Part Prep, Packaging and Shipping Guide

Version 2022-1

The standards and guidelines specified in this document may change from time to time to reflect better practices implemented to improve efficiency, minimize part damage and reduce overall operating costs. The Board of Directors may issue or approve changes to the standards and guidelines and such changes will be reflected in updated versions of the guide. To ascertain that you are using the latest version, compare the version of this Guide with the most current version posted on the Team PRP internal web site or consult with your Regional Director. The version can be seen at the top of each page and the date is at the bottom left.

2.7. Part Preparation, Packaging and Shipping

You make every effort to buy top quality vehicles and invest in dismantling parts patiently and effectively so as to retain their top quality. It would be a pity to lose a sale because that quality was compromised when the part was packaged and delivered. That also impacts your fellow Team PRP members who broker those parts because their reputation is negatively impacted every time they work out a deal involving your parts and then have them arrive damaged causing delays in their customers' cycle time.

This section of the Guide is dedicated to the process defined by Team PRP for preparation, packaging and shipping various parts. The portion dealing with shipping is divided into three, depending on how the parts will be shipped: Team PRP logistics program, PRP Ez Freight and other LTL or small parcel (i.e. UPS, FedEx, etc.). While there may be slight differences in how a part is packaged, depending on how it will be shipped, the general assumption – unless it is addressed relating to a specific part – is that part preparation and packaging is generally the same for all three.

2.7.1. Part Preparation

In general, parts should be cleaned and degreased, any notations, numbers or other notes on parts that will be exposed should have been written with erasable marking tools to make sure they will not cause problems in the refinishing process. Never use a paint stick on painted surfaces, visible areas of a mirror housing or mirror glass as this will bleed through most finishing. Care should be used when marking on glass since a ghost image of the markings may remain. You may want to mark the door jamb or other non-visible areas instead. Markings on glass can be removed using solvent or a razor blade but may be difficult to remove as the markings age. If the notes are not fully erased it may cause the parts to be rejected, particularly in glass or lights where grease marker notations are hard to clean up. To best carry out this task you may need wax or grease remover for plastic surfaces or lacquer thinner for metal surfaces. Stock# / PO# should be marked with a paint marker or stamped on the non-exposed areas of the part.

Parts should be left as complete as possible to save the customer installation time, particularly parts rarely sold separately. Any unnecessary or unrequested remnants, particularly damaged parts should be removed.

2.7.1.1. Engines

Because Team PRP members sell and ship so many engines, a major portion of this section is dedicated to engines. In general, they should be prepared to the same standards to provide customers with the same product quality and prep regardless of the origin of the product.

Inspection	• Pressure-wash the engine and inspect and prepare it according to the process defined in previous sections. • Confirm stock number/ purchase order number matches the work order • Confirm the interchange description on the work order matches the part • Confirm work order comments match or special instructions have been completed • Roll over/rotate: **NOTE:** Before rotating an engine, consult manufacturer recommendations to prevent damage to timing or other internal components. In general, the engine should be rotated clockwise from the harmonic balancer unless otherwise indicated by the manufacturer. Use engine rotating tool to roll the engine over two (2) complete revolutions. • Inspect Cylinder Head(s) for any gasket leaks • Inspect engine block, mounting brackets and bases for cracks or breaks. • Confirm all included parts are included and undamaged. Replace any damaged item. If item will not be replaced contact supervisor or salesperson before continuing, Parts assumed included are: Block — Valve Cover(s) Internally Lubricated Parts — Intake Manifold Oil Pan — Timing Cover(s) Cylinder Head(s) — Fuel Injection Components Integral wiring harnesses when possible
Preparation	• Remove all broken or damaged parts possible. Do not remove good parts that would make installation easier for the customer. • The following accessories are assumed to not be included Compressor — Starter Power steering pump — Alternator Exhaust Manifold(s) unless the catalytic converter is not integral. • Remove the following if damaged or cut Wire(s)/Wire Harness — Coil Pack(s) Throttle body — Bracket(s) Hose(s) — Sensor(s) • Confirm engine has been drained of all fluids. If not, drain all fluids. Not draining fluids will subject the part to refusal by transportation carrier. • Use properly sized red plugs to cover any holes (including accessory items). Use adhesive tape where plugs don't fit.
Cleaning	• Pressure-wash the entire engine to remove any oil or grease. Team PRP recommends using a hot pressure washer, commercial degreaser or non-heated pressure washer or a combination of these to properly wash the engine. • Use an air hose with air chuck or an air hose with a blow gun equipped with a rubber tip to remove excess moisture. • Some Team PRP members turn the engines over again after cleaning to make sure all is OK and no moisture has penetrated the engine.

