

Corporate Claim Policy & Procedures



DO NOT DEDUCT WITHOUT A CLAIM NUMBER!

All claims must be reported to claims personnel within 6 hours of delivery receipt and require driver verification. Weekend deliveries must be reported by noon on Monday.

JBS intends to investigate all claims issues thoroughly and in a timely manner. Upon delivery of the product to your receiving destination, you must notify the Claims Department of any seal discrepancies, incorrect case counts, temperature issues, box damage, or refused product within 6 hours. No claim will be considered if not reported within 6 hours of receipt of goods. All rejected product must be placed back on original carrier whenever possible. Point of lean claims must be reported within 24 hours of receipt. Notification outside this 24-hour window will not be honored. All other claims must be reported within the shelf life of the product.

You must notify the Claims Department immediately upon receipt of your invoice if there are any variances on price, or the bill of lading and manifest.

Please report all claims to our Claims Department. If you are calling outside business hours, leave a voice mail, **release the carrier**, and a claims representative will return your call by 12:00 noon the following business day. Upon notification, the Claims Department will assign a tracking number to your individual claim. Please keep these tracking numbers for your records. This assignment does not signify approval of your claim, but can be used as a reference to track the progress of your claim.

Contact Information:
Brooks, Alberta Beef Plant – 403-501-2247
Calgary, Alberta Distribution Center 1-800-322-8396 or 403-258-3233
Monday – Friday: 8:00 AM to 5:00 PM

When reporting a product claim, please have the following information available:

<ul style="list-style-type: none"> ➤ Sales order number or invoice number ➤ Product code number ➤ Number of boxes or combos involved ➤ Plant of origin ➤ Pictures 	<ul style="list-style-type: none"> ➤ Description of Product ➤ The serial#, weight, production date, and production time of each case or combo involved
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Please refer to the following requirements for additional instructions for the type of claim you are filing.

JBS reserves the right to request additional information regarding your claim.

Short/Over Cases:

- The Claims Department must be notified of any discrepancies within 6 hours of delivery.
- Customer must allow driver on the dock to verify count while being unloaded or no claim will be given.
- The bill of lading must be signed with the discrepancies noted.
- The product code, serial#, weight, production date, and time must be provided for each case that is short or over. This information can be found on the manifest listing provided with your order or on the box labels.
- Total number of cases or combos received must be noted on bill of lading, in order to ensure an accurate shortage or overage.
- The seal must be verified intact and noted on bill of lading for any claim to be considered.

Damaged Cases:

- The Claims Department is to be notified of product damage prior to the damaged product being unloaded.
- Pictures of each of the damaged cases, including labels are to be taken prior to unloading damaged cases.
- If you are not able to supply pictures the driver must be allowed on the dock prior to unloading the damaged cases to inspect the product.
- If pictures are not provided or the driver is not allowed to verify the product condition prior to the damaged product being unloaded, then the claim will be denied.
- The product code, serial numbers, production date, production time, and weight must be provided for each case damaged. This will allow us to issue the proper credit.
- The bill of lading must have the following information documented on it:
 - The type of damage
 - The total quantity received &/or rejected

Temperature:

- The Claims Department must be notified as soon as a temperature issue is discovered
- Initial requirements for filling a temperature claim are as follows:
 - Verification of the trailer setting, running temperature, and cycle are required.
 - Nine product temperatures will be required. These temperatures should be taken from the top, middle, and bottom of the product in the nose, middle and tail of the trailer.
 - A calibrated thermometer must be used to take all required temperatures. Calibration logs will be required.
 - Additional information may be requested during the investigation.
- The customer must provide documentation of the temperatures the product was exposed to while in the customer's control. This will include but is not limited to receiving temps, dock temps, cooler/freezer temps, and trailer temps if sold to a third party.
- The temperature recorder (Pak Sense recorder) must be returned to JBS on all loads in which a recorder was included by the customer. No claim will be honored if the temperature recorder is not returned.
- The product must be available for JBS to evaluate.
- Download of reefer unit will be required if available.

Foreign Objects:

- The claim must be reported immediately upon discovery to the Claims Department.
- The foreign object and photos of the foreign object must be sent to the claims investigator.
- Photos of the product label are also required.
- A detailed listing of losses due to the foreign object will be required.
- A copy of your internal investigation that shows how you determined that JBS is responsible for the losses must also be provided.

L.T.L. Deliveries:

- JBS does not guarantee on time delivery for L.T.L. (Less than a Truck Load) orders.
- We will not honor late or overtime charges for L.T.L. deliveries

Point of Lean:

- Trim products are frequently tested with Meat Masters
- Any combo or box with a meat master result within 2% of its labeled lean point will not be eligible or calculated into a claim
- The Claims Department must be notified within 24 hours of receipt if customer's in house point of lean test shows the product to exceed the specified lean point by more than 2%.
- Of product that did not go through our Meat Master, 25% of the combos, or 5% of the boxes received must be available for sampling & testing by an independent outside lab.
- The serial numbers of the product to be held must be reported to the claims investigator.
- The Claims Department will determine if the product being held was tested by our Meat Master.
- If the serial numbers held were tested by the Meat Master, the claim will not be honored.
- If the serial numbers held were not tested by the Meat Master then the Claims Department will locate an independent outside lab to pull, or witness the pulling of, samples, and run a fat/lean analysis of the product.
- Samples must be core drilled perpendicular to the top surface of the combo.
- The independent lab and/or the Meat Master must find the tested product is more than 2% outside the label declared lean point or agreed upon supplier/customer requirements in order for a claim to be honored.
- In the event that the tested product is not more than 2% outside of the guaranteed lean point, or all requirements are not met, the customer will be responsible for any lab fees incurred by JBS.

