



Inland Building Systems Field Policy

General Statement

Inland Building Systems' goal is to provide prompt assistance for all field issues caused as a result of an Inland error. Documented claims, submitted by an Inland Building Systems' customer, will be accepted for reimbursement for field corrections due to an Inland error. The claim review will be based on the guidelines set forth in the policy stated in this document.

All manufactured components, provided by Inland Building Systems, are shipped FOB Inland Building Systems point of shipment. The title and ownership of components passes from Inland Building Systems to the customer immediately upon the carriers' receipt of the components at the shipping point. All claims against the carrier are to be filed by the consignee / customer. Guidelines for filing such a claim are stated in following pages of this document.

The policies, procedures, and guidelines contained in this document are based on the "Common Industrial Practices" of the Metal Systems Builder Association.

The Inland Building Systems' customer is responsible for distribution and training of the policy to responsible personnel, erection personnel, sub-contractor, etc.

The following pages contain Inland Building Systems' policy, procedures and guidelines for subjects listed below:

- Field Problem Reporting / Corrections
- Field Changes / Modifications
- Field Problem Claims
- Freight Claims
- Materials Receipt
- Concealed Damage
- Shortages

Manufacturer's Defects

- Corrective actions of a manufacturer's defect **must** be reported to Inland Building Systems prior to performing the correction. The reporting of any defect allows Inland Building Systems' personnel to investigate the possible error and insure any correction will meet the engineering department's requirements and is performed in an economical manner.
- The failure to report a manufacturer's defect prior to correction may have a negative impact on the building's warranties or any claim submitted for re-imburement, up to the denial of the claim.

Note; "The correction of minor misfits by use of drift pins to draw the component into line and a moderate amount of reaming, chipping and cutting are normal part of erection procedure" as stated in the Metal Building Manufacturers Association's " Metal Building Systems Manual". These activities are not subject for a claim submittal.

Reporting a Manufacturer's Defect / Field Modifications

- Contact your sales service manager or the field services representative to report a possible manufacturer's defect. Required information when submitting a possible defect includes:
 1. Inland Building Systems' - **Job number.**
 2. Inland Building Systems' - **Erection drawing number and appropriated standard sections.**
 3. **The part number** of the item affected and the description of the problem.
 4. Suggestion for a possible means of correction.
- Required information regarding a potential claim or approval of corrective action:
 1. The labor rate (verifiable).
 2. The projected number hours required for the correction.
 3. The cost of the necessary material to make the correction
 4. Any other cost that might associated with the correction.
- Method of Correction:
 1. The Inland Building Systems' customer and Inland Building Systems' representative will establish the correction to be performed. Inland Building Systems will authorize the corrections after an agreement is reached regarding the corrective procedure to be used and the associated cost.
 2. If the Inland Building Systems' customer, or his representative, elects to perform the correction by any other means than the agreed upon Inland Building Systems' recommendation, then the customer will bear the responsibility for all of the cost incurred, and the potential exists for withdrawal of the "design certification of the building" if the used correction does not meet the acceptance of Inland Building Systems.
- Field Modifications to an Inland Building Systems' Building

Field modifications are defined as: "field changes that are required to the building due to jobsite requirements, customer change, etc." These modifications are not the result of a manufacturers' defect. A building modification that may affect the structural integrity of the structure, not approved by Inland Building Systems' engineering department, will risk jeopardizing the manufacturer's warranty. These modifications require reporting to the sales service representative or field services manager for review by the Inland Building Systems' engineering department.

Claims / Claim Submittal

- Any claim submitted for re-imbusement for correction of manufacturer's defects without prior notification and approval by Inland Building Systems risks denial of the claim. Customers **should not** assume Inland Building Systems will accept responsibility for corrections performed and reimbursement monies expended for field corrections without Inland Building Systems' knowledge and specific prior authorization.
- Inland Building Systems will evaluate all fully supported claims. Settlements of submitted claims will be processed within a reasonable time period. The Inland Building Systems' customer will be notified in writing of either an approved claim or a claim that is not approved. The approved claim amount will be credited to the Inland Building Systems' customers' account.