Mark	• Optional: Stamp with your store's custom stamp on the back of cylinder heads and the bell housing area using a customized metal stamp and a hammer • Optional: Apply a heat tab. To best perform this task, you will need either Team PRP promotional heat tab, URG or customized heat tabs and heat tab glue (all available from URG, Brock, Commercial Forms and other suppliers). The placement should be in an inconspicuous location. A minimum of one heat tab on the block is recommended. Cover the back of the heat tab with glue and apply to clean selected area. Note that there are different tabs for diesel and gasoline engines. • Use a wire tie or zip tie (all available from URG and several other industry suppliers) to secure the Team PRP engine installation tags.

2.7.1.2. Transmissions

Drain and Inspect	• First things first, check the stock number markings on the transmission. Confirm that the number on the transmission (usually on the case or bell housing) matches the number on the torque converter and the number on your work order. • Review the interchange information and notes from the work order. Confirm the interchange description matches the part. Execute any special instructions given to you in the work order comments. • Inspect the transmission for any cut wiring, unnecessary hoses or brackets, broken sensors, and any other loose, broken, or damaged external parts. Remove these pieces to create a clean presentation. • Remove transmission pan to completely drain and check for excessive debris, like metal shavings and pieces. It should not exceed a teaspoon of fine debris and there should be no pieces of metal larger than a grain of rice. Not draining fluids will subject the part to refusal by transportation carrier. • Smell transmission fluid. It should be free of burnt smell. • If you find the fluid to smell burnt or if there are excessive metal shavings in the pan and fluid, contact your supervisor.
Drain and Inspect	• After the inspection, wipe the pan clean and return it to the transmission. • Make sure the torque converter has been drained. • Move the shift selector through all the detents to make sure shifting is smooth. Team PRP suggests that, after testing the shifting and finding it OK, a comment be added to the part condition to indicate that “Shifts OK”.
Preparation	• Cap-plug all openings: Use red cap plugs on any and every opening on the transmission. It’s important to do this before the transmission is pressure washed to prevent any moisture getting into part. This also really improves the overall presentation of the transmission. • Make sure the torque converter is fully seated into the pump and secure the torque converter bracket to the transmission using a Team PRP branded or approved torque converter bracket.
Cleaning	• Use industrial strength degreaser to loosen up dirt, oil, and debris. Thoroughly pressure wash transmission from all angles. • After cleaning is a good time to inspect the transmission again for hidden defects and cracks.

Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time. • Tag the Transmission with Team PRP installation guidelines tag, placing the tag between the transmission case and the oil pan though the hole in the tag. Also place delivery/QC tags at this time the same way. • It is important for fellow Team PRP members to know, upon receiving a transmission, what has been done to ensure its quality by the selling member. It is recommended that the transmission case be noted with “O/I” to indicate the transmission has been opened and inspected. Some members also replace only 4 of the oil pan bolts and place the remaining bolts in a bag that is attached to the transmission much like the tags. If necessary, use more than one means to indicate what has been done already to improve communications between members.

2.7.1.3. Axle Assemblies

Clean & Inspect	• Thoroughly wash and degrease • Double check for broken or missing mounting tabs • If shipping with drums or rotors, make sure they are secured to the assembly by tightening at least one lug nut so they cannot come off during travel. Not doing this is very dangerous and is a serious safety hazard. Leaving the drum or rotor on also helps protect the dust cover which can be time consuming for your customer to change. • Even if the cover was removed after dismantling, it is recommended that the axle assembly be stored with fluid to prevent internal rusting and to inspect it and drain fluids by removing the pan prior to shipping. • Rust has been and will always be an issue with axle assemblies. Some Team PRP facilities paint axle assemblies prior to storing them to improve their appearance but doing so without first descaling or removing the rust actually does not improve its appearance. It would be a good idea to ask the customer if they want axle assembly painted and to do so if the customer requests it.
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time.

2.7.1.4. Headlights/Lamps

Clean & Inspect	• Thoroughly wash and degrease • Double check for broken or missing mounting tabs • Check for moisture inside the lens that might indicate a crack or damaged seal • Glass and lenses should be buffed and polished. Clean and polish headlights for insurance quotes. Use one of the 3M buffing or similar systems. Application of a UV coating is advisable but not required. • Polish the lens and clean the backside housing
Mark & Tag	• If the stock number is not marked on the back, go ahead and mark it at this time.

2.7.1.5. Doors, Hoods and Lids

Clean & Inspect	• Thoroughly wash and degrease • Inspect window operation • Roll glass down if possible • Compare attached components to the requirements as stated on the work order • On lids that include tail light or other lighting components, prep lighting in accordance with part prep standards for lights. • Team PRP's goal is to improve the value of its parts to the customer while at the same time improving revenue opportunities for members. In some cases, depending on the requests of the customer and the condition of the assembly it is possible that some components that would normally be left on an assembly are pulled off. For example, the taillight in an older and not prime condition tailgate may provide greater value to the recycler off the gate than leaving them on. When deciding which way to go with an assembly, consults your customer and your sales history then proceed. • Hinges should be included if they are removable from the body. Use common sense regarding leaving the removable hinges bolted on regarding the possibility of damage during transit. Make sure the packaging is such as to protect it.
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time but do it in an area that will not be exposed or require refinishing and painting.

