

2025 UPS[®] Tariff/Terms & Conditions of Service United States

Claims and Legal Actions:
Individual Binding
Arbitration of Claims

Effective December 23, 2024



Effective December 23, 2024 (unless otherwise noted)

UPS® Tariff/Terms and Conditions of Service – United States

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55. Claims and Legal Actions: Individual Binding Arbitration of Claims Time Limits and Pleading Requirements for Claims/No Right to Set Off

Claims against UPS must be made within strict time limits, including as set forth in Section 53.1 (“Invoice Adjustment”) regarding invoice adjustments or billing disputes; Section 55.3 (“Time Limit for Notice and Filing of Claims for Loss or Damage to Property”) regarding claims for loss or damage to property; and pursuant to Section 54 “UPS Service Guarantee.”

All claims against UPS arising out of or related to the provision of services by UPS, including, but not limited to, demands for damages, refunds, credits, and any legal or equitable relief whatsoever, shall be extinguished unless the Claimant (1) timely and completely complies with all applicable notice and claims periods set forth in the Terms and in the Service Guide, including as to claims for loss or damage to property under Section 55.3, claims under Section 54 (“UPS Service Guarantee”), claims for invoice adjustments under Section 53.1, or claims for breach of contract or any other cause of action; and (2) pleads on the face of any complaint filed in court against UPS or states in its submission of its claim in arbitration against UPS, as the case may be, satisfaction and compliance with those notice and claims periods as a contractual condition precedent to recovery. Claimants may not deduct the amounts of pending claims from any Charges owed to UPS, and the Shipper waives any and all rights, including any statutory or common law rights, to set off the amount of any claim against Charges owed to UPS.

Agreement to Arbitrate Claims

Claimant and UPS agree that, except for disputes that qualify for state courts of limited jurisdiction (such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits of less than \$30,000 on their jurisdictions over civil disputes), any controversy or claim, whether at law or equity, arising out of or related to the provision of services by UPS, regardless of the date of accrual of such dispute, shall be resolved in its entirety by individual (not class-wide nor collective) binding arbitration. Claimant and UPS expressly agree that the foregoing

obligation to arbitrate disputes regardless of the date of accrual of such disputes includes, but is not limited to, preexisting disputes and disputes that arise from or relate to Packages shipped at the time of a previous version of these Terms. Claimant and UPS further agree that the foregoing obligation to arbitrate disputes applies to claims brought by UPS against Claimant, regardless of whether Claimant has also brought a claim against UPS.

Arbitration is the submission of a dispute to a neutral arbitrator, instead of a judge or jury, for a final and binding decision, known as an “award.” Arbitration provides for more limited discovery than in court, and is subject to limited review by courts. Each party has an opportunity to present evidence to the arbitrator in writing or through witnesses. An arbitrator can only award the same damages and relief that a court can award under the law and must honor the terms and conditions in the Terms. Claimant and UPS agree that their sole relationship is a contractual one governed by the Service Guide and Terms. Any controversy or claim arising out of or related to the provision of services by UPS shall be resolved solely based on the agreements set forth in the Service Guide and Terms.

Institutional Arbitration

The arbitration shall be conducted by the American Arbitration Association (AAA) in accordance with its Commercial Arbitration Rules or, provided that you are an individual consumer and are using UPS’s services for personal (not business) use, the Consumer Arbitration Rules (collectively referred to herein as the “AAA Rules”), and judgment on the award may be entered in any court of competent jurisdiction. The AAA Rules, including instructions for how to initiate arbitration, are available at adr.org. The arbitrator shall decide all issues of the case on the basis of the applicable law, not equity. If you initiate arbitration, you must serve UPS’s registered agent for service of process, Corporation Service Company, which has locations in every state. Information also can be found on the website of your local Secretary of State.

Any arbitration under this Agreement will take place on an individual basis; class, mass, consolidated or combined actions or arbitrations or proceeding as a private attorney general are not permitted. Claimant and UPS are each

waiving the right to trial by jury. Claimant and UPS are further giving up the ability to participate in a class, mass, consolidated or combined action or arbitration.

Place of Arbitration/Number of Arbitrators/Costs of Arbitration/ Governing Law/Survival

Any arbitration will take place in the county where Claimant resides and will be determined by a single arbitrator. Solely with respect to a Claimant that does not reside in the United States, the arbitration will take place in Fulton County, Georgia.

