

Return Goods Evaluation Procedure

We are revising the RMA procedure and this document will comprehensively address the entire cycle of goods returned by customers, from issuance of the RMA to final disposition of the material, including the issuance of a Credit Memo or determining Tempco bears no responsibility in the matter.

Under the revised system everyone, including sales, engineering and accounting will use the **PC/RMA** program that will allow us to submit and evaluate returned material, as well as issue credits should the customer be entitled. This revised system will ensure continuity and provide the ability to keep all return data in a central file enabling detailed evaluation of all returns.

The Program will work according to the following procedures:

1. At the time a customer expresses a concern with a product, the sales person is to carefully evaluate the legitimacy of the return request prior to sending an RMA. If the customer's request is due to his or her own negligence or obvious misuse, or if the customer orders a non-stock item in error, DO NOT send an RMA. If an RMA is sent, **a clear explanation must be made indicating that the RMA does not constitute a commitment from Tempco to issue credit or to repair/replace the product at no charge**. Please make the customer aware that material returned for evaluation must be sent freight prepaid, no collect shipments will be accepted. To begin the process, the salesperson will enter all applicable information into PC/RMA program and save the subject RMA #, print and fax the RMA to the customer. This protocol is a total prerequisite as a part of the RMA issuance. The paperwork will be forwarded to the appropriate CSR to await disposition.
2. When the merchandise first arrives at Tempco, the stockroom staff will receive the goods, stamp the date on the customer packing list or RMA copy, scan tracking #, enter date received into the RMA program, and execute the SA minus transaction to the returns area of Mapics and forward the merchandise and paperwork to the QC return goods area. All of these steps must occur on the day of the merchandise arrival.
3. The goods will be located by stockroom personnel on shelves in the return goods area of QC.
4. Upon receipt of the RMA paperwork, the QC manager will evaluate the return within one week for determination and record the disposition in the program. If the problem requires a **Cause and Corrective Action**, there is a feature in the program that facilitates this option. The Cause and Corrective Action can be then documented, logged in the examination file, and sent to the customer if required. This paperwork will be forwarded to the sales operation manager for further processing.