2.7.1.6. Fenders

Clean & Inspect	• Thoroughly wash and degrease • Double check for broken or missing mounting tabs • If the inner fender/liner/splash shield is damaged, it should be removed and the inventory record noted that there is no liner. If intact and left on, make sure the splash shield is safely secured to the fender. • Check for any missing components as listed on the work order. • At the time, an order is taken or inquiry made, the sales staff should ask the customer if the liner is needed before sending it automatically with every fender.
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time making sure the area used for marking will not be visible.

2.7.1.7. Suspension Parts, Hubs and Drive Shafts

Clean & Inspect	• Thoroughly wash and degrease • Wire brush rusted areas • Inspect all joints, hubs and ball joints for proper movement. Most professional repairers expect that the ball joints will be included and that they will be in good working order meaning that a part with a bad boll joint should not be sold.

Mark & Paint	• If the stock number is not marked on the part, go ahead and mark it at this time. • Take into account customer expectations before deciding if the parts should be painted or not. Team PRP does not require it. • If requested by the customer, use black spray paint to paint suspension parts and drive shafts. • Some recyclers prefer to place a color mark on suspension parts to clearly identify the side of the vehicle. While the ARA has not yet defined a standard, if your organization puts a color mark on suspension parts, at least for now, use the standards for navigation lights – red for left side and green for right side. If you know your customer prefers not to have the parts painted, refrain from doing so, but fewer parts will be rejected if the parts look better.

2.7.1.8. Wheels

Clean & Inspect	• Thoroughly wash and degrease • Double check for damage to the lip • Attach center caps as needed per sale or description • Polish the front of the wheel to eliminate or minimize scuff marks and scratches • Some members recommend that all wheels be spun prior to the sale and/or shipping.
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time.

2.7.1.9. Mirrors

Clean & Inspect	• If not previously tested during QA, check to make sure that the detent position for folding mirrors holds. • Thoroughly wash and degrease • Double check for broken or missing mounting tabs on mirrors • Check mirror for scratches and delamination or separation, etc. • Glass that had been previously marked with liquid pen or grease markets may retain remnants of the markings that are difficult to remove. Inspect for these as well by tilting the glass in different angles • Polish the mirror surface and clean the backside housing
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time but make sure you do so in an area that will not be visible.

2.7.1.10. Radios, ECMs, Instrument Clusters and Other Electronics

Clean & Inspect	• Verify that the part number is correct and make sure the ID is included on the tag • Thoroughly clean and dust. Do not use liquid cleaning compounds • Double check for broken or missing mounting tabs or cut wires. Make sure the plugs are not broken or bent. • Remove any plug-in wiring at connections • Polish the lens and clean the backside housing
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time. On radios and instruments clusters make sure you mark the part in an area not visible to the ultimate customer

2.7.1.11. Coolers, Radiators, Condensers

Clean & Inspect	• Check the seal between aluminum cores and plastic tanks for possible damage or leakage • Thoroughly wash and degrease • Double check for broken or missing mounting tabs or damage to the tanks or fins. Confirm that the assembly housing is not bent or damaged. • Remove hoses and/or plumbing at inlets or fittings. • Drain thoroughly and plug all openings with red plastic plugs, including transmission line connections
Mark & Tag	• If the stock number is not marked, go ahead and mark it at this time.

2.7.1.12. Preparing Returning Cores

All valuable "NCB" (Need Core Back) cores must be given a P.O. in order to be sent back on the Team PRP transportation system.

Frequently cores are not drained by the end customer prior to returning them for credit. If that is the case, they must be drained of all fluids and properly skidded and or packaged or will not be accepted for the return to the original Team PRP member. They will only be loaded on the trailers when space is available either at the point of origin or at an intermediate hub.

2.7.2. Part Packaging

2.7.2.1. General Packaging Guidelines

Team PRP strives to deliver a damage free quality part to the end customer in a professional appearing package. Team PRP members audit shipments upon arrival. Team PRP exception reporting includes parts that arrive damaged in transit as well as parts that do not conform to the preparation and packaging standards as well as part quality. This section presents the packaging processes and supplies needed to achieve Team PRP quality packaging standards.