Time Frame for Claim Submittal

- All claims are to be submitted within 90 days of the final shipment of the material provided by Inland Buildings Systems.
- An exception may be requested to extend the 90 day period. The extension request must be in writing, received prior to end of the 90 day deadline, state the reason for delay, and show the projected completion date for project.
- The extension will allow for claim submittal to be delayed for up to an additional 30 days after the project's completion date.

Claim Submittal Information

- A claim's submittal must be complete and contain all required, specific information, to allow for the claim to be evaluated.
- The required claim information must include:
 1. The same information stated in prior heading "**Manufacturer Defects.**"
 2. Required documents to substantiate with each claim must include: dimensional sketches, a drawing, or photographs, etc.
 3. A complete cost breakdown of any rework should include: the cost of labor, all receipts and invoices.
 4. Invoices showing the cost submittals are required in a breakdown for all items for which charges are being submitted.
 5. All labor claims will require a breakdown of the labor hours for each item repaired and the labor rates (verification of labor rate may be required).

Item Not Accepted in Claims

- Without prior written special arrangement with Inland Building Systems, the following will be **excluded for reimbursement** from all claims:
 1. Any shipment or completion penalty clauses.
 2. Failure to deliver materials in erectable sequence.
 3. Late shipment /delivery of materials.
 4. Extra unloading time due to multiple building orders loaded on one trailer.
 5. White or red rust on panels due to transit or site moisture.
 6. Charges for: lost time, equipment, travel time, subsistence, due to the late arrival of the materials.
 7. Charges for overhead and profit for the correction of manufacturer's defects.
 8. Primer failure and field touch-up (Metal Building System Manual states "manufacturer is not responsible for deterioration of shop coat or primer that may result from exposure to atmospheric conditions).

9. All charges for consequential damage, arising out of incorrect action by the erector/customer. Inland Building Systems is only responsible for the replacement of components only. Inland Building Systems is not responsible for the installation cost of the incorrect materials by the customer's personnel to include: wrong color trim, sheet, etc.
10. Equipment charges for correction of defect(s), unless prior agreement for selected corrections has been approved by Inland Building Systems (6-23-11).

Freight Delivery Information

- All materials manufactured by Inland Building Systems or shipped by an Inland Building Systems' vendor are sold F.O.B. the point of shipment, freight allowed to job site. The title and ownership passes from Inland Building Systems to the Inland Building Systems' customer immediately upon the carrier's receipt of the load at the shipping location. Therefore, according to federal government regulations, all claims against the carrier must be filed by the Inland Building Systems' customer.
- The Inland Building Systems' customer is responsible for the detection of any damages or shortages upon the arrival of the materials at point of the delivery.

Receipt of Material

- The packing list, provided with the building load, should be used to conduct an inventory of the materials during the unloading process. The loose items may be inventoried individually. Panel bundles, warehouse, trim, bolt crates and other bundles should be checked off based on the packing list on the packages. ANY SHORTAGES SHOULD BE NOTED on the bill of lading, prior to signature by the Inland Building Systems' customer.
- The count of items in bundles is suggested after above is preformed to insure correctly delivered material.
- The Inland Building Systems' customer is responsible to check the bundled and packaged materials for moisture, sheet, trim, etc. If moisture is present in /on the materials, Inland Building Systems should be notified immediately and immediate action taken to store the materials as stated in the "Inland Building Systems' Erection Manual" and as noted on tags affixed to the panel bundles. Inland Building Systems will not approve claims for white rust, red rust and/or blistering of paint on packaged materials due to transit or jobsite moisture.
- The Inland Building Systems' customer, or his representative, should note the overages and shortages on the signed bill of lading. Inland Building Systems should be notified in writing.

Damages

- The damaged materials are to be noted on the bill of lading prior to signing the form. The customer should keep a copy of the signed bill of lading, or make identical notation on his copy of bill of lading.
- Save the damaged components if a freight claim is to be filed. The freight company will require the return of the materials to finalize the claim.
- If repair cost is less than replacement material the Inland Building Systems' customer should repair the parts after the freight line has granted approval.
- Materials that are beyond repair should not be disposed of without written authorization from the freight carrier.

