

# Norfolk Southern Freight Claims Process and Associated Timeline

## Claim Process (Conditions of Carriage #1-E Rule 290)

- I. A claimant must file a timely, proper claim.
- II. In order to be a proper claim, a claim must (a) identify the applicable shipment, (b) allege liability on the part of the rail carrier and (c) demand a specific or determinable sum of money
- III. A claim should include:
  - a. Equipment initials and number
  - b. Shipper name
  - c. Consignee name
  - d. Notify party name
  - e. Shipping date
  - f. Shipment origin city and state
  - g. Shipment destination city and state
  - h. STCC code and commodity description
  - i. Demand for a specified monetary amount
  - j. Supporting records (i.e., Bill of Lading, shipping manifest, or purchase/sales document) or certification to establish delivery to NS carrier
  - k. the level of NS cargo claim coverage contracted for the shipment if other than Standard
  - l. Condition and quantity of cargo at origin
  - m. Supporting documents for the amount claimed (i.e., weight and grade certificates, repair bills, or certified invoices)
- IV. Except where otherwise necessitated by wreck or derailment, claimant shall also include in any such claim:
  - a. Records verifying condition and quantity of the cargo when received at destination stated in the shipping instructions
  - b. Origin and destination seal records, if applied
  - c. Evidence of disposition of any damaged cargo in compliance with requirement of this section
- V. If bill of lading covers only one car, a claim must be submitted for the lading moving on that one railcar and may not be combined.
- VI. Under the law, a claim is considered filed when received by the carrier and not when mailed by the claimant.

## Time Limit for Filing Claim

- For traffic moving subject to the Conditions of Carriage, as a condition precedent to any right of recovery for loss, damage, or delay to cargo, a written claim must be filed within nine (9) months after delivery of a shipment (or if a delivery is not made, within nine (9) months after a reasonable time for delivery).
- For traffic moving subject to the Intermodal Rules, a written claim must be filed within twelve (12) after delivery of the shipment (or if a delivery is not made, within twelve (12) months after a reasonable time for delivery).
- The claim may be filed with the origin or destination carrier unless provided otherwise in the governing contract.
- The order of precedence for the application of terms and conditions for transportation services provided by NS from high to low:
  - (1) Written contract
  - (2) NS Customer Specific Rate Quotation
  - (3) General Rate Tariffs and General NS Rate Quotations
  - (4) Conditions of Carriage
  - (5) Rule 110 Publications
  - (6) Uniform Bill of Lading (Conditions of Carriage Rule 150)

### Disposition of Claim

- Carrier must give written acknowledgement of each claim within 30 days of receiving it
- Carrier must investigate and give disposition in writing within 120 days
- Disposition methods:
  - (1) Payment in full
  - (2) Declination in full
  - (3) Offering a compromise settlement
- Further notifications at 60-day intervals for as long as the claim remains open. A claim is not considered open after it has been declined regardless of when the claimant contests the declination. If the claimant submits new information, the new information will be reviewed and considered with the carrier either (a) paying in full, (b) maintaining the original declination or (c) making a new compromise offer of settlement.
- Carrier must set forth declination in writing, with description of reason for decision.

### Litigation of Claim Disputes

- If litigation is brought, it must be initiated within specific time limits--for lading subject to the NS Conditions of Carriage, two (2) years and one (1) day measured from the date of carrier's initial declination; for lading subject to the NS Intermodal Rules, suit or arbitration must be brought within one (1) year from the date of initial declination.

### Arbitration

- Arbitration is not provided for traffic moving subject to the Conditions of Carriage.
- For traffic subject to the Intermodal Circular, either party has the right to choose mandatory arbitration for disputes less than \$100,000 in amount.