2.7.2.1.1. Boxed Parts

- Outer package: When packaging parts use clean, undamaged boxes, labels and tape that prominently feature the Team PRP logo.
- When packaging parts in boxes do not use boxes branded with your business name or another brand instead of Team PRP as that hinders the fellow member's ability to deliver the part in the box you provided. The same applies to labeling boxes with labels with your name on them. If there is anything on the box, label or tag on the outside it should be Team PRP.

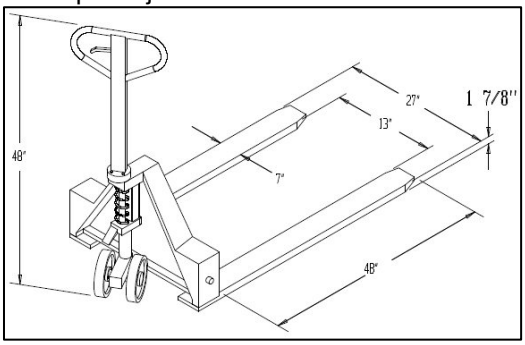
- Inner Packing: Packing peanuts, shredded paper or bubble wrap should be used when shipping fragile parts including but not limited to lights, mirrors, and electronics. Bubble wrap is preferred since several Team PRP members report housekeeping issues with peanuts and shredded paper. In addition, make sure that there is no other identification or notation inside the box or on the part itself that would indicate the source of the part, particularly on drop shipments.
- When purchasing boxes and bubble wrap for shipments to fellow Team PRP members, regardless of whether you are shipping via the Team PRP logistics network or a common carrier, make sure you purchase boxes that comply with the sturdiness and durability required by Team PRP and defined in this section. Team PRP recommends using Just Packaging, a Team PRP preferred vendor. For more information about Just Packaging consult the NING site, select the Vendor Relations tab and scroll down to Packaging Supplies and click on Just Packaging.

2.7.2.1.2. Wrapped Parts (i.e. body panels):

- Outer Package: Cardboard and stretch wrap or Panel Armor should be used. Panel Armor does not require inner packing materials. To purchase Panel Armor contact your Regional Director to participate in a discounted Team PRP group purchase or contact Panel Armor directly (make sure you mention you are a Team PRP member to take advantage of special pricing).
- Inner Packing: Bubble wrap and cardboard edge protectors should be used.

2.7.2.1.3. Palletization:

- When a part needs to be transported on a pallet choose from the recommended pallets shown in the next section.
- The pallet construction should be sturdy enough to support the part traveling over long distances and numerous transfers.
- Parts should be adequately secured to the pallet with weight-appropriate banding or wire to prevent shifting during transport and handling.
- To protect parts from side impact damage during transportation body parts should not overhang the sides of the pallet.
- In order to conserve space on the Team PRP transportation network, the pallet should not be significantly larger than the part.
- The pallet should be suitable for handling using a standard pallet jack. This will facilitate uniform material handling for quicker hub transfers throughout the network as well to the end customer. The following diagram shows the dimensions of a standard pallet jack.

