

POLICY - SHIPMENT DAMAGE

The FAT Paint Company Inc. is committed to ensuring that shipments arrive to Retailers without damage. To this end, we:

- Use a hybrid plastic paint can (plastic can with a metal rim and top) which keeps denting to a significant minimum.
- Use box dividers to prevent cans from contacting one another in transport.
- Place each pint and quart in a plastic bag so that if a can is compromised, it won't damage other cans in the box. Group sample jars into a plastic bag. That way if one jar opens, only a few are affected.
- Pack in such a way as to minimize movement of product.
- Affix "fragile" labels to the boxes for those times when people and not machines are responsible for their movement.

There are times however that regardless of our efforts, damage occurs.

DEFINITIONS

We define "**damage**" as:

- Dents in the top of the can (metal section), not necessarily causing a leak
- Puncture or leak in the can
- Lid has popped off the can
- Broken/cracked sample pot - lid or jar

Damage can be **non-salvageable** or **salvageable**.

Non-Salvageable. A FAT Paint can or jar has a leak, resulting in a significant loss of product.

Salvageable. Some damaged product can be "salvaged". Examples of salvageable damage are a dented metal can top (which – at the discretion of the Retailer – can be sold) or a leak with very minimal loss, where the remaining paint can be personally used by the Retailer. ***TFPC and the Retailer work together to determine whether product is salvageable, however TFPC has the final say.***

Affected Product. This is product that has been affected by a leak in another paint can or jar. Affected product can be used as-is by the Retailer or cleaned, re-labeled (if necessary) and sold. We leave that decision to the Retailer.

Because cans are individually wrapped in protective plastic, a leak is not as likely to affect other product packed in the box. Sometimes however, the plastic around a can can be torn due to sustained damage OR – as liquid wants to do – the paint finds it's way out through the twisted top of the bag. If leaking paint occurs, it may access and affect other product packed in the same box.

COMPENSATION

The following compensation is offered ***only when procedure is followed***, as outlined in the next section.

If product received is **DAMAGED** and **NOT salvageable**, The FAT Paint Company Inc. will reimburse the retailer **IN FULL**.

For **SALVAGEABLE** and/or **AFFECTED** product that has been **damaged in shipment**, The FAT Paint Company Inc. provides the following reimbursement:

Paint Product

- Quarts - \$4.00
- Pints - \$3.00
- Samples - \$2.30

FAT Wax Polish

- 50g - \$1.75
- 200g - \$3.00

Other Misc. Product

- To be determined when damage reported by retailer

TFPC supplies any labels required to re-brand affected cans and/or jars.

If applicable, a corresponding credit for taxes paid on damaged product will also be reimbursed.

We **do not** offer credit on the shipping of damaged product.

PROCEDURE

If the required steps outlined below are not followed, no reimbursement will be given.

PRODUCT IS DAMAGED AND CANNOT BE SALVAGED

The Retailer disposes of the damaged product. *In this scenario no one benefits from the existence of the product.*

- Retailer completes and submits the **DAMAGE REPORT**
 - A record of the damaged product is required by TFPC;
 - ✓ Quantity and descriptions (colours names and sizes)
 - ✓ **Photos of product** that clearly show the extent of damage, thereby proving that product is too damaged to be salvaged.
- ❖ Upon review, TFPC reimburses retailer for damaged product.

PRODUCT IS DAMAGED AND **CAN** BE SALVAGED, or
PRODUCT **AFFECTED** BY DAMAGED PRODUCT

This applies to cans with dents or a leak with very minimal loss, and it also applies to those items that have been affected by leaks.

- Retailer completes and submits the **DAMAGE REPORT**
 - A record of the damaged product is required by TFPC;
 - ✓ Quantity and descriptions (colours names and sizes)
 - ✓ **Photos of product** that clearly show the extent of damage, thereby proving that product is too damaged to be salvaged.
- ❖ Upon review, TFPC reimburses retailer for damaged product.
- ❖ TFPC provides labels if they're required.

In this scenario the Retailer opts to either:

- (a) Clean and re-label damaged product (if necessary) and include it for sale with their FAT Paint stock. Pricing of this product is the Retailer's decision. TFPC's reimbursement allows for a discount, however TFPC does not require that one be applied.
- (b) Add damaged product to their personal-use and/or workshop supply.

The FAT Paint Company reserves the right to adopt a different course of action in the event of damage however this will be on a case-by-case basis and does not reflect a change in the policy above.