

## TERMS & CONDITIONS of SERVICE

1. Honolulu Freight Service's (HFS) bill of lading and applicable terms and conditions constitute the contract of carriage. The bill of lading shall override previous communication regarding temperature, bill to, and destination. The customer is advised to become familiar with the bill of lading, which is available on our website. [www.hfsnet.com](http://www.hfsnet.com)
2. It is the responsibility of the consignee, not the driver, to make damage or shortage notations on the delivery receipt at the time of delivery.
3. Vague or general statements (i.e., crushed, damaged, broken, subject to inspection or recount) do not constitute a valid exception. Exceptions should be clear, concise statements indicating the extent of loss or damage, such as: "1 carton, Part # 12345, crushed, contents cracked." Or "1 drum oil punctured 4" above the bottom – contents leaking."
4. If damage is discovered, pictures should be taken up close and at a distance before the freight is handled or removed from the pallet. Additional pictures should be taken once removed from the pallet to show the nature, extent, and quantity of the damaged items.
5. When necessary, inspections for loss or damage must be requested in writing to [claims@hfsnet.com](mailto:claims@hfsnet.com) immediately after delivery. Merchandise must be held for the freight inspector in its original condition and packaging. Claims for loss or damage may be denied if inspection is not requested within 15 days, or 5 days for concealed damage, of delivery. Freight inspections do not constitute a claim against Honolulu Freight Service, nor does the inspection imply HFS's liability for the damage or loss.
6. Claimants have the obligation to mitigate claims to the lowest amount possible. This could entail cost-effective repairs or taking an allowance on the cost of the goods and keeping the freight as is. Claimants can order a replacement; however, depending on the circumstances, the claimant may not recover the full replacement cost if the item(s) could have been repaired for less.
7. By law, claims for loss or damage must be filed and received within nine months of delivery or in the event of non-delivery, within 9 months of a reasonable delivery date. Claims for loss or damage not received within the above allotted time will be declined.
8. A claim may take 10-120 days to finalize; depending on the complexity, some claims may take longer. Please allow us sufficient time to research and process your claim.
9. Salvage must be retained by the consignee pending settlement of the claim. If the nature of the cargo is such that the salvage cannot be held by the consignee, please notify the claims department. Upon settlement of the claim if it is found that the consignee does not have the merchandise for salvage, it may affect the outcome of the claim.
10. Carrier cannot be held liable for any damage reported if merchandise is inspected at a site other than the original delivery address.
11. HFS's limit of liability for loss or damage shall not exceed \$1,000.00 per piece or package, or where no piece or package count, per customary freight unit, except for lesser limitations on Personal Effects as chosen by the customer at the time of shipment, or if customer requests shipper's insurance in writing prior to commencement of shipment and all terms and conditions of shipper's insurance are met.
12. Customer must request shipper's insurance. The Shipper's Insurance Customer Acceptance Form must be completed, signed, and returned to HFS prior to commencement of shipment. Cargo must qualify for shipper's insurance for the actual invoice value, not to exceed \$600,000.00. Customer must agree to pay appropriate shipper's insurance charges in writing, prior to actual acceptance of shipment. Limitations and exclusions apply. Information about shippers' insurance is available upon request.
13. Unless requested to do so in writing and confirmed to the Customer in writing, HFS is under no obligation to procure insurance on customer's behalf.

14. Customers may provide their own Shipper's Insurance coverage.
15. HFS and our affiliated companies do not guarantee transit times or delivery dates. In no instance will HFS be responsible or liable for special, consequential, incidental, indirect, statutory, or punitive damages even if it was notified in advance of the possibility of such damages, resulting from delay, shortage, or damage.
16. Unless specifically requested in writing and the details of which are provided in writing by the customer, when HFS prepares and/or issues a bill of lading, HFS shall not be obligated to specify thereon the number of pieces, packages, cartons, etc.
17. HFS may, but is not required to, rely upon and use the weight and/or cube provided by the customer.
18. HFS does not sort and segregate unless previously negotiated in writing.
19. HFS shall retain the right to select third-party service providers.
20. For shipments of refrigerated containers, shipping instructions should specifically mention whether the cargo is chilled or frozen.
21. Quotations estimate charges based on the information provided and are subject to change.