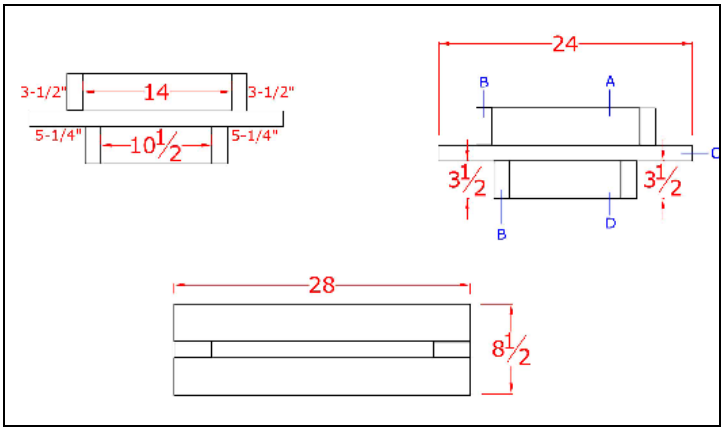


2.7.2.1.4. Pallet Standardization Program

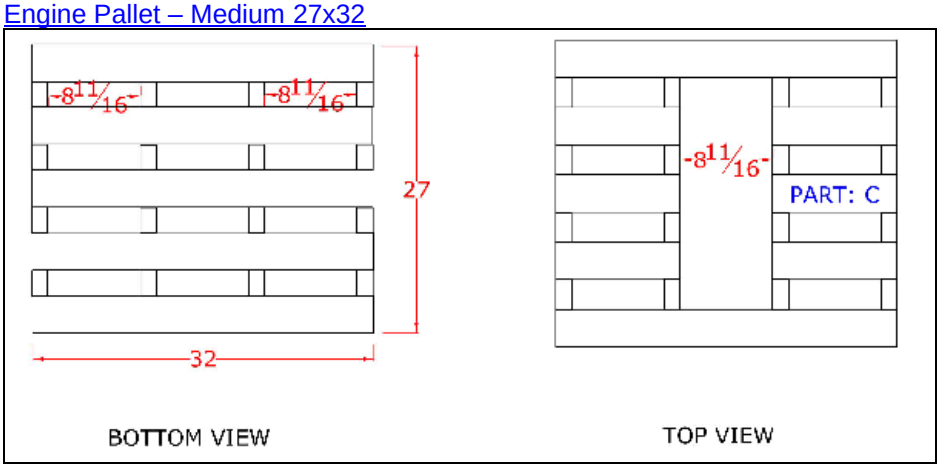
Most Team PRP members use pallets of their own design and manufacture. While up to now this has worked well for individual members, it leads to inefficiencies and increased costs. For example, when you receive an engine from a fellow Team PRP member and get it ready for delivery to your customer, it is very likely that you repackage it and dispose of the pallet it came in on. Consider the benefits if most Team PRP members were to use similar or even identical pallets in the future. Instead of disposing of it you could then re-use it to ship your part on another Team PRP transaction. If implemented, this could reduce shipping supplies costs and reduce the number of pallets you keep in inventory. It would allow for better planning by Team PRP in its use of materials handling equipment such as pallet jacks, lift trucks, etc.

With the help of a leading provider of pallets (designs courtesy of Universal Forest Products) and after a review by the Team PRP Transportation Committee, we would like to pursue the use of the following as plans for uniform pallets. Each of the drawings below are thumbnails and more detailed plans for each are available from teamprp.com. To access them go to teamprp.com Member Portal, Logistics tab and select Standardized Pallet Plan. You can also click on any of the drawings to access the more detailed plans.

