

**Product Receiving Procedures
Effective January 14, 2008**

General Policy

Medallion Fulfillment & Logistics receives client products from many sources including, common carriers (UPS, FedEx, and USPS), LTL Trucking companies, cargo container, special messengers, etc. We will accept and process such products on a timely basis, as we have been previously advised to expect the shipment, and the procedures outlined in this document have been followed.

Receiving Hours

Our hours for receiving are Monday through Friday from 9am to 1pm and 1:30pm to 4pm. Deliveries outside of these hours will either be refused or will be subject to additional fees (see rate schedule below).

Receiving Location

All deliveries should be addressed:

[Your company name]
Distribution Center
9146 Owensmouth Avenue
Chatsworth, CA 91311
(818)998-8366 email: orders@medallionenterprises.com

Receiving Appointments

All deliveries via NON COMMON CARRIERS (UPS, FedEx, DHL, USPS etc) must phone for a delivery appointment no later than 24 hours in advance of their expected arrival time.

Appointment phone is (818)998-8366 – Monday through Friday – 9am to 5pm

Incoming Product Procedure: (replacement products for existing sku's)

It is the client's responsibility to advise, in advance, of all shipments that have been directed to us for future delivery. To provide you with the best level of service we should be notified as early as possible. It is preferable

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that you advise us at the time that you place your purchase order for products even if the expected delivery is weeks or months away. This gives us sufficient time to get all entries made into our system on a timely basis and to provide the warehouse with appropriate details for space planning etc.

Incoming product notifications that are received less than 5 business days before delivery will be subject to a Late Notification fee (see rate schedule below).

Incoming product notices must be sent via email to:
orders@medallionenterprises.com.

Please start the subject line of the mail with: **INCOMING** – (whatever you want to add after that is fine). This will alert our staff to start the receiving process. The body of the email should include but not be limited to the following:

Name & address of vendor

Expected date to arrive (if known)

Purchase Order number (if used)

Vendor's item or sku # (if applicable)

Your item or sku # (required – as reflected in our order system)

Quantity expected (**IMPORTANT**: provide the quantity as you will sell it. If you sell by the each but they will arrive in cases of 24 give us the EACH total.

Description of item

Cost (if used by you in our system. If you do not use cost numbers talk with us.

There are various management we can provide you if we have this in system.)

Expected shipper: (UPS, cargo container, LTL truck etc.)

Special Handling instructions (if any)

Incoming Product – New item or SKU

Prior to sending us Incoming Product notification for new items or if you combine this info into an Incoming product email) you must send an email to orders@medallionenterprises.com to provide us with the info to add the item to our system. In the Subject line of the email please start with **NEW SKU** – (whatever you want to add after that is fine). We will set up the item in our system. The body of the email should include but not be limited to the following:

Your item or sku#

Description of item – Note this is the description as it will appear on invoice and packing slips

Unit of measure (each, dozen, case, etc) that you will sell the item

Sizes (if applicable)

Colors (if applicable)

Cost (if used)

Selling Price

Weight of item (if known)

Will item ship as received in its own box or will it packed by us?

Attach photo/catalog picture if available (our system can store this and assists both receiving and customer service staff.

Reorder point (if used)

Reorder quantity (if used)

Case pack (tell us how many units are packed in each master case)

Other information (any other helpful information)

Important: After you have sent the email with the above then follow the procedure for Incoming Product notification shown above.

Process After Submitting Incoming Product Notification

Following receipt of an email advising of expected product to arrive we will take the following actions:

Within our order processing system an internal Purchase Order will be created reflecting the information provided in the email.

The internal PO will be printed and provided to our receiving dept.

A copy of the PO will be sent to our client for verification that we received the email and for them to confirm that we have entered the information correctly.

This process will be completed within two business days following receipt of email.

Receiving Dept Procedures

Incoming Product

Product is received throughout the day from various sources, including UPS, FedEx, USPS, trucking companies, cargo containers from overseas, couriers etc.

