ShipRecover Shipment Protection

Terms & Conditions and Program Exclusions (LTL Only)

This document describes the terms that apply when a Customer selects Shipment Protection during booking through the Shipifi platform. Shipment Protection is administered by ShipRecover, LLC.

Important: This Program is marketed as *protection* (a contractual benefit) and does not modify the Carrier's own cargo liability. Consult your counsel before publishing or relying on this template.

1. Parties and Program

ShipRecover, LLC ("ShipRecover," "we," "us") provides the Shipment Protection program (the "Program") for eligible shipments booked through **Shipifi** (the "Platform"). Shipifi may present the Program during checkout, collect Program fees on ShipRecover's behalf, and support claims intake and administration.

2. Acceptance and Applicability

By selecting Shipment Protection (or otherwise opting in) and paying the associated fee, the Customer agrees to these Terms for that shipment. The version of these Terms made available at booking governs that shipment.

3. What the Program Is (and Is Not)

- **Optional protection:** The Program is optional and applies only to shipments where the Customer opts in and pays the fee.
- **Not carrier liability:** The Program does not replace, increase, or modify the Carrier's cargo liability or tariff terms.
- **No delay coverage:** The Program covers direct physical loss/damage only; it does not cover delays, missed appointments, or consequential losses.
- **Protection, not customer insurance:** The Program is offered as a contractual benefit. Any insurance purchased by ShipRecover is for ShipRecover's risk management and does not automatically make the Customer an insured.

4. Eligibility

The Program applies only to:

- Domestic U.S. shipments (all 50 states) shipped via **LTL freight** and booked through Shipifi;

- Shipments that are accurately described at booking (commodity description, weight, packaging, and class/NMFC where required);
- Shipments that are not excluded under Section 11 (Exclusions).

ShipRecover may deny eligibility where shipment details are misdeclared, prohibited, restricted, or otherwise inconsistent with these Terms or the Carrier's rules.

5. Customer Duties (Conditions of Protection)

Protection is conditional on the Customer:

- Providing accurate shipment information (weight, pieces, commodity, packaging, class/NMFC where applicable);
- Packaging and securing freight appropriately for LTL transit (including palletization/crating where required);
- Noting visible damage/shortage on the delivery receipt at delivery;
- Retaining packaging and damaged goods for inspection when requested;
- Cooperating with claim documentation requests and carrier claim processes.

6. Coverage Provided

Subject to these Terms, the Program may reimburse for **direct physical loss** or **direct physical damage** to cargo occurring during transit while in the Carrier's custody.

Coverage begins when the Carrier takes custody at pickup and ends upon delivery to the destination (or when delivery is deemed to have occurred under Carrier rules), subject to reporting deadlines in Section 11.

7. Carrier Liability First; Gap Coverage

The Carrier's legal liability is the first layer of recovery. ShipRecover's obligation is limited to the portion of the verified loss that exceeds Carrier Liability and other recoveries.

Payment calculation (simplified):

ShipRecover Payment = max(0, (Verified Loss) - (Carrier Liability and other recoveries) - (Deductible)) subject to the Program limits in Section 8.

ShipRecover may require the Customer to file a carrier claim (or authorize ShipRecover to do so) and to comply with carrier inspection and documentation requirements. If a carrier denies liability due to Customer noncompliance (for example: improper packaging, late reporting, misdeclared commodity/class/weight, or a clean delivery receipt for visible damage), ShipRecover may deny the Program claim.

8. Program Limits

- **Maximum payout:** $50,000 per shipment (unless a lower limit is shown at booking).
- The Program cannot pay more than the Declared Value or the Verified Loss.
- ShipRecover may apply additional commodity- or lane-specific limits disclosed at booking.

9. Valuation and Proof of Value

- **New goods:** invoice price (or replacement invoice) plus freight charges if included in the Declared Value.
- **Used/refurbished:** actual cash value at the time of shipment plus freight charges if included in the Declared Value.
- For partial damage, ShipRecover may reimburse reasonable repair cost when repair is appropriate.
- Claim payment will not exceed the lesser of Verified Loss or Declared Value.

ShipRecover may deny or reduce claims where value is unsupported, inflated, or inconsistent with documentation.

10. Deductible (LTL)

The deductible is applied to the ShipRecover Payment amount after Carrier Liability and other recoveries are accounted for.

