

# **CHARGE BACKS**

## **SECTION 8**

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### **CHARGE BACKS**

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## Charge Back Reason Codes

"LISTED ON CHARGE BACK INVOICE"

HA	WRONG PART RETURNED
HB	INCORRECT PFI
HC	CUSTOMER RESPONSIBILITY / MAINTENANCE OR ABUSE
HD	DEALER RESPONSIBILITY
HE	PARTS TEST OK / NO DEFECT FOUND
HF	CUSTOMER RESPONSIBILITY / SHOCK LOAD
HG	DEALER MIS-INSTALLED / MIS-DIAGNOSIS
HH	SUPPLIER EXTENDED / NON-AUTHORIZED PARTS
HI	DEALER SALE OF TAKE OFF PARTS
HJ	CORE CHARGE BACK / SUPPLIER RETURNED PARTS
HK	CORPORATE AUDIT SERVICES (CAS)
HL	PROOF OF DELIVERY (POD)
HM	CONSUMABLE PART NOT WARRANTABLE
HN	INSUFFICIENT PARTS RETURNED
HO	PARTS NOT SHIPPED
HP	INSUFFICIENT CLAIM INFORMATION
HR	REPETITIVE CLAIMS PROCESSING CHARGEBACK
HS	TA / FLEET OR DEALER A / DEALER B
HT	EXCESSIVE LABOR CLAIMED / SUPPLIER DENIED
HV	COMPLIANCE AUDIT CHARGE BACK
HW	PROCESSING ADIT CHARGE BACK
HZ	ADJUSTING \$\$ BETWEEN ACCOUNTS / WARRANTY ANALYSIS
H1	MISSING DATE CODE, PHOTOGRAPHS, OR REQUIRED INFO
H2	LABOR NOT COVERED / LABOR ONLY CLAIM
H3	TOWING NOT COVERED
H4	PARTS ADJUSTMENT / OVER REPAIR
H5	HANDLING NOT COVERED
H6	FREIGHT NOT COVERED
H7	OUTSIDE/SUBLET REPAIRS NOT COVERED

# Charge Back Reason Code Definitions

## **HA - WRONG PART RETURNED**

- This code is used to charge back a claim when the dealer or fleet returns the wrong part for the claim. This can happen when part 'A' is claimed but part 'B' is returned, or when the part returned is determined to be the wrong part for the vehicle. This can also apply when the part returned is considerably older than the vehicle.

## **HB - INCORRECT PFI**

- This code is used to charge back a claim when the PFI listed on the claim was not original equipment, was not on Parts Pro, or did not cause the failure. Normally the dealer is instructed to re-file the claim using the correct PFI.

## **HC - CUSTOMER RESPONSIBILITY / MAINTENANCE OR ABUSE**

- This code is used to charge back a claim when it is determined that the customer has not fulfilled their responsibilities as outlined in the maintenance manual to maintain their vehicle, that the customer has abuse the component or vehicle, or that the customer has rendered a component un-testable (e.g. cut-wires, damaged, broken lens... etc).

## **HD - DEALER RESPONSIBILITY**

- This code is used to charge back a claim when the repair of the original component was inaccurate or invalid causing a subsequent failure, the component returned is abused or un-testable, or a previous repair performed by the dealer was inadequate or in some way caused additional damage to the vehicle. This code is also used when the dealer requests a charge back so they can re-file the claim correctly.

## **HE - PARTS TEST OK / NO DEFECT FOUND**

- This code is used to charge back a claim when FLLC and/or supplier testing go f the component indicates that the part operates within normal functionality specifications and is free of defect.

## **HF - CUSTOMER RESPONSIBILITY / SHOCK LOAD**

- Do not use. Use HC.

## **HG - DEALER MIS-INSTALLED / MIS-DIAGNOSIS**

- Do not use. Use HD.

## **HH - SUPPLIER EXTENDED / NON AUTHORIZED PARTS**

- This code is used to charge back a one-stop claim when non-authorized components and/or excessive labor was used to perform the repair.

## **HI - DEALER SALE OF TAKE OFF PARTS**

- This code is used to charge back a claim when the Dealer has agreed to purchase the warranty take-off component. Used to invoice dealer.