The initial filing fee required of Claimant by the AAA Rules shall be paid by Claimant to the extent such fee does not exceed the amount of the fee required to commence a similar action in a court that otherwise would have jurisdiction. For all non-frivolous complaints, UPS will pay the amount of such fee in excess of that amount. The arbitrator will allocate the administrative costs and arbitral fees consistent with the applicable rules of the American Arbitration Association. Reasonable attorney’s fees and expenses will be allocated or awarded only to the extent such allocation or award is available under applicable law.

All issues are for the arbitrator to decide, except that issues relating to the scope, application, and enforceability of the arbitration provision, issues relating to the interpretation or application of the provision guarantying access to state courts of limited jurisdiction for qualifying disputes, and issues relating to interpretation or application of the prohibition on participation in class, mass, consolidated or combined actions or arbitrations or proceedings as a private attorney general, are all issues for a court to decide. The Federal Arbitration Act governs the interpretation and enforcement of this provision. This agreement to arbitrate shall survive termination of the Terms.

The arbitration demand must plead with particularity facts that demonstrate the dispute does not qualify for state courts of limited jurisdiction (such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits of less than \$30,000 on their jurisdictions over civil disputes). Where the dispute relates to a shipment, in order to commence

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arbitration, the arbitration demand must provide particularized information that identifies the shipment or shipments, such as by the date(s) of shipment and UPS tracking number(s).

Severability

Notwithstanding anything to the contrary in the AAA Rules, if any part of this arbitration provision is deemed invalid, illegal or unenforceable for any reason, this shall not affect the validity, legality or enforceability of the remainder of this arbitration provision, and the arbitrator shall have the authority to amend any provisions deemed invalid, illegal or unenforceable to the minimum extent necessary to make the same valid, legal and enforceable while preserving the intent of the parties as expressed in these Terms.

Desk Arbitration

For all disputes concerning an amount less than fifteen thousand dollars (\$15,000.00), the parties shall submit their arguments and evidence to the arbitrator in writing and the arbitrator shall make an award based only on the documents; no hearing will be held unless the arbitrator in his or her discretion, and upon request of a party, decides it is a necessity to require an in-person hearing. For a dispute governed by the AAA Consumer Arbitration Rules where the arbitrator issues an award in favor of Claimant, and concerning an award between fifteen thousand dollars (\$15,000.00) and fifty thousand dollars (\$50,000.00), inclusive, UPS shall refund Claimant's filing fee under the AAA Rules following conclusion of the arbitration, provided that Claimant agrees that both parties shall submit their arguments and evidence to the arbitrator in writing and that the arbitrator shall make an award based only on the documents, without a hearing being held. Notwithstanding this provision, the parties may agree to proceed with desk arbitration at any time.

Access to Small Claims Courts

All parties shall retain the right to seek adjudication in a state court of limited jurisdiction, such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits of less than \$30,000 on their jurisdiction over civil disputes, for individual disputes within the scope of such court's jurisdiction. If the claims asserted in any request or demand for arbitration could have been brought in

such a court of limited jurisdiction, then either party may elect to require that the claims be heard in such court of limited jurisdiction, rather than in arbitration, by notifying the other party of that election in writing.

Acknowledgements

Claimant and UPS acknowledge and agree that pursuant to these Terms:

- CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, UPS OR RELATED THIRD PARTIES;
- CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT, OTHER THAN A STATE COURT OF LIMITED JURISDICTION AS DEFINED ABOVE, RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, UPS OR RELATED THIRD PARTIES;
- CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT REVIEW ANY DECISION OR AWARD OF AN ARBITRATOR, WHETHER INTERIM OR FINAL, EXCEPT FOR APPEALS BASED ON THOSE GROUNDS FOR VACATUR EXPRESSLY SET FORTH IN SECTION 10 OF THE FEDERAL ARBITRATION ACT.
- CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, JOIN AS A CLASS MEMBER, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS IN ANY CLASS, MASS, CONSOLIDATED OR COMBINED ACTION OR ARBITRATION FILED AGAINST CLAIMANT, UPS AND/OR RELATED THIRD PARTIES.