Declared Value at Booking	Deductible (per claim)
$5,000 or less	$0
Greater than $5,000	$300

11. Reporting Deadlines and Claim Requirements

Customers must report issues promptly and provide documentation. Failure to meet these requirements may result in denial.

- **Visible damage or shortage:** note exceptions at delivery and report within 48 hours.
- **Concealed damage:** report within 5 calendar days of delivery and retain packaging for inspection.
- **Non-delivery:** report within 14 days after the estimated delivery date.

Minimum documentation may include:

- Bill of Lading (BOL), booking confirmation, carrier PRO/tracking
- Delivery receipt (showing exception notes if any)
- Photos of outer and inner packaging, and damaged goods
- Invoice or proof of value; packing list
- Repair estimate (if applicable)
- Retention of packaging and goods for at least 14 days after report (or until released)

12. Salvage, Mitigation, and Subrogation

- Customer must mitigate loss and preserve salvage where practical.
- ShipRecover may apply salvage value or salvage proceeds as an offset to payment.

- To the extent ShipRecover pays a claim, Customer assigns to ShipRecover the right to recover from the Carrier or other responsible parties.

13. Fees; Cancellations; Refunds

The protection fee is earned when the shipment is tendered to the Carrier. Cancellations prior to tender may be eligible for refund per the Platform's cancellation policy.

14. Fraud and Misrepresentation

Any fraud, material misrepresentation, or intentional concealment voids protection for the shipment. ShipRecover may deny claims and pursue recovery where fraud is suspected.

15. Limitations of Liability

- No coverage for consequential damages (lost profits, loss of market, business interruption, penalties).
- No coverage for delay in transit or missed delivery appointments.
- ShipRecover's maximum liability is limited to the Program limits stated in Section 8.

16. Governing Law and Disputes

These Terms are governed by the laws of the state designated in ShipRecover's posted Program documentation, without regard to conflict-of-law rules. Any dispute will be resolved in accordance with ShipRecover's posted dispute resolution procedures.

Program Exclusions

The following exclusions apply unless ShipRecover explicitly agrees in writing to cover an excluded commodity or risk for a specific shipment.

A. Excluded Losses (not covered)

- Delay, loss of use, business interruption, loss of market, lost profits, penalties, or other consequential damages.
- Improper, inadequate, or unsuitable packaging/securement; failure to palletize/crate when required for LTL handling.
- Inherent vice, gradual deterioration, ordinary wear and tear, rust, corrosion, mold/mildew, contamination, infestation.
- Temperature variation or spoilage (unless explicitly offered and disclosed as covered).
- Government action (seizure, confiscation, quarantine) or illegal acts.
- War, terrorism, nuclear hazard, or civil commotion (unless explicitly offered and disclosed as covered).
- Fraud, misrepresentation, staged loss, or any intentional act by Customer or consignee.
- Unknown disappearance where there is no evidence of loss in transit (subject to ShipRecover's investigation).

B. Excluded Commodities (default)

- Cash, currency, gift cards, lottery tickets, securities, negotiable instruments.
- Precious metals, bullion, gemstones, high-value watches; jewelry unless explicitly allowed.
- Fine art, antiques, collectibles unless explicitly allowed.
- Firearms, ammunition, weapons and parts.
- Illegal/controlled substances; contraband.
- Hazardous materials or regulated dangerous goods unless properly tendered and explicitly allowed.
- Live animals; human remains.
- Perishables or temperature-sensitive pharmaceuticals requiring cold chain unless explicitly allowed.
- Vehicles, motorcycles, boats, ATVs unless explicitly allowed.
- Items shipped in used/compromised packaging not suited for freight transit.

C. Situations That May Void Protection

- Misdeclared commodity, NMFC class, weight, piece count, or packaging that impacts pricing or carrier liability.
- Failure to note visible damage/shortage on the delivery receipt at delivery.
- Late reporting beyond the deadlines in Section 11.
- Failure to retain packaging or make goods available for inspection when requested.

- Tendering shipments without required paperwork or labels.

D. High-Risk Commodity Handling Requirements (recommended)

For high-risk commodities (for example: electronics), ShipRecover may require additional packaging/handling requirements disclosed at booking, such as palletization, shrink wrap, banding, corner protection, and serial number recording. Failure to meet disclosed requirements may result in denial.

Questions or claims: [claims@shipifi.com] (replace with your preferred email/portal).