



Service Operating Guide

Date	Supersedes	Subject	Section	Page
11/01/07	11/01/06	LABOR	D	1

IN-WARRANTY RECEIVABLES

"In-Warranty Receivables" is defined as the labor payment due to you for performing in-warranty repairs. It represents an important part of your service income and should, therefore, be of vital concern to you.

The first step in controlling your in-warranty receivables is to ensure that all Service Documents for completed warranty repairs are submitted promptly. It is strongly recommended that submission of these claims be made at least weekly.

The second step in controlling your in-warranty receivables is to file, in numerical sequence, the service company copy of the Service Document for which labor payments are due. It is also important that these copies be marked with the date the original copies were submitted to ServiceBench or Warranty Processing for payment, and the original Service Document must have the customer's, or the customer's representative's, signature.

The third step in controlling your in-warranty receivables is to "clear" your receivables file immediately upon receipt of payment from ServiceBench. Attached to your payment check will be a claim payment summary. This summary will list, in detail, which of your Service Documents are included in the attached payment check or EFT.

Note: Bill backs will be denoted on the summary by a minus sign "-"

To clear your in-warranty receivables, remove those Service Documents listed on the summary listing (attached to your check) from your in-warranty receivable file. If the summary indicates the claim was paid, indicate the date and check number on the face of the claim and place that claim in a completed file for future reference. The claims payment summary should also be maintained as evidence of payment for your accounting and tax purposes.

If a Service Document is rejected, the rejected claim will be listed on the payment recap. Rejected claims should be reviewed, corrected, and resubmitted within thirty (30) days.

If you have any questions on non-payment of claims, you can call the Exception Management Team, Monday-Friday, 10:00-12:00 or 1:00-5:00 EST at 888-678-8808, or use the escalation feature in ServiceBench.

WHAT IS A 1099-MISC?

A Form 1099-MISC is sent out by the payer (Whirlpool Corporation) showing what the payee has been paid for the year; similar to the W-2 that employers send to their employees. A 1099-MISC shows payments for the following items (but not limited to):

- (1) Rent Income
- (2) Royalty Income
- (3) "Other Income" (prizes & awards, punitive damages, payments to beneficiaries for deceased employee's wages and payments to an estate)



Service Operating Guide

Date	Supersedes	Subject	Section	Page
11/01/07	11/01/06	LABOR	D	2

WHAT IS A 1099-MISC? continued:

- (4) Medical or Health Care Services (even if payee is a corporation)
- (5) Fees & Commissions
- (6) Attorney's & Accountant's fees for professional services
- (7) Non-employee compensation.

WHO GETS A 1099-MISC?

Form 1099-MISC is sent to each person to whom a payer (Whirlpool Corporation) has paid:

- (1) At least \$10 in royalties or broker payments in lieu of dividends or in lieu of tax-exempt interest.
- (2) At least \$600 in rents, services (including parts & materials), prizes & awards, other income payments, and medical and health care payments (including corporations).
- (3) All legal firms (including corporations).

EXEMPTIONS: Some payments are not required to be reported on Form 1099-MISC, although they may be taxable to the recipient. Payments for which a Form 1099-MISC is not required include:

- (1) Payments to Corporations (except medical and legal).
- (2) Payments for Merchandise (if labor is included, then 1099 is required).
- (3) Payments of rent to real estate agents
- (4) Wages paid to employees (reported on W-2)
- (5) Business Travel Allowances paid to employees
- (6) Payments to government bodies (city, state, county).
- (7) Payments to tax exempt organizations, (e.g. churches, boy/girl scouts).

The IRS requires the payer (Whirlpool Corporation) to obtain a completed Form W-9 or Substitute W-9 with name, address and with one of the following type of Taxpayer Identification Numbers (TIN):

- **Individuals** — Individuals must furnish their name and SSN (Social Security Number) as shown on their social security card.
- **Sole Proprietorships** — A Sole Proprietor must furnish the following:

If no EIN (Employer Identification Number) is assigned, use the name of the individual who owns the business and his/her SSN (Social Security Number).
- **Partnership and Corporations** — For entities such as trusts, estates, partnerships, corporations and similar entities, the TIN (Taxpayer Identification Number) is the EIN (Employer Identification Number). The EIN must be used and should identify the legal owner of the account, i.e., the organization or business name. The SSN (Social Security Number) cannot be used.

RECORD RETENTION FOR INTERNAL REVENUE SERVICE IS 7 YEARS



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