

## **DRS FantomWorks Inc. 2400 Hampton Blvd, Norfolk VA 23517**

### **PARTS POLICIES**

**Part Cost:** Regardless of whether the part requires a single phone call to purchase or weeks of research, phone calls, letters, and emails, the markup on the part is 25% over our actual (wholesale or discounted) costs. At 25% markup, DRS FantomWorks charges the lowest part markup of any known shop, as general industry markup is 100% over shop acquisition cost.

Part markup covers three costs associated with acquisition:

- 1) Administration (ordering, unpacking, logging, filing receipts, invoicing, etc.)
- 2) Warranty associated with potential future part replacement (which is generally not charged to the customer)
- 3) Overhead including taxes, warehousing, spoilage, etc...

**Parts Acquisition:** DRS FantomWorks will acquire all parts needed to complete repairs on customers' cars and does not allow customers to provide parts for any active project. The one exception to this policy is if a customer has purchased parts prior to becoming a customer and brings in the parts at the time the project commences; FantomWorks will install these customer-provided parts however does not provide any parts warranty of any kind and only guarantees the parts are installed as correctly as practicable

**Directed Part Purchase:** If a customer directs DRS FantomWorks to install a specific vendor's part or a specific size part (i.e. custom tire and wheel combination), the customer assumes risk for fit & function.

### **GUARANTEE & WARRANTY**

**Part Installation Guarantee:** FantomWorks strives to install every part properly and stands behind every part it sells. For any doubt regarding proper part installation, DRS FantomWorks will default to support the customer and provide free re-installation or replacement. FantomWorks guarantees parts' installation workmanship for one year from part installation date. This guarantee covers the installation procedure on the vehicle and ensures the part is installed as correctly as practicable.

**New and Remanufactured Parts:** Are warranted per the manufacturer's warranty and replaced free of charge following material failure per the manufacturer's warranty for up to one year after installation.

**Used Parts:** Generally have a 30 to 90 day vendor warranty; however, some vendors offer no warranty. We match vendor's warranty and re-install the part for free if it fails during vendor's stated warranty.

**Rebuilt Parts:** In many cases, new old stock, good used, or reproduction parts are not available and FantomWorks must design, manufacture, and/or rebuild a part (i.e. rebuilding a 50-year-old clock). Warranty on custom fabricated/rebuilt parts will be subject to FantomWorks' discretion and based upon the budget authorized (if the required budget is 10 hours to correctly fabricate/rebuild a component

and the customer authorizes all hours required, a 1 year warranty is provided; if however the customer authorizes only 2 hours to “patch” the problem, little or no warranty is provided).

## **STORAGE & FEES**

**Inactivity Storage Fees:** FantomWorks does not charge for storage while cars are active projects. Under normal circumstances FantomWorks completes an average of 15-25 hours per week of touch-labor on every vehicle in the shop. If a customer’s inability or unwillingness to keep current on reasonable project payments causes a vehicle to lapse into an inactive status (i.e. three working days after payment is requested and no payment is made and/or with no mutually agreed alternative plan), then the vehicle lapses into an “Inactive Storage” status. Vehicles are moved to outside storage after three days of completion. Not insured storage begins 3 days after work is finished at \$35/day.

**Exigent Parts Status:** If a vehicle is of a rarity that parts are extremely difficult to find and a vehicle is in an “awaiting parts” status with no contracted work to be done; owner will have option to either retrieve the vehicle until parts are available or the vehicle will be placed into a storage status at \$4.00 per day.

**Cars in Directed Storage:** If the owner of a vehicle in a directed storage status (the vehicle enters the shop as a vehicle intended to be in storage rather than a work-order vehicle) requests work on vehicle, the owner will be credited one free week of storage for every 15 hours of work completed on his/her vehicle upon work completion.

**Credit Card Transactions:** Due to exorbitant credit card fees there will be a 4% surcharge for the use of credit cards on balances over \$100. We strive to keep prices low and have not “built in” a markup for the credit card fees we must pay; and as a small, family-owned business, we cannot cover credit card fees.

*Please address questions and issues before work commences.*

Very Respectfully,

A handwritten signature in black ink that reads "Daniel R. Short". The signature is written in a cursive style with a long horizontal line extending to the left.

Daniel R. Short