## **HJ - CORE CHARGE BACK / SUPPLIER RETURNED PARTS**

- This code is used to charge back the core portion of a claim when the supplier returns the part to the dealer because the Part return tag was marked "return if found non-warrantable." Since a core was paid on the claim and the core was returned to the dealer the core amount must be charged back.

**HK - CORPORATE AUDIT SERVICES (CAS)**

- This code is used to charge back claims when CAS performs a warranty audit at the dealership and finds the dealer is not in compliance with warranty guidelines. The complete claim or any portion of claims may be charged back using this code. This code is not to be used by recovery.

**HL - PROOF OF DELIVERY (POD)**

- This code is used to charge back a claim when the part has not been received at a consolidation center or the supplier and the shipping information entered by the dealer is invalid.

**HM - CONSUMABLE PART NOT WARRANTABLE**

- This code is used to charge back a claim when the part used in the repair is listed as a "Consumable" and is not covered by FLLC and/or the supplier's warranty.

**HN - INSUFFICIENT PARTS RETURNED**

- This code is used to charge back a claim when a dealer does not return all parts related to the repair and the parts returned are insufficient to determine the cause of the failure. Example: Complete clutch claimed; but only the faceplate is returned.

**HO - PARTS NOT SHIPPED**

- This code is used to charge back a claim when the dealer does not enter shipping information into parts tracking and the claim expires.

**HP - INSUFFICIENT CLAIM INFORMATION**

- This code is used to charge back a claim when the Claim story is not sufficient enough for the FLLC and/or the supplier to determine the cause of the failure. (see H1).

**HR - REPETITIVE CLAIMS PROCESSING CHARGEBACK**

- This code is used to charge back a claim when a dealer has submitted more than one claim for a single repair. Processing and compliance primarily use this code.

**HS - TA/FLEET OR DEALER A / DEALER B**

- This code is used to update history against incorrect dealer code. Not used by recovery.

**HT - EXCESSIVE LABOR CLAIMED / SUPPLIER DENIED**

- This code is used to charge back excessive labor that is denied by the supplier and which does not meet FLLC guidelines.

**HV - COMPLIANCE AUDIT CHARGE BACK**

- Compliance use only. Charge back issued due to audit results.

**HW - PROCESSING AUDIT CHARGE BACK**

- Processing audit use only. Charge back issued due to audit results.

**HZ - ADJUSTING \$\$ BETWEEN ACCOUNTS / WARRANTY ANALYSIS**

- The code is used by the warranty analysis group in conjunction with code 'RZ' to adjust dollars between accounts. This code is not to be used by warranty recovery.

**H1 – MISSING DATE CODE, PHOTOGRAPHS, OR REQUIRED INFO**

- This code is used to Charge back a claim when required information, such as a date code, photographs, or a pre-authorization number, is missing.

**H2 - LABOR NOT COVERED / LABOR ONLY CLAIM**

- This code is used to charge back a labor only claim when a component is repaired instead of replaced and FLLC and/or the supplier does not authorize the repair of that component.

**H3 - TOWING NOT COVERED**

- This code is used to Charge back a dealer when towing is paid on the claim, but the vehicle or repair does not have towing coverage.

**H4 - PARTS ADJUSTMENT / OVER REPAIR**

- This code is used to charge back a portion of a claim when it is determined that the dealer or fleet performed an over-repair that is not authorized by FLLC or the supplier. Example: A/C compressor fails; dealer replaces A/C compressor and clutch when they should have only replaced the compressor.

**H5 - HANDLING NOT COVERED**

- This code is used to charge back a portion of a claim when the handling claimed is not covered. This typically happens when handling is claimed as Outside or ZZ handling.

**H6 - FREIGHT NOT COVERED**

- This code is used to charge back a claim when the freight charges claimed are not appropriate for the repair.

**H7 - OUTSIDE/SUBLET REPAIRS NOT COVERED**

- This code is used to charge back a claim when the outside or sublet repair costs claimed are not authorized by FLLC and/or the supplier (as stated in section 6 of the Warranty Manual).

## Charge Back Timeline

Timeline for all Charge backs can be found in the Warranty Manual, Section 5. The timeline listed below is for charge backs with parts shipments.

The charge back timeline below does not apply to Supplier Extended Coverage claims.

For questions on charge backs contact the Warranty Response Team at 503/745-8121.