Award

The arbitrator may award money or equitable relief in favor of only the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. Similarly, an arbitration award and any judgment confirming it apply only to that specific case; it cannot be used in any other case except to enforce the award itself. To reduce the time and expense of the

arbitration, the arbitrator will not provide a statement of reasons for his or her award unless a brief explanation of the reasons is requested by one of the parties. Unless both Claimant and UPS agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative, private attorney general or class proceeding.

Confidentiality of Arbitration

Notwithstanding anything to the contrary in the AAA Rules, UPS and Claimant agree that the filing of arbitration, the arbitration proceeding, any documents exchanged or produced during the arbitration proceeding, any briefs or other documents prepared for the arbitration, and the arbitral award shall all be kept fully confidential and shall not be disclosed to any other party, except to the extent necessary to enforce this arbitration provision, arbitral award or other rights of the parties, or as required by law or court order. This confidentiality provision does not foreclose the American Arbitration Association from reporting certain consumer arbitration case information as required by state law.

55.1 Making Claims for Loss or Damage to Property

All notices of claims for loss of or damage to property transported or accepted for transportation must include the date of shipment, the tracking number, and the nature of the loss or damage. A request for proof of Delivery or damage inspection or the filing of a lawsuit do not constitute notification of a claim. Notice of a claim for loss or damage to property must be made using one of the following methods:

- Submit online at ups.com/us/en/support/file-a-claim.page; or
- Call 1-800-PICK-UPS® (1-800-742-5877).

All claims for loss of or damage to property transported or accepted for transportation must: (1) be in writing (or an electronic communication) and must include reference to the Source Document or pickup record number and date of shipment or copies of other documents sufficient to identify the Shipment involved, and the declared value; (2) assert the liability of UPS for alleged loss or damage; (3) make claim for payment of a specified or

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determinable amount of money; and (4) be accompanied by a copy of the original invoice or, if no invoice was issued, other proof, certified to in writing, as to the purchase price paid by the Consignee (where the property involved has been sold to the Consignee), actual cost or replacement cost of the property, or extent of the damage to the property.

Claims for loss or damage to property must be filed in writing and transmitted electronically at [ups.com/us/en/support/file-a-claim.page](https://www.ups.com/us/en/support/file-a-claim.page).

No claims will be voluntarily paid unless UPS receives notice of the claims and they are filed in writing and transmitted electronically by or on behalf of the Shipper in accordance with these provisions.

A right or claim, of any kind, for loss or damage to property is conditioned upon full and strict compliance with this Section 55.1 and Sections 55.3 through 55.6. Full and strict compliance with this Section is required, even where it is believed that such compliance would not result in relief or would otherwise be futile.

55.2 Acknowledgment of Claims for Loss or Damage to Property

After receiving a proper written and electronic transmission of a claim in the manner and form and with the supporting documents described in Section 55.1 ("Making Claims for Loss or Damage to Property") and Section 55.4 ("Investigation of Claims for Loss or Damage to Property") herein, UPS or its designee will acknowledge the receipt of such claim in writing or electronically to the claimant within 30 days after the date of receipt, unless such claim has already been paid or denied in writing or electronically. UPS will at the time each claim is received create a separate file and assign thereto a successive claim file number and note that number on all documents filed in support of the claim and all records and correspondence with respect to the claim, including the written acknowledgment of receipt and, if in its possession, the Source Document and delivery receipts, if any, covering the Shipment involved. At the time such claim is received, UPS will cause the date of receipt to be recorded on the face of the claim document, and the date of receipt will also appear on the acknowledgment of receipt sent to the claimant.

55.3 Time Limit for Notice and Filing of Claims for Loss or Damage to Property

As a condition precedent to recovery, all claims for loss or damage to property must be noticed and filed in writing and transmitted electronically with UPS within the following time limits:

- For domestic Shipments (including shipments to and from Puerto Rico), UPS must receive notice of claims within sixty days after Delivery of the Package or, in case of failure to make Delivery, within sixty days after the date of scheduled Delivery. Claims must be filed within nine months after Delivery of the Package or, in case of failure to make Delivery, within nine months after the date of scheduled Delivery.
- For international Shipments, claims must be filed within sixty days after Delivery of the Package or pallet or, in the case of non-Delivery, within sixty days after the date of scheduled Delivery.
- Suits shall be instituted within two years after denial of any portion of the claim. Where UPS does not receive notice of claims, claims are not filed, or suits are not instituted thereon in accordance with the foregoing provisions, such claims shall be deemed waived and will not be paid.