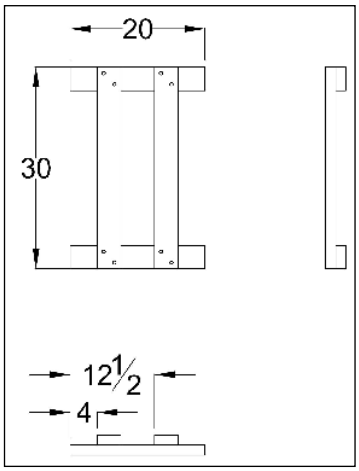
- Engine Pallet - Small 28x24



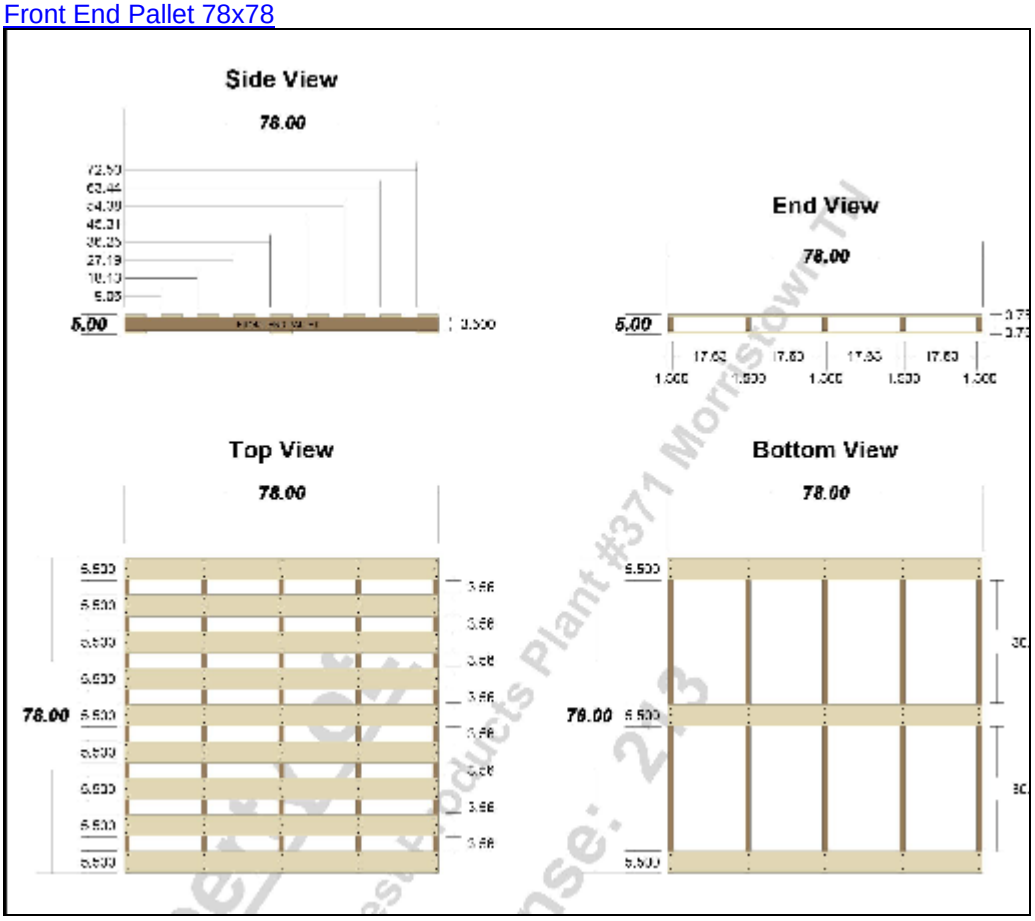
- Engine Pallet – Medium 27x32



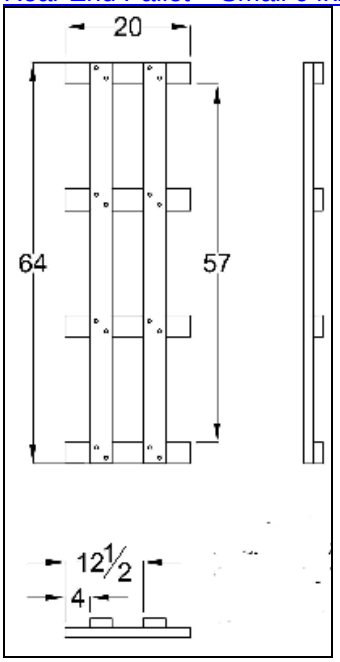
- Engine Pallet – Large 30x20


20
30
12 1/2
4

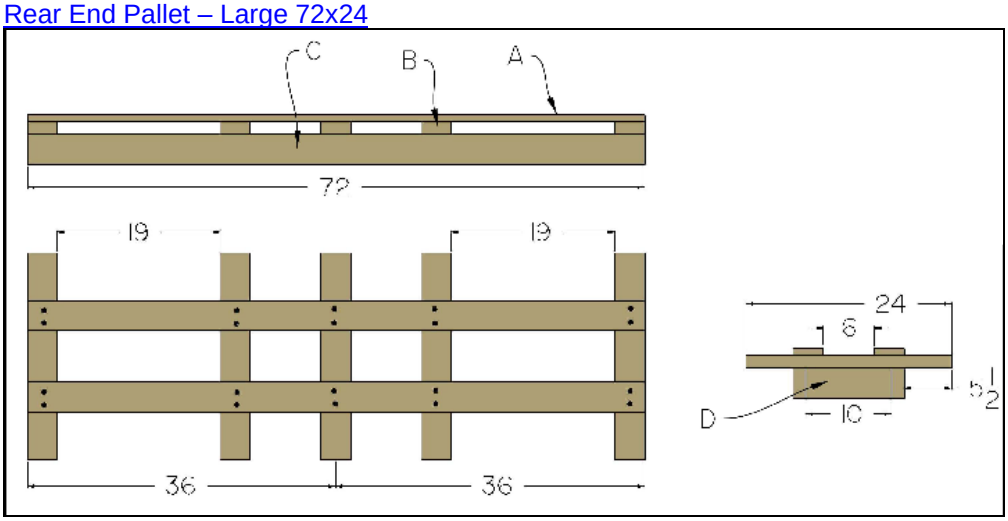
- Front End Pallet 78x78



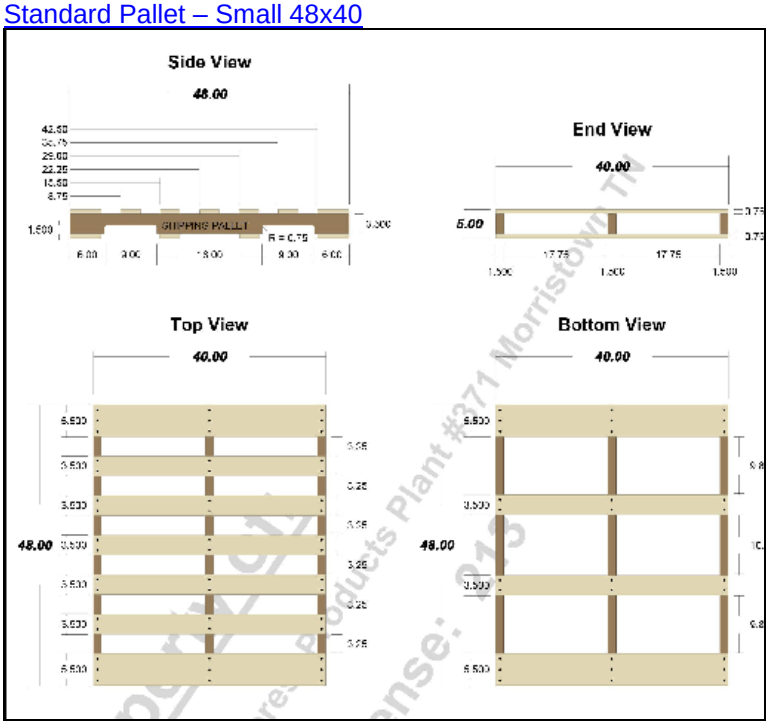
- Rear End Pallet – Small 64x20



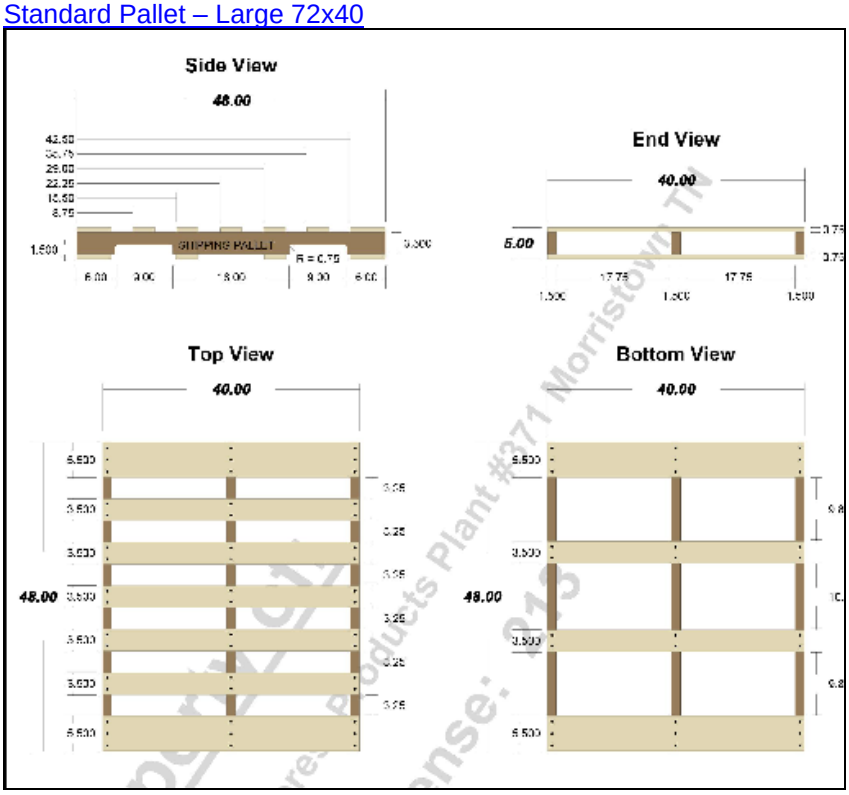
- Rear End Pallet – Large 72x24



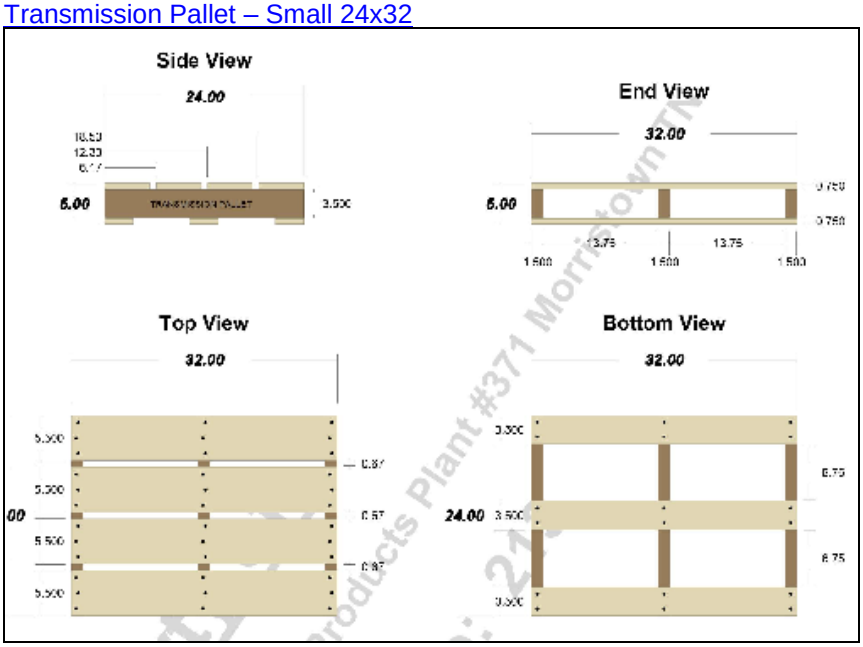
- Standard Pallet – Small 48x40



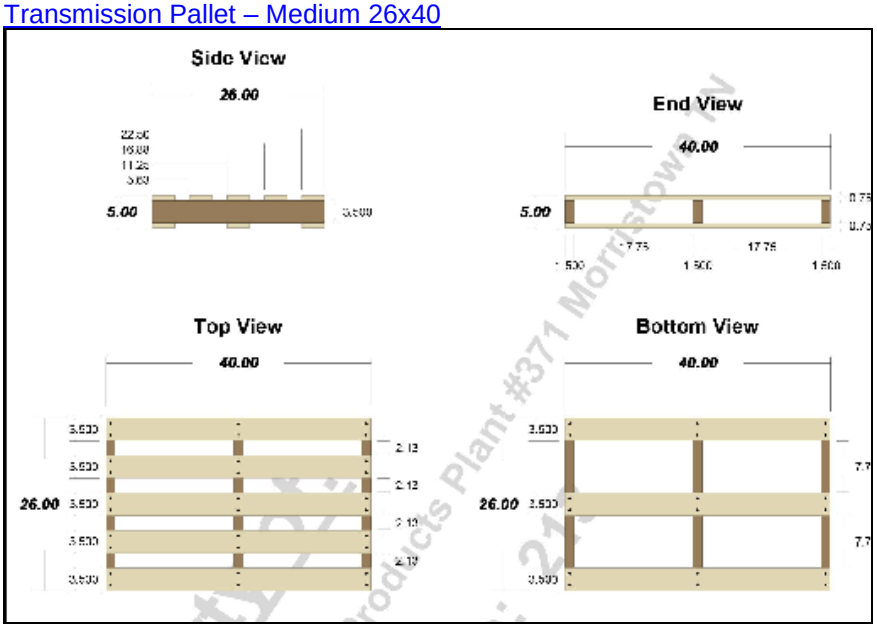
- Standard Pallet – Large 72x40



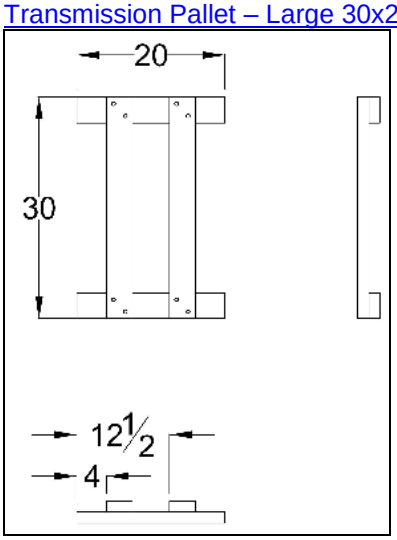
- Transmission Pallet – Small 24x32



- Transmission Pallet – Medium 26x40



- Transmission Pallet – Large 30x20



2.7.2.1.5. Labeling & Marking

Properly marking, labeling and tagging parcels will ensure proper parcel tracking, minimize transit delays, lost parts, and notify material handlers of fragile parts. This section outlines the labeling, marking and tagging process.

- Team PRP has some members with the same or similar business names, and some of our members have multiple facilities that share the same business name with different addresses. When preparing shipping documents verify that you are sending the part to the correct member or address.
