FURNITURE DAMAGE, DEFECT, & REPAIR (FDDR form) PROCESSING INTRUCTIONS

Furniture has visible freight damage

1. Use store digital camera to photograph packaging and damage to item.
2. Note the item numbers / damages on the freight bill and retain a copy.
3. Refuse the damaged pieces and notify purchasing for reorder or further processing instruction.
4. Mark the items as freight damaged refused on the vendor packing slip
5. Backorder the refused items on the purchase order when receiving and post to inventory.
6. Attach damage photo, freight bill, packing slip, to receiving paperwork and forward to Corporate Accounting.

Furniture has concealed freight damage discovered within the first 48 hours.

1. Use store digital camera to photograph packaging and damage to item.
2. Retain original packaging for vendor or truck line inspection if necessary.
3. Notify Vendor of concealed damage and request course of action.
4. Notify freight company within 48 hours of arrival to have notation made on freight bill and begin pick up / claim process.
5. Note all contact names, numbers, actions, and notes on the FDDR form.
6. Put the item on an RGA ticket to remove it from available inventory. If reserved, Q search, backorder, and fill from the P.O. customer's ticket.
7. Notify Purchasing for reorder. Purchasing will notify the sales person.
8. If Pick up or Return, note the Vendor RMA , ship date, and Freight Company in the RGA ticket header and <u>close</u> the ticket at zero retail.
9. Attach the returning freight bill, completed FDDR form, and closed RGA form to corporate accounting, (originals, not copies).

Furniture is discovered to be defective or missing parts during assembly.

1. Notify vendor of defect or missing part and request course of action.
2. Note all contact names, numbers, actions, and notes on the FDDR form.
3. Put the item on an RGA ticket to remove it from available inventory and backorder any ticket for which it was reserved.
4. Create a part order ticket according to LifeStyles procedure, notify purchasing, and note ticket number on FDDR form.
5. If part is not available, select another resolution option, (return, repair, etc.), for processing.
6. Attach FDDR form to item and follow up as needed until the item is picked up, part is received, or item is repaired.
7. When part arrives, note the repair date and return to stock in the RGA ticket header then <u>delete</u> the ticket.

Furniture is to be repaired as directed by Vendor.

1. Item should be on an RGA ticket to reserve it from sellable inventory.
2. Contact your authorized Furniture Repair service provider for an estimate only.
3. Estimate must include vendor, item number, description, and cost on service provider letterhead.
4. Submit estimate to vendor contact for approval via fax.
5. Follow up with contact by phone to ensure receipt of estimate and expedite authorization.
6. If repair request is denied or approved repair amount is below service estimate, contact purchasing for direction.
7. Upon approval, contact service provider to do the repair then immediately complete step 8.
8. Attach the estimate to the corporate half of FDDR form and forward to corporate accounting, (originals, not copies).
9. If an item leaves the store for repair, <u>delete</u> the RGA ticket, send out on a <u>closed</u> Repair Service ticket, then credit the Repair Service account upon return.
10. Upon completion, note the repair and return to stock in the RGA or Repair Credit ticket header then <u>delete</u> the ticket.

Furniture is damaged in store during merchandising, storage, or delivery.

1. All store damages should be brought to manager's attention for decision on repair.
2. Contact your authorized furniture repair service provider for an estimate only.
3. If cost of the repair is less than 50% of the base cost of the item, the repair can be approved by store manager.
4. If cost, age, or exceptional circumstances must be considered, contact purchasing for direction or alternative solutions.
5. Upon approval, follow steps 7, 8, & 9 of the furniture repair instructions above.

Furniture is to be donated to charity at the direction of Vendor or Corporate Personnel.

1. Complete authorization and donation information on FDDR form.
2. Special care must be given to follow any specific donation conditions required by Vendor or Corporate Purchasing.
3. Donations must be staged in warehouse pending weekly corporate review and sign off.
4. Contact verifiable charitable organization for pick up or delivery.
5. Organization's donation receipt must include vendor, item number, description, and charity contact information.
6. Note the organization and donation date in the RGA ticket header and <u>close</u> the ticket at zero retail.
7. Attach the donation slip, the corporate half of the completed FDDR form, and closed RGA form to corporate accounting, (originals, not copies).

Furniture is to be field destroyed at direction of Vendor or Corporate Personnel.

1. Complete the authorization and field destroy information on the FDDR form.
2. Donations must be staged in warehouse pending weekly corporate review and sign off.
3. Note the authorization and field destroy date in the RGA ticket header and <u>close</u> the ticket at zero retail and cost.
4. Destroy and dispose of the authorized items under management supervision.
5. Attach the corporate half of the completed FDDR form and closed RGA form to corporate accounting, (originals, not copies).

Furniture is to be stored for sale at Crazy Days.

1. Note item changed to Crazy Days number in RGA header
2. Add a credit (-1) of one CRZ item number to the ticket corresponding to our original item's price point and <u>close</u> the ticket at zero retail
3. Closed ticket will show 1 regular RGA item "sold" and one Crazy Days (CRZ) item "credited" for a balance of zero to reflect the inventory change.
4. Attach the corporate half of the completed FDDR form, and closed RGA form to corporate accounting, (originals, not copies)
5. Store the item in designated warehouse area as directed.

Any scenario not covered in the above FDDR instructions should be referred to management or corporate purchasing for direction.