Off Condition:

- Immediate notification to the Claims Department must be given upon discovery of the off condition product.
- The product must be within the shelf life specified for the product delivered to the customer.
- The customer must provide documentation of the temperatures the product was exposed to while in the customer's control. This will include, but is not limited to, receiving temps, dock temps, cooler/freezer temps, and trailer temps if sold to a third party.
- The temperature recorder (Pak Sense recorder) must be returned to JBS on all loads in which a recorder was included. No claim will be honored if the temperature recorder is not returned.
- The customer must provide the Claims Department with detailed photos of the off condition product.
- The off condition product must be available for evaluation by JBS.

Combo Short Weight:

- The Claims Department must be notified within 24 hours of discovery of discrepancy of weight in any combo product.
- All short weight claims require a detailed listing of the receiving weight for each combo, a copy of the scale certification performed by an independent certified scale company within the last 12 months, and a copy of the daily scale calibration performed on the day the product was received. The calibration must be performed using 500 lbs up to 2000 lbs weights.
- Strip weight testing will not be accepted. Must weigh in original packaging.
- All combos are subject to the standard weight loss allowance of 1/2% for beef. Please note that claims will only be approved on the weight that exceeds our industry standard loss of 1/2% or 1%, *not* the total shortage weight claimed.

	Combo 1	Combo 2
EG: total weight billed	2,000 lbs	2,200 lbs
Total weight rcvd	1,940 lbs	2,139 lbs
Short weight	60 lbs	61 lbs
Standard loss 1/2%	10 lbs	11 lbs
Variance	50 lbs	50 lbs
Total authorized short weight	50 lbs	50 lbs

Tare Weight Adjustment

- The Claims Department must be notified as soon as a tare weight issue is discovered.
- All tare weight claims require a detailed listing of the weights received for each box, a copy of the scale certification performed by an independent certified scale company within the last 12 months, a copy of the daily scale calibration performed on the day the product was received, and the final page of the manifest showing the inner box tare provided.
- Calculations must be performed using the inner box tare provided by JBS on the manifest.
- The product should be removed from the box, but remain in the bags. The product should then be weighed and the inner tare should be subtracted.
- Strip weight testing will not be accepted.
- There is a .10 lbs tolerance. If the claim is within the tolerance, the claim will be denied.
- If the box weight deviates from the weight listed on the box label by more than 0.10 lbs, the invoice will be adjusted for the weight claimed (not the weight above the tolerance like combo weight claims).
EG: box is 0.11 lbs less than the label states. 0.11 Lbs would be credited, not just the 0.01 lbs over the tolerance.

Leakers

- Leaking cases must be reported within 6 hours of receipt of the product. Leakers called in within the shelf life of the product will be considered if there is sufficient evidence that JBS is responsible for the losses.
- The total number of cases and the weight being claimed must be provided by the customer.
- There is a tolerance of 15% on bone-in beef, and 5% on boneless beef.
- We will require photos and label information, as well as, a detailed summary of the losses and how they were calculated.
- 3% of the product on the order must be available for evaluation by JBS.

Specification:

- As soon as a specification issue is discovered, notice must be made to the Claims Department.
- Detailed pictures and customer product measurements must be provided.
- 15% of the audited boxes must be defective before a trim test is performed.
- The total number of cases being claimed must be provided by the customer.
- 3% of the product from the order must be available for evaluation by JBS, but must not be less than 5 boxes if 5 or more boxes shipped. Failure to hold the required amount of product will result in the claim being denied.
- Random unopened boxes must be used for all audits and trim back tests.
- Specification claims will be evaluated based on the specification requirements of JBS.
- If a cut test performed by JBS proves to be equal to or less than 1%, the claim will be denied.
- Customer's yield test results will not be accepted as a substitute for a cut test performed by a JBS representative.

Wrong/Mislabeled Product:

- As soon as a mislabeled or incorrect product is discovered, notice must be made to the Claims Department.
- Pictures of the label, the case with the incorrect product still in it, and the product itself will be required.
- Customer must also provide the product code, weight, serial#, production date and time from the box label.
- The product must be available for evaluation by JBS.

Pallet Damage

- Pictures of each damaged pallet will be required prior to unloading.

Customer Pickup/Will-calls:

- JBS does not honor any claims on will-call orders.
- JBS allows our customers the privilege of customer pick ups. Due to the complexity and variability of production, loading times may vary considerably.
- All customer pickups from JBS plants require a scheduled appointment. These appointments are by load dates, not by specific load times.
- The carriers are responsible for scheduling their own appointment with our plant traffic department. Please note the phone number for the appropriate plant you will be picking up product.
- Failure to arrive on schedule may result in additional fees.
- The carrier must have a drop trailer in our yard 24 hours ahead of the scheduled pick up appointment.
- It is important to note that JBS does not perform live loading at any of our facilities. All plants have drop yards, and drivers are not allowed on the docks, or to remain on the property while waiting for their load.
- If the trailer arrives with either no appointment, or arrives after their scheduled appointment time, they run the risk of being loaded after all scheduled appointments have been completed.
- Any detention cost or losses on customer pickups that have not arrived or confirmed changes in schedule through the customer and the sales rep prior to 0600 on the scheduled ship day will be the responsibility of the customer.

**FAILURE TO COMPLY WITH THE CLAIMS POLICY WILL RESULT IN CLAIM DENIAL.
ANY UNAUTHORIZED DEDUCTIONS WILL BE DENIED.
*POLICIES WILL BE ENFORCED AS OF 10/29/2012***