



FREIGHT DAMAGE POLICY

FBD Partnership, LP ships all frozen beverage dispenser units on custom made skids protected in custom made boxes banded using metal strapping to the custom made skid. All unit boxes are clearly marked with the FBD logo. This has greatly reduced transit freight damage, however, freight carriers occasionally damage merchandise. In the event of damage it is important to follow this procedure below to ensure reimbursement for any expenses associated with the damage.

FREIGHT ROUTING THIRD PARTY

Third party or collect shipments are F.O.B. Point San Antonio, Texas with the title (ownership) passing to the customer when signed for by the trucking company.

FREIGHT ROUTING PREPAID

All prepaid and bill shipments are F.O.B. Point San Antonio, Texas. FBD Partnership, LP will select freight carrier utilizing as direct as possible to the destination, minimizing bulk break distribution centers and interline carries. Only FBD preferred carriers will be used.

FREIGHT DAMAGES

For each shipment received, verify that units arrived at your store or dock in FBD logo boxes banded to our custom made skid. If FBD units arrive without skids, not banded or not packed in FBD logo boxes, please make visual inspection before signing the delivery receipt. Always check for crushed boxes, holes in boxes, and water damage.

Any claims resulting from lost or damaged merchandise during third party freight routing are the customers' responsibility. Note: FBD Partnership, LP recognizes the inconvenience experienced by its customers when filing claims and at the customers' request will attempt to make special arrangements to assist in the claim process if a third party or collect shipment are **refused** due to damage at time of delivery,

Any shipment which is damaged when handled using a prepaid routing will be handled by FBD, including concealed damage found after receipt. The customer is required to report the damage within 7 days for all LTL shipments and within 1 days for all small package shipments (UPS, FEDEX, DHL).

FREIGHT SHORTAGE

Each shipment has a bill of lading and a packing list. The bill of lading identifies the total number of cartons or pieces and the packing list identifies the individual items shipped. If you received a shipment with a shortage:

- a) You must note the shortage on the carrier delivery receipt at time of delivery before signing it. For example: "15 cartons received-1 carton short".
- b) Retain a copy of the signed delivery receipt indicating the shortage.
- a) Immediately notify FBD Customer Service Department @ 866-323-2777 of the shortage. Before calling, determine which unit or items are missing.
- b) To assist you in resolving shortages, FBD Partnership, LP will file a claim, if needed, with the carrier provided FBD receives a legible, fax copy of the carriers delivery receipt within 5 days. If the shortage is properly noted on the signed carrier delivery receipt, FBD will re-ship missing units or items and file the claim.

FREIGHT DAMAGE POLICY

FREIGHT DAMAGE CLAIM PROCESS

VISUAL DAMAGE UPON RECEIPT

Upon receipt of a shipment, it is important to inspect for any visible damage before signing for receipt. As stated, all equipment is shipped in FBD logo boxes and strapped to a custom skid. If a unit arrives off the skid, note on the delivery receipt – “SHIPMENT RECEIVED OFF SKID”

1. Inspect each unit for visible damage. If a unit is damaged – note on the delivery receipt “REFUSED DUE TO DAMAGE”. If the shipment is more than one unit, please note the serial number of the unit that is being refused.
2. Retain a copy of the signed delivery receipt indicating the refusal. Immediately notify FBD Customer Service Department @ 866-323-2777 of the refusal so that a replacement can be sent.

CONCEALED DAMAGE-

Sometime merchandise is accepted by the customer with no apparent carton damage but, when unpacked, damage is found. This is the most troublesome type of freight problem in that the damage may have occurred at any point. The freight carriers are very uncooperative in these cases. Therefore, FBD Partnership, LP has established a procedure to assist you in resolving concealed damage problems.

Please review this procedure carefully. It is intended to minimize the burden and cost to you but requires timely action.

- a) Upon receipt, always verify that unit shipments arrived on FBD custom pallets and FBD logo boxes. Make visual inspection unit boxes looking for any type of damage (e.g. crushed, holes, bent boxes, oil marks, water marks, or skid marks when freight is loaded on top of units). Smaller shipments that are shipped via UPS, DHL or FEDEX should follow the same visual inspections, (e.g. boxes crushed, boxes re-taped, oil marks, and water marks). All compressors ship in custom made FBD logo packaging banded to a small pallet. Any visual damage found at time of receipt should be note on delivery receipt, i.e. “BOX CRUSHED POSSIBLE DAMAGE”
- b) **If a unit or compressor shipment arrives at your store or dock off pallet, refuse shipment, mark delivery receipt “SHIPMENT RECEIVED OFF SKIDS - REFUSED” If pallet is broken, request to check the merchandise before accepting. If there is no visible damage, note on the delivery receipt that “SHIPMENT RECEIVED ON BROKEN PALLET” in case damage is found after the driver leaves. If there is visible damage, box item back up and refuse shipment, mark deliver receipt “SHIPMENT DELIVERED DAMAGED”.**
- c) FBD Partnership, LP can file claims with its LTL carriers within 7 days of delivery date as long as the merchandise is still located at the delivery address. Therefore, we urge you, if possible, to open all units within 7 days of receipt.
- d) Small package shipments via UPS, DHL, and FEDEX only have 1 days to report concealed damage from time of delivery. We urge you, to open all small packages the same day of delivery. As in any concealed damage case, report damage immediately to FBD Customer Service Department @ 866-323-2777.
- e) **If FBD Partnership, LP is not notified within 7 days from time of receipt on LTL shipments or 1 days from time of receipt on small package shipments, responsibility for freight claims passes to the customer.**

All FBD Partnership, LP polices and procedures for freight shortages and damages as described above are applicable to shipments made to our customers in the USA and CANADA.