

 NAUTILUS HYOSUNG



**Nautilus Hyosung America,
Inc. Freight Damage Policies
and Procedures**

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Freight Damage Policy

Nautilus Hyosung America, Inc. (NHA) will warranty damaged items that are received at the ship-to address under the conditions in this policy. Claiming an item under freight damage is only an indication that the item received was damaged before it arrived at its destination.

When the Shipment Arrives

ATM or Large palletized parts (CDU, BNA/BCA, CCIM, BRM, etc.) Inspect all incoming units and packages immediately. Due to insurance requirements, and to be eligible or claim damage on Freight, inspecting both internally and externally is critical to having a claim approved.

Visible Damage to the Shipping Container

- **All packages and shipped items should be inspected for visible damage upon receipt and prior to signing the carrier Proof of Delivery (POD).**
- If any signs of visible damage are identified, the customer has the right to:
 - Refuse the shipment and report damage identified to NHA by email to Customer.Care@nhausa.com, and submit an Online Freight Damage Claim.
 - Accept the shipment **and clearly describe the nature of the damage on the carrier's POD** prior to signing.
 - For orders accepted with visible damage to the shipping container, customers have ten (10) business days to inspect the ATM, report damage to NHA by email to CustomerCare@nhausa.com, and submit an Online Freight Damage Claim .

Concealed Damage (No visible damage to the shipping container)

- All packages must be opened and inspected for concealed damage within 2 business days of the delivery. Any concealed damage must be reported to NHA, and an Online Freight Damage Claim must be submitted within **2 business days** of the delivery.

*****IMPORTANT*****

Critical items to avoid invalidating Freight Damage Claim Eligibility

- Do not remove the ATM from the pallet (if applicable)
- Do not attempt any repairs on the unit/parts
- Do not remove or replace any parts or components in the unit/parts
- Do not install the unit/parts
- Do not transport the unit from the receipt location prior to receiving approval for claim from NHA

Any of the above actions will void the Freight Damage Warranty and NHA will assume no responsibility to replace or repair the unit.

- Any unit received by any party as a will-call is not eligible for relief of any damages incurred in shipping the unit.
- Only units whose shipping originates from NHA or an agent of NHA to the customer designated ship-to destination are eligible for relief under the Freight Damage Warranty Policy. Units that are then transferred to another carrier or method of transport after reaching their original destination are not covered under this warranty.

Required Actions for Freight Damage Warranty Claims on ATM Products

The receiving party must submit a completed Freight Damage Claim with NHA within the required timeframe after the receipt of the shipment **AND** if visible damage, the receiver must have either refused the shipment, or noted visible damage on the POD when the unit was received in order to successfully claim freight damage.

- **Visible Damage** claims must be received by NHA by the end of business on the **10th business day** from the date of receipt.
- **Concealed Damage** claims must be received by NHA by the end of business **on the 2nd business day** after the date of receipt.

Freight Damage claims submitted after the specified dates will be denied by NHA and all responsibilities for costs or losses will be absorbed by the Sold-To customer.

Submitting the Freight Damage Claim

To Submit an Online Freight Damage Claim:

All Freight Damage claims will require that the Distributor or Dealer or end user (FI Direct or merchant) completes the online request form at www.NHATM.com. The required fields for a Freight Damage Claim are:

- ATM or Part Serial Number or Sales Order Number
- Pictures of the Damage
- Original Ship-to Location
- A Description of the damages to that shipment
- The part numbers ordered on the shipment that require replacement (Parts shipments only)

The submission and all supporting documentation must be received in full by NHA before the reporting deadline or the Freight Damage claim will be denied.

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Return of Damaged Items:

ATMS

- ATM must remain palletized and must be returned in the original carton with original packing materials.
- NHA provided RMA number must be clearly printed on the outside of the original Carton
- NHA will schedule a pickup of the unit. Customer Care will coordinate and communicate

Parts

Palletized Parts (CDU, BNA/BCA, CCIM, BRM, etc.)

- Palletized parts must remain firmly fastened and palletized and must be shipped back in original carton with original packing materials.
- NHA-provided RMA number must be clearly printed on the outside of the original carton

Non-Palletized Parts (parcels)

- Customer should contact NHA Customer Care to report the damage. The Customer Care agent will direct the customer in either reporting as a Freight Damage or as a Warranty Claim based on the details of the situation and the ability to resolve the issue in a timely manner.

Failure to completely follow the instructions for preparing a unit for return, or proper packaging of parts to return could result in the invalidation of the Warranty Claim.

Declined Freight Damage Claim

Ineligible Units – Partial Recovery Option

Should a unit be ineligible for relief under the Freight Damage Policy, the customer may still partially recover the cost of the unit by opting for credit from NHA through a Parts/Materials Salvage option:

Parts/Materials Salvage

- Unit is shipped to NHA at customer's expense
- NHA assesses the value of internal parts that are salvageable
- NHA assesses the value of the remaining raw materials (scrap)
- NHA provides a credit to the customer for the overall value assessed in both parts and materials