	MARCH 5 12 19 26	APRIL 2 9 16 23 30	MAY 7 14 21 28	JUNE 4 11 18 25
CLAIM PROCESSING/TRACKING BEGINS (0 DAYS)				
DEALER SHIPS PARTS (23 DAYS)				
RTCP/RPM RECEIVES PART; PENDING SHIPMENT TO SUPPLIER (1 - 10 DAYS)				
RTCP/RPM SENDS PART TO SUPPLIER (7 - 10 DAYS)				
PART RECEIVED AT SUPPLIER: (60 DAY CLOCK BEGINS)				
SUPPLIER DENIES CLAIM AND SENDS ANALYSIS REPORT TO FLLC				
WARRANTY RECOVERY (45 DAYS)				
WARRANTY RECOVERY RECEIVES REPORT FROM SUPPLIER (0 DAYS)				
WARRANTY RECOVERY INITIATES CHARGEBACK BASED ON SUPPLIER DENIAL (15 DAYS)				

### Key Notes:

#### Return Parts:

- Parts MUST be returned and shipping information entered into the system within 23 days from the "Tracking Start Date" on the Parts Tracking Report
- Freightliner has 60 days to charge back a claim from the date the part is received at the final destination

**Important:** When incorrect information is entered on a claim (i.e.: Primary Failed Part Number) and the parts disposition is hold or scrap Freightliner LLC's Warranty Department can charge the claim back up to 60 days from the "process date."

#### Hold Parts:

- Parts are required to be held for 30 days from the "process date" on the Hold Report

#### Scrap Parts:

- Parts can be scrapped upon receipt of the Scrap Report

## Charge Back Appeals

Charge backs for **Technical Denials** (No Defect Found, Customer Abuse, etc.) can be appealed if the Dealership/Direct Warranty Customer does not agree with the results. A Charge Back Appeal form can be accessed via QuickClaim®.

**Charge Back Appeal -- Web Page Dialog**

### Charge Back Appeal

Appeals for "no Defect", "Customer (or Dealer) Misuse/Abuse", or "Dealer Mis-Installation" may be within 60 days from the charge back date. Appeals over the 60-day limit or for "Parts Not Shipped", "Warranty Returned", or other non-technical charge back reasons, will not be considered.

Dealers will be notified of the final appeal decision within 45 days of receipt of the appeal part of the Return Center (RTCP) except where special or unusual inspection procedures are required. In every effort will be made to complete the inspection in as timely a manner as possible.

Before proceeding, please verify the following

1. A charge back has been issued on the claim.
2. The charge back was for a technical reason.
3. The claimed parts are available for return to Warranty for re-inspection.

Please enter your e-mail address below, so that this form will automatically be sent to the correct a copy of this form will automatically be sent to you.

To:

PLEASE COMPLETE ALL FIELDS (required):

Charge Back Information	
Date: Tuesday, May 28, 2002	User ID: JSALS2S
C/B Appeal for Dealer Code: <input type="text"/>	Claim#: <input type="text"/>
Charge Back Invoice Number: <input type="text"/>	
Charge Back Originator Name: <input type="text"/>	

All instructions on the form must be followed in order for the appeal to be accepted. Please provide any additional information that was not contained in the warranty claim.

Charge back for **Non-Technical Appeal** is considered a **"review"** (parts not shipped, part mismatches, incorrect primary failed item). These charge backs can be reviewed if the Dealership/Direct Warranty Customer does not agree with the results. [To file a review you must follow the proper steps listed in section 5 of the Warranty Manual.](#)



## Invoice Charge Back Detail

The following is a portion of an Invoice. On this glimpse, it details the different pieces of information that is referenced. If you need to call or email in about a charge back, please ensure all of the following information is given.

- Claim Number
- Serial Number
- Supplier Code
- Reason Code
- Complete Description of why the claim was charged back
- Who issued the chargeback (e.g.: Name on the Chargeback **OR** Reference Number)

HPD QTY	PART NUMBER
1	WARRANTY-BASIC FTL
Claim Number	A00099X / B12345 / XXX / YY
Description	WRONG PFP - NO PRIOR REPAIR
	HISTORY / C.JONES

Serial Number  
Supplier Code  
Reason Code on Invoice  
Name on Charge Back