



# Smith System®

## *Freight Damage + Loss/Shortage Policy*

### Recording and Reporting

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Do not refuse freight because of damage, loss or shortage. The delivering carrier must be requested to record on the delivery receipt (DR) any loss/shortage and any damage to goods and/or cartons at time of delivery, whether the DR is in paper form or an electronic handheld device. Pictures of the damaged goods and/or cartons must be taken and submitted with every claim.

### Concealed Damages (LTL)

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Any concealed damage found after the receipt of goods, must be reported to Smith System within ten (10) business days of taking delivery. Carrier liability ceases after then (10) business days. Pictures of the damaged goods and/or cartons must be taken and submitted with every claim.

### Concealed Damages (FTL)

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Truckload carriers do not handle freight and shipments travel direct to destination. Therefore, truckload carriers are not liable for concealed damages. Smith System will accept concealed damage claims after receipt of goods for the cost of goods only, but such claims must be reported to Smith System within twenty (20) business days of taking delivery. Smith System's liability ceases after twenty (20) business days. Pictures of the damaged goods and/or cartons must be taken and submitted within every claim.

### What is Final Punch? (LTL & FTL)

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Final Punch refers to a detailed list of all issues related to a shipment, excluding any warranty-related concerns. By submitting the Final Punch, you are informing Smith System of any problems that need resolution, such as freight damage, incorrect finishes, or missing parts and hardware.

### What is Final Punch Important? (LTL & FTL)

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Final Punch is essential for ensuring that all issues are resolved promptly and efficiently. Reporting additional problems after the Final Punch has been confirmed may lead to extra costs due to the need for additional shipments.

### Customer's Own Carrier

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If customer elects to select the carrier and ship third party bill, then the customer is responsible for filing any freight damage and any loss/shortage claims with the carrier. In such cases Smith System is not liable, and the customer is to issue a purchase order to Smith System for replacement goods and/or parts.

### Replacement Goods and/or Parts

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Smith System may repair or replacement at its sole discretion, any portion of the damaged goods. Smith System will not be liable for labor costs associated with the repair or replacement of freight damaged goods. The tables found on the following pages outline ownership of costs associated with replacements resulting from freight damage or loss/shortage.



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## LTL Less-Than-Truckload

LTL SHIPMENT REPLACEMENT GUIDELINE FOR FREIGHT SHIPPING VIA SMITH SYSTEM'S CARRIER				
	Who Pays for the Replacement Goods and/or Parts		Who Pays for the Shipping Costs Associate with Replacement Goods and/or Parts	
	Dealer/ Customer	Smith System	Dealer/ Customer	Smith System
Loss/Shortage Reported within 10 Business Days of Receipt of Goods		<b>X</b>		<b>X</b>
Freight Damage was Noted on DR and reported within 10 Business Days of Receipt of Goods		<b>X</b>		<b>X</b>
Freight Damage was Reported 11+ Business Days after Receipt of Goods		<b>X</b>	<b>X</b>	

LTL SHIPMENT REPLACEMENT GUIDELINE FOR FREIGHT SHIPPING VIA CUSTOMER'S CARRIER				
	Who Pays for the Replacement Goods and/or Parts		Who Pays for the Shipping Costs Associate with Replacement Goods and/or Parts	
	Dealer/ Customer	Smith System	Dealer/ Customer	Smith System
Loss/Shortage via Customer's Carrier	<b>X</b>		<b>X</b>	
Freight Damage via Customers' Carrier	<b>X</b>		<b>X</b>	

**How do I report issues with a shipment?** Submit a case through the below link. Your account coordinator will reach out to you within 24 hours.

<https://smithsystem.com/repair-replacement-request/>



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## FTL Full Truckload

TRUCKLOAD SHIPMENT REPLACEMENT GUIDELINE FOR FREIGHT SHIPPING VIA SMITH SYSTEM'S CARRIER				
	Who Pays for the Replacement Goods and/or Parts		Who Pays for the Shipping Costs Associate with Replacement Goods and/or Parts	
	Dealer/ Customer	Smith System	Dealer/ Customer	Smith System
Loss/Shortage Reported within 20 Business Days of Receipt of Goods		<b>X</b>		<b>X</b>
Freight Damage Reported within 20 Business Days of Receipt of Goods		<b>X</b>		<b>X</b>
Freight Damage Reported 20+ Business Days After Receipt of Goods	<b>X</b>		<b>X</b>	

TRUCKLOAD SHIPMENT REPLACEMENT GUIDELINE FOR FREIGHT SHIPPING VIA CUSTOMER'S CARRIER				
	Who Pays for the Replacement Goods and/or Parts		Who Pays for the Shipping Costs Associate with Replacement Goods and/or Parts	
	Dealer/ Customer	Smith System	Dealer/ Customer	Smith System
Loss/Shortage Reported within 20 Business Days of Receipt of Goods		<b>X</b>		<b>X</b>
Freight Damage via Customers' Carrier	<b>X</b>		<b>X</b>	

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