



August 2nd, 2023

Dear Valued Customer,

This notice comes regarding CN claims policy CN6600 which states:

Damage or Loss Resulting from Water Damage

In cases of claims for water damage, CN may request photographic or other evidence that the railcar/container was dry at origin and that water damage occurred in transit, failing which the claim may be denied. Where there is water damage to product or to a railcar/container, the customer is expected to take the following steps:

- *Notify CN immediately of such water damage by submitting a claim using CN One's (eBusiness) Damaged Freight Claims tool.*
- *Release the applicable railcar or container as "bad order" using CN One's (eBusiness) tool: Release Railcars or Automated Release.*

Where the operating customer does not immediately notify CN of such damage, and / or where a railcar is released to CN without any mention of such damage, then the customer agrees to be entirely responsible for all losses suffered by CN and/or any subsequent customer of CN due to any product or equipment as a result of such undisclosed water damage.

In response to this, our procedure here at Port Hawkesbury Paper for assisting printers with rail damage claims to CN must be amended.

Henceforth, customers must release rail cars in "bad order" directly with CN using the CN One's (eBusiness) tool: *Release Railcars or Automated Release* prior to submitting any water damage claims to Port Hawkesbury Paper. Included in your claim, you must include proof of "bad order" submission. Failure to do so will result in claim denial.

We apologize for any inconvenience this may cause.

As always, we value your business and thank you for your support.

Stephen Poirier
Claims Administrator
Port Hawkesbury Paper