Incoming product is placed in a staging area ready to be processed. Priority or Rush receiving will be handled first (see below for time frames)

At the time product is ready to be processed, the Internal Purchase Orders will be pulled, the product will be opened, and the packing slip obtained (if any). A comparison between the PO and the PS will be made. Exceptions will be noted.

The product will then be inspected and counted (if applicable). Verification will be made that the quantities and descriptions match what was expected. Any exceptions i.e. quantity discrepancies,

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damages, partial receipt will be noted on the receiving document (our internal PO).

The receiving data will then be posted to our Order Processing Software.

The product will be physically moved to its bin location in the warehouse.

The receiving report will be delivered to the Customer Service staff that will verify the posting accuracy, email a copy of the receiving report to the client.

On the next normal processing day all backorders pending receipt of this product will be released and shipped.

Order Returns Processing

Orders are returned by our client customer's for various reasons. The customer wants to exchange the item for another, ordered wrong size, did not like product, product was defective etc.

Our clients each handle their product return process differently. Some require their customer to contact them in advance and obtain a Return Merchandise Authorization (RMA) before returning the product and other clients allow the return to be sent back directly to the warehouse.

Medallion is establishing the following procedures for the handling of product returns. Previously our procedures were inconsistent and we now are committing to providing an improved level of service. Please note that if the time frames shown below do not work for your operation there is a priority and rush processing available (see rates below).

You will advise us via email to orders@medallionenterprises.com at the time that you are aware that a product is being returned to us via email. In the subject line of your email begin with **RMA** (whatever you want to add after that is fine i.e. order #, name etc). The body of the email should include as much info as possible but as a minimum, the following should be included:

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Medallion order number

Name

Phone number

Reason for return

Item/Items being returned

Directions on what to do when received, such as; send replacement, change size and reship, process credit card for partial refund, full refund etc.

Tell us what to do with product, such as, return to inventory; place in damaged section, etc.

The Customer Service staff will send a copy to the Receiving Dept to await receipt of the product.

If our Customer Service staff receives a notification via phone or other means they will advise the Receiving Department.

Upon receipt of the actual return, the item will be placed in a holding area to await processing. Within 4 business days the return will be processed.

The package will be opened and the item/items will be removed. The email will be used to compare the actual items received against that expected. Any exceptions will be noted. The product will be examined and an evaluation made whether or not the product should be returned to inventory or placed in the damaged/soiled/opened area for return to the client. An Order Return Form will be completed and forwarded to Customer Service for processing.

Customer Service will process the return including credit card adjustment and/or inventory adjustment, if necessary. This will occur with 2 business days from date return is processed.

A copy of the Order Return document will be scanned and emailed to the client when completed.

Receiving & Returns Fee Schedule

Our receiving fees are standard for all of our clients. Returns processing varies from client to clients based upon the work effort involved. Our agreement/contracts specify variations as applicable.

Receiving – Standard – Processed within 4 business days (not including day of receipt)

\$35.00 per hour (billed in ¼ hour increments)

Receiving – Priority – Processed within 2 business days (not including day of receipt)

\$15.00 per delivery (in addition to above standard fee)

Receiving – Rush – Process next business day after day of receipt

\$35.00 per delivery (in addition to above standard fee)

Note: you may select which type of receiving service you desire on a delivery to delivery basis. We will assume Standard unless advised, in advance of a different method.

Unscheduled Receiving

Any receipt of product received, in which, we have not received prior PO info within time frames stated above will incur a special handling fee of \$15.00 per delivery.

Returns Processing – Standard – Processed within 6 business days from receipt

\$ As reflected in agreement/contract

Returns Processing – Priority – Processed within 4 business days from receipt

Add 50% to Standard return fee above

Returns Processing – Rush – Processed next business day from receipt

Add 100% to Standard return fee above

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Note: You may select which type of return service you want on a return to return basis. We will assume Standard unless you advised, in advance of a different method. You can also advise us to automatically process your returns as Priority or Rush.

As with all policies, your company may have contractual arrangements with Medallion that vary with this procedure. Please contact us if you believe that to be true and we will confirm.

(The above rates are subject to change at any time and are effective with transactions after the date shown on the heading).