



CHRYSLER MOTORS CORPORATION

DIRECT DEALER

PROCEDURE FOR HANDLING CLAIMS

for

PARTS DIVISION PRODUCTS

FILE IN CHAPTER 7, QUALITY
DEALER PARTS DEPARTMENT
OPERATING MANUAL

PROCEDURES FOR HANDLING CLAIMS

In order to expedite the handling of claims for shortages and/or damages to shipments while in transit so they can be processed promptly, we want to remind dealers of several things to be considered before preparing their claims or Requests for Credit and Material Return Authorization forms.

Most dealers know that for many years transportation companies, because of their liability policies, have been responsible for shipments entrusted to them for delivery.

Therefore, any claims for "shortages of items on the freight bill" or for parts "damaged while in transit" to the dealer (visible damages and concealed damages) must be submitted to the carrier immediately on the day the shipment is received.

Claim reports and procedures may vary with different carriers. Therefore, it is a good idea to contact your carriers, get acquainted with their claims men, get the necessary forms, and learn how to file claims with them. By following the carrier's procedures, dealers will save a lot of time in settling claims.

SHORTAGES ON THE FREIGHT BILL

When the number of pieces received in a shipment does not correspond with the total number of pieces on the freight bill:

- 1) Write the shortage on both copies of the freight bill and have the driver sign it.
- 2) Call the carrier's claims agent and advise him of the shortage before the driver leaves.
- 3) Confirm the phone call by letter or exception report, giving all the information necessary for the carrier to identify and locate the missing items.

VISIBLE DAMAGES

When damaged cartons or parts are observed as a shipment is being unloaded:

- 1) Set the damaged carton or part aside and hold it for inspection by the carrier's claims agent.
- 2) Write full description of damages on both copies of the freight bill and have the driver sign it.
- 3) Call the carrier's claims agent requesting an immediate inspection.
- 4) Insist on a "Carrier's Inspection Report" -- do not accept a verbal waiver.
- 5) Confirm your claim by letter to the carrier with a copy of the inspection report attached.
- 6) In case the carrier's claims agent denies responsibility, ask for a properly executed "Carrier's Denial of Responsibility Statement" and refer the claim to the Parts Depot that processed the invoice.

When referring such claims to the Parts Depot, be sure to attach copies of the "Carrier's Inspection Report" and the "Carrier's Denial of Responsibility Statement" to the Request for Credit and Material Return Authorization. Such requests must be submitted within thirty (30) days from the date of shipment.

PROCEDURES FOR HANDLING CLAIMS (cont'd)

CONCEALED DAMAGES

When parts are observed to be damaged while unpacking shipping containers that have no apparent physical damage (concealed damage):

- 1) Set the container and the parts to one side and hold for carrier's inspection.
- 2) Make note of damages on the packing slip for your records.
- 3) Notify carrier's claims agent promptly by phone and request an inspection report.
- 4) File a formal claim with the carrier within fifteen (15) days of receipt of the shipment, giving full information to establish the concealed damage losses.
- 5) Hold the damaged material and its container until the claim is settled.

When parts, which are received and stocked in individual cartons, are noticed to have manufacturing defects or to be the wrong part for the part number, when opened at the point of sale:

- 1) Prepare a separate Request for Credit or Material Return Authorization claim for each item and submit it immediately to the Parts Depot with a letter of explanation directed to the Parts Depot Manager for evaluation and consideration.
- 2) Such requests will only be accepted up to six (6) months after the shipping or invoice date.

OTHER CLAIMS

On occasion, other claims may be necessary because of discrepancies in filling an order or in billing, such as: overages or shortages in the number of pieces received for a given part number, wrong part received for a given part number, parts billed but not received, unfinished or defective new parts, parts "shipped in error", or "customer refused" to take an item ordered for him.

When these situations arise:

- 1) Make proper notation on the packing slip and stock records so the parts can be reordered as needed.
- 2) Note the discrepancies on the back of the related "Picking Ticket Stub" (large one).
- 3) Prepare a Request for Credit or Material Return Authorization (Form 84-380-9191) giving full details, attach the related picking ticket stub to standardize such procedure, and to expedite adjustments at the Parts Depot.
- 4) Forward the claim to the Parts Depot that processed the invoice.

Requests for Credit or Material Return Authorization for claims covering new, unused parts and accessories (except those especially fabricated, manufactured, or procured for a specific order) must be submitted to the Parts Depot that processed the invoice within the following time limits:

- 1) New-unused parts --- within 90 days from date of receipt of shipment
- 2) New-unused accessories --- within 30 days from date of receipt of shipment

(over)

PROCEDURE FOR HANDLING CLAIMS (cont'd)

When material is authorized to be returned, it must be returned within thirty (30) days of receipt of the authorization to the designated Parts Depot, transportation prepaid.

Claims covering parts which have been installed on a vehicle and assume a used appearance must be considered as a warranty item. Therefore, such claims must be submitted to the respective car division on a properly executed Warranty Service Claim form.

In each case, a file should be set up for each claim containing all supporting documents and correspondence for diligent follow up until settled.

Claims to the Parts Depots can be processed faster when they are properly presented. Therefore, to save time all claims, whether they are requests for credit or requests for authorization to return new, unused parts or accessories, should be presented on the standard M.R.A. claim form #84-380-9191. Letters of explanation should be attached to the M.R.A. form when necessary.

It is also most important in handling all claims to get all the facts needed and to present them as requested so the claims can be handled promptly and satisfactorily.