipper).
- 4.020 To request declared value coverage for a package/pallet or LTL shipment 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 \$1.10 for each \$100 in coverage, or fraction thereof, up to a maximum of \$55.00 for the maximum declared value policy coverage of \$5,000. This charge is in addition to any other applicable charge. Both the BOL and package must be clearly labeled as having additional declared value and such coverage must have been elected prior to Cobalt taking possession of any shipment.

Shipper will be required to furnish proof for any claim for loss or damage. In no event shall Cobalt'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

4.030 Claims will not be paid on concealed damage (damage not notated on delivery receipt).

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.

4.050 Cobalt will accept unboxed items for delivery, but will not pay damage claims on such items; i.e. tires, pails, bags etc.

4.055 Cobalt 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 Cobalt will not be responsible for lost items that are taped or banded to another item.

4.080 Cobalt 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 Claims will not be paid on damage to any glass or tiles.
- 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 melted or frozen in transit.
- 4.210 Claims will not be paid on packages handled by another delivery company.
- 4.220 Cobalt shall not be liable in any way for any indirect, special, incidental, exemplary, consequential, or punitive damages, or damages for loss of profits, use or opportunity, whether or not such damages were foreseen or unforeseen, and whether or not Cobalt was advised of the possibility of such damages.