55.4 Investigation of Claims for Loss or Damage to Property

- **Prompt Investigation.** Each claim for loss or damage to a Package or Shipment filed in the manner prescribed herein will be promptly and thoroughly investigated, if investigation has not already been made prior to receipt of the claim.
- **Supporting Documents.** Each claim must be supported by the following: (1) evidence of payment of the shipping and any declared value charges; and (2) either the original invoice or a photocopy, exact copy, or extract of, the original invoice, a certification of prices or costs, with trade or other discounts, allowance, or deductions of any nature whatsoever and the terms thereof, or depreciation reflected thereon. Where the property involved in a claim has not been invoiced to the Consignee shown on the bill of lading or receipt, where an invoice does not show price or cost, where the property involved has not been sold, or where the property has been transferred at bookkeeping values only, UPS will, before paying a claim, require

the claimant to establish the value in the quantity shipped, transported, or involved. UPS reserves the right to request the original shipping record or Source Document.

For an asserted claim of \$1,000 or more for a Package processed through a UPS Shipping System and tendered to a UPS driver or UPS Customer Center, a copy of the signed high-value shipment summary applicable to the Shipment obtained by the Shipper and signed by the UPS driver or UPS Customer Center representative at the time of tender may be required to support the claim. UPS reserves the right to refuse to pay any claim if, having requested such a signed high-value shipment summary, no such summary is provided.

For an asserted claim of \$1,000 or more for an international UPS Returns® or a UPS Import Control® Package or pallet, the signed UPS high-value shipment summary applicable to the Shipment must be submitted in support of the claim.

By filing a claim and supporting documents to UPS, the claimant certifies that the claim, amount of claim, and supporting documents are true and correct. The submission of false information as part of the claims process will result in automatic denial of a claim. Packages for which such claims are submitted are considered prohibited articles and are subject to an additional fee.

- **Original Packaging Materials.** In the event that a claim is made for damage to a Shipment, the original packaging materials must be made available to UPS or its designee for inspection prior to reshipment. UPS reserves the right to refuse to pay any claim for damage to property if, having requested the original packaging materials, they are not made available for inspection.
- **Verification of Loss.** When an asserted claim for loss of an entire Package or pallet or an entire Shipment cannot be otherwise authenticated upon investigation, UPS will obtain from the Consignee of the Shipment involved a certified statement in writing that the property for which the claim is filed has not been received from UPS or from any other source. UPS reserves the right to require verification by the filing of a police report and providing a copy of the filed report to UPS in support of the claim.

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55.5 Salvage

When UPS pays the actual cost, the purchase price, or the replacement cost of the property, all rights, title to, and interest in the property shall thereupon pass to UPS, and UPS reserves the right to obtain the property for salvage. Payment of a claim in such circumstances shall be contingent on UPS's receipt of the damaged property in the same condition as on the date the damage was incurred.

55.6 Disposition of Claims for Loss or Damage to Property

UPS or its designee, after receiving a written claim for property transported, will pay, decline, or make a firm compromise settlement offer in writing to the claimant within 120 days after UPS receives the claim; provided, however, that if the claim cannot be processed and disposed of within 120 days after receipt, UPS or its designee will at that time and at the expiration of each succeeding 60-day period while the claim remains pending, advise the claimant in writing of the status of the claim and the reason for the delay in making final disposition thereof and shall retain a copy of such notice to the claimant in its claim file.

No claim for loss or damage shall be paid unless a valid claim has been filed in accordance with terms set forth herein (in Section 55.1, "Making Claims for Loss or Damage to Property," Section 55.3, "Time Limit for Notice and Filing of Claims for Loss or Damage to Property," and Section 55.4, "Investigation of Claims for Loss or Damage to Property"). UPS reserves the right to refuse to pay any claim for loss or damage to property until all outstanding Charges owing to UPS have been paid in full. UPS reserves the right to refuse to pay any claim for loss of property if, having requested a detailed description of the property, no such description is provided.



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