FBA inventory reimbursement policy

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If an item you send to us as part of the Fulfillment by Amazon (FBA) service is lost or damaged at a facility or by a carrier operated by Amazon or on behalf of Amazon, we replace that item with a new item of the same FNSKU or reimburse you for it.

Eligibility

For an item to be eligible under this policy, all of the following must be true:

- The item is registered in FBA at the time it is lost or damaged.
- The item complies with FBA product restrictions and with FBA inventory requirements.
- You have sent us the exact items and quantities stated in your shipping plan.
- The shipment for the item is not in canceled or deleted status.
- The item is not pending disposal or was not disposed of at your request or because we have exercised a right to do so.
- The item is not defective and was not damaged by a customer.
- When a lost or damaged item claim is filed, under review, and during any appeals, the seller's account must be in normal status.

Claims

If your item is eligible under this policy, and we haven't already reimbursed you, you can file a reimbursement claim. The process to a file a claim varies depending on where in the fulfillment process your item is lost or damaged:

- Shipment to Amazon claims
- Fulfilment centre operations claim
- Customer return claims
- Removals claims

Important: You must follow the applicable process described on the pages above and provide all requested information when you file a claim. We may decline your claim if you do not.

Reimbursements

If we determine that your reimbursement claim is valid, we replace the lost or damaged item with a new item of the same FNSKU or reimburse you for it.

If a reimbursement was made in error, or if a reimbursed item is later found and returned to your inventory, we reserve the right to reverse the reimbursement credit that was applied to your account.

We may dispose of any item for which we reimburse you under this policy, including by selling it. As a result, such items, including lost items that are found after reimbursement, may be listed for sale on Amazon warehouse or other channels.

Important: Our policies prohibit any activity that would interfere with our capacity to help other sellers. Examples of such activities include submitting insufficiently researched or premature requests, or submitting a large number

of requests in a short time. Sellers who repeatedly engage in these activities may receive delayed support on their cases or be subject to monitoring, investigation, and account action.

Calculation of reimbursement value

Important: The maximum reimbursement amount for a single unit of any FBA-eligible item is CAD 5,000. For items valued at more than CAD 5,000, we recommend that you consider buying third-party insurance.

We calculate reimbursement value based on whether the item was lost or damaged before or after it was ordered by the end customer.

Pre-Order Lost or Damaged Events

For shipment to Amazon claims, removals claims, and fulfilment centre operations claims that occur before fulfillment, we will reimburse you the manufacturing cost of the item. This also covers lost and damage claims during inventory replenishment handled by Amazon or on behalf of Amazon to fulfillment centers or non-Amazon buildings in marketplaces where we provide the service. For items that were in unsellable condition when lost, damaged or removed from the Amazon fulfillment network, we will reimburse at a reduced estimated cost of the unit, and we may request additional information or documentation to help us determine this adjusted value.

You can provide your manufacturing cost for an item on the "Manage Your Manufacturing Cost" page on the Inventory Defect & Reimbursement (IDR) portal. If you don't provide your manufacturing cost, we'll use our own cost estimate for reimbursement calculations, which will be displayed on the same page. To generate an estimate of the item's manufacturing cost, we evaluate the manufacturing cost of comparable products sold by Amazon, by other sellers, and through other wholesale channels.

Note: "Manufacturing cost" means your cost to source a product from a manufacturer, wholesaler, reseller, or produce the item if you are the manufacturer. It excludes costs such as shipping, handling, customs duties, or other costs. If you provide your manufacturing cost, we may ask you to provide additional information to validate the amount. Visit the Manage Your Manufacturing Cost help page for accepted proof-of-value documentation details.

Your specific cost data is not shared with any other seller in Amazon's store, including Amazon Retail. This data is used to calculate your potential reimbursement, and to improve the usability and effectiveness of our services for your benefit. For information about how we collect and process your information, please visit our Privacy Notice.

We may decline your manufacturing cost submission for the following reasons:

- Your submission is an outlier compared to similar products or our cost estimate.
- Any documentation is forged, tampered with, or illegible.
- Your account is suspected of fraud, significant policy violations, or non-compliant selling activities.
- You already submitted and received a decision on a cost update request or reimbursement amount dispute for the same item within the last 30 days and have not supplied any new information to reconsider our decision.

If we decline your submitted manufacturing cost, we will reimburse you based on a previously approved amount that you submitted or our estimate of your manufacturing cost for the item. You can dispute a reimbursement claim using the Get Help page in Seller Central.

Note: After March 10, 2025, we will periodically refresh our cost estimates to provide the most up-to-date valuation of the inventory. If the refresh affects any cost you previously provided, we'll alert you and give you time to review the refreshed estimates and update any item(s) where you would like to provide an updated value directly. You may also monitor any impacted items via the status column in the Manage Your Manufacturing Cost page.

Post-Order Lost or Damaged Events

~~Because item prices tend to fluctuate over time and may vary widely from seller to seller, we compare several price indicators to determine an estimated sale price for the item when calculating the reimbursement amount. The price indicators that we compare are:~~

- ~~The median price at which you have sold the item on Amazon over the past 18 months~~
- ~~The median price at which other sellers have sold the same item on Amazon over the past 18 months.~~
- ~~The current list price you have set for the same item on Amazon or the mean list price if you have multiple listings for the same item~~
- ~~The current list price for the same item from other sellers on Amazon~~

~~If we don't have enough information to calculate the estimated sale price of a unit using the price indicators described above, we assign an estimated sale price based on the price of a comparable product. We may ask you for additional information or documentation to help us determine that value.~~

~~If we elect to reimburse you for a shipment to Amazon claim, we reimburse you for the estimated proceeds of a sale of that item.~~

~~**Note: Estimated proceeds** means the estimated sale price of the item for which you are being reimbursed minus referral fees and fulfillment fees.~~

~~If we elect to reimburse you for a fulfillment center operation claim or a removals claim, we reimburse you for the estimated proceeds of the sale of that item unless the item was in an unsellable condition when lost or damaged or when removed from the Amazon fulfillment network. For unsellable items, we reimburse you at a valuation consistent with the estimated proceeds of the discounted sale of the unit. We may ask you for additional information or documentation to help us determine that discounted value.~~

If we elect to reimburse you for a customer return claim, the value of the reimbursement is based on the refund or replacement given to the customer on your FBA order. If Amazon refunded or replaced an item on your FBA order, we calculate the reimbursement value as the ~~refund amount or the~~ sales price ~~of the replacement item~~ on the original order minus applicable fees. For items that were in unsellable condition when lost or damaged, we reimburse you at a valuation consistent with the discounted sales price of that order minus applicable fees. We may ask you for additional information or documentation to help us determine that discounted value.

If you don't agree with our valuation of a unit, you can file a claim on Contact Us in Seller Central within 60 days after we have issued the reimbursement.