

# THINGS YOU SHOULD KNOW: **SHORT PAYS**

Most of our clients probably know what a short pay is but for those who don't:

**A short pay is when the broker/shipper pays less than the invoiced amount (load rate).**

Short pays happen for many reasons:

**Fees charged for late deliveries, damage to loads, advance fees, lumper advance fees, etc.**

The factoring fee TBS charges to fund your load gives you credit protection against non-payment due to customer credit problems. Short pays have nothing to do with the *credit worthiness* of the broker/shipper, but are instead fees or penalties accrued while hauling the load.

## Your responsibilities regarding short pays are as follows:

- 1 To know any and all fees, penalties, etc. that will be deducted from the load rate.**  
(TBS did not haul the load, you did. Consequently, we have no way of knowing what fees, etc. apply to your load).
- 2 To list on your Exhibit B any and all fees, penalties, etc. that will be deducted from the load rate.**  
(If we know about it before we send the invoice, there won't be any surprises because the invoice will be correct).
- 3 Any and all disputes regarding short pays are your responsibility.**  
(Again, logic dictates that our knowledge is limited as to what transpired. You can argue your case better than TBS).

TBS will always supply you with the documentation you need to verify that our invoice was short paid. When a short pay occurs, it must be accounted for in some way. So if TBS has already paid you the full load rate, we will then deduct the short pay from your next load. If you dispute the short pay and the broker/shipper decides to pay it, when TBS receives the remittance, we will give it back to you.

We understand that short pays are frustrating, but now that you have a better understanding of what to expect regarding short pays – TBS can continue giving you the best customer service possible.

