

GLOBAL BUILDING PRODUCTS

FREIGHT LOSS AND/OR DAMAGE POLICY-4

GBP provides door and window shipments freight prepaid, whether to a service location or direct to a job site. All shipments are through a freight company. Once product leaves our docks it is under the control of the carrier. Although we tag our products for special handling and provide specific instructions to carriers, whether or not the instructions are followed is out of GBP's control.

GBP processes all freight claims for lost or damaged doors/windows and we consider this part of our service to our customers. The only exception to this would be any case where a customer chose to handle the shipment directly.

GBP's position on lost or damage freight is that it is the consignee's responsibility to properly count and inspect the crates and products as they are unloaded. There can be no substitution for finding discrepancies or damage as it comes off the truck. The Bill of Lading is a legal document that not only establishes the receipt of the good, but also the condition of the goods. GBP's ability to get paid for a freight claim ends if the Bill of Lading is received clear (no discrepancies or damage noted). Unfortunately, GBP has had a number of freight claims denied since there was nothing noted regarding a discrepancy or damage. The cost of denied claims is significant and GBP cannot absorb this expense.

Effective immediately, GBP will adopt the following policy with regard to loss or damage occurring on shipments delivered by freight companies:

1. Lost or missing product -
 - a. The recipient must note any discrepancies in the number of pieces delivered versus the number of pieces stated on the Bill of Lading at the time of delivery. Pieces will usually be counted as number of crates.
 - b. The customer shall immediately contact GBP to report missing product.
 - c. GBP shall immediately contact the freight carrier to place a search on the product.
 - d. If the product cannot be located and delivered to the customer in a timely manner GBP will reship the missing product at no charge.
 - e. In the event a discrepancy is not noted at the time of signing the Bill of Lading GBP must ask for a purchase order to replace the product.

2. Visible damage -
 - a. The customer should refuse the shipment or noted "damaged" on the Bill of Lading. This is a decision that must be made by the customer receiving the product. In the event damage is minor and the customer is willing to repair the damage themselves upon receipt of replacement parts, stating "damaged" on the Bill of Lading will suffice. In the event of major damage or damage the customer is not willing to repair, the shipment should be refused.
 - b. Customer shall notify GBP immediately of any damaged shipment.
 - c. GBP will immediately coordinate replacement of damaged parts or repair/replace refused shipments at no charge to meet the customer's time constraints, and then file the appropriate

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freight damage claim with the freight carrier.

3. Concealed damage reported within 24 hours of receipt -
 - a. Concealed damage reported to GBP within 24 hours of the receipt of the product will be handled entirely by GBP.
 - b. GBP will contact the freight carrier and have a representative go out and inspect the damaged product. It is important that the crating and packaging material be disturbed as little as possible.
 - c. GBP will have the product repaired/replaced at no charge to meet the customer's time constraints then file the appropriated claim with the freight carrier.

4. Concealed damage reported after 24 hours of receipt -
 - a. The attached sheet will be faxed immediately to the customer and to the ship to address (as applicable).
 - b. Either the customer or the addressee should immediately contact the local LTL freight terminal and see if they will cooperate and inspect the damage.
 - c. If the local LTL terminal fills out a damage report, GBP will immediately take over the processing of the freight claim and repair/replace product require by the customer at no charge.

The key here is that freight must be inspected while the carrier is still present, and loss or damage noted on the Bill of Lading. Without this proper documentation, there is little chance of filing and receiving compensation for a freight claim.

Since GBP's control of the product ends when it leaves our dock, we hope our customers can understand the importance of receiving freight properly.

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CONCEALED FREIGHT DAMAGE NOTICE-6

To: _____ Date: _____

Global Building Products has been notified by _____

on _____ at _____ am / pm that concealed freight damage was discovered on the following door / window project delivered by _____

on _____ at _____ am / pm.

PDL # _____

Customer PO # _____

Shipped to _____

Freight Carrier Information:

Carrier _____

Pro # _____

Phone _____

Date Shipped _____

Description of Damage _____

Global Building Products understands the Bill of Lading was accepted clear (no damage noted). A freight damage claim cannot be filed by GBP without a damage report issued by the freight carrier.

GBP recommends that the local freight terminal be contacted in an attempt to have a freight company representative inspect the damage and issue a damage report. Carrier may not honor damage reported more than 24 hours after delivery. Leaving crating and packaging material disturbed as little as possible is extremely important.

A purchase order will be required for GBP to repair/replace the freight damage if the carrier is unwilling to produce a damage report.

Signature: _____

Copy faxed to: _____