Shortages

- **Reporting:** Shortages revealed by differences between the packing list and an actual count are required to be submitted to Inland Building Systems within the 15 day period after delivery of components. Claimed shortages, after the 15 days, are not required to be honored by Inland Building Systems, without an authorized extension from Inland Building Systems.

Shortages & Replacements:

- If the shortage claim is received within the 15 day time period after delivery and the shortage is due to an Inland Building Systems' error, the materials will be shipped at no charge to the Inland Building Systems' customer.
- If the reason for the shortage cannot be immediately determined, the shorted material will be shipped as chargeable. If the shortage is later determined to be an Inland Building Systems' error the amount will be credited.
- The means of shipment will be determined by Inland Building Systems, other means of shipment can be requested by the customer, but the customer will be responsible for the difference in freight cost.
- If any defective material is required to be returned to Inland Building Systems, then replacement materials will be shipped chargeable, freight prepaid. Credit will be issued upon receipt of returned materials at Inland Building Systems' manufacturing facility. If the materials are not returned by the Inland Building Systems' customer, the Inland Building Systems' customer will be required to pay a negotiated amount for materials shipped on the chargeable order.

Returned Materials

- **PRIOR** authorization, by Inland Building Systems, is required for the customer to return materials to Inland Building Systems. Materials received, without prior authorization, **WILL NOT** be accepted at the Inland Building Systems' facility. Normally, credit will not be issued for any unauthorized returned materials.
- Materials may be authorized for return to Inland Building Systems. These materials will be subject to the following conditions: return freight will be prepaid by sender; 20% restocking charge will apply; material(s) are subject to receipt inspection by Inland Building Systems' personnel. The condition of received materials may affect the materials credit amount, and could result in no credit being allowed.
- All non-stock components, fabricated components specific to a job, and any special purchase parts will not be approved for return to Inland Building Systems. If a special exception is granted, then the extra inventory cost, and any re-work cost to allow use of components on another project, will be considered when determining the amount of credit to be issued

Freight Information

- All products are sold FOB the Inland Building Systems' shipping facility. All claims against the carrier must be filed by the Inland Building Systems' customer.

Concealed Damaged

- Concealed damages are defined as damages not immediately apparent at the time of delivery. These damages must be reported to the freight carrier, by the consignee /or Inland Building Systems' customer, within **15 days** after the date of delivery.

Procedure:

1. Notify the freight carrier by telephone, letter, wire, and/or email of the concealed damages. At the time of the notification a request for an inspector to examine the concealed damaged material should be made.
2. **HOLD** the merchandise and the packing materials for the carrier's inspection. A claim could be declined if inspector cannot inspect the box, crate, or packing materials, as well as the damaged article.
3. A claim **must** be filed within **30 days after date of the delivery**. The claim is to be filed directly with the freight carrier by the consignee or Inland Building Systems' customer.
4. Inland Building Systems suggests careful inspection of materials upon receipt, and notations of damages should be written on the driver's bill of lading.
5. Inland will not be responsible for damage caused by transportation damage.

Filing Freight Claims

- Freight claims are to be filed on a standard “loss and damage” claim form. The form can be obtained from the delivery freight carrier.
- The consignee or Inland Building Systems’ customer will be required to present the substantiating documents listed below to the delivery freight carrier:
 1. The original or copy of the bill of lading.
 2. The original or copy of paid freight bill.
 3. The copy of the freight bill with the delivering driver’s notation of the damaged or short shipped of materials.
 4. The original or certified copy of invoice.
 5. Statements containing proof of labor cost and/or the materials purchased for the repairs.
- The freight carrier **has the right to the salvage** of the damaged materials from an approved freight claim. The claim form from the freight carrier should contain instructions for disposition of materials. **ANY disposition** of materials should be in **accordance with the freight carrier’s instructions**. The rules for processing a freight claim are controlled by federal regulations.