- Up to date hardware and software requirements for printing shipping labels when using Ez Runner are listed on the Team PRP website.
- When packaging and labeling a shipment consider the possibility that all outer identifying elements might get lost. Place some identifying elements either on the part (like stock number, part number, etc.) or on a secondary label or tag protected against wind or rain.

- Shipping labels should be easily visible by material handlers; and firmly affixed to the package or pallet.
- Paper labels should be enclosed in a moisture protectant packing envelop with a clear outer face. The complete bar code and shipping destination should be clearly visible. Do not obstruct the view of the bar code by placing the invoice on top of the shipping label.
- When shipping a part on a pallet. The label should be stapled to the pallet face side up. Do this in addition to affixing a label to the part (in case the part and pallet get separated).
- Delicate or fragile parts should be labeled or marked "FRAGILE". Lettering should be highly visible and placed on two opposite sides of the packaging.
- Directional markings or labels indicating which "end up" should be used on all doors and as required on other parts to reduce damage from mishandling or loading incorrectly.

2.7.2.1.6. Banding

When banding parts on to a pallet, keep in mind that the objective is to protect your parts and other parts or other packages around it from damage that could occur if your part slides around or comes loose from the pallet and that your part is likely to travel a long distance with multiple stops and handling by a variety of people with a variety of material handling equipment. Any banding material other than steel or polyester is prohibited from use in the transportation network since other banding materials have not withstood the rigors of our network. Steel or polyester banding work well for most parts and are preferred over bailing wire because the end result looks more professional but there are situations where baling wire works better. When using steel or polyester banding make sure you use a quality clamping device that will hold the banding in place but also not scratch or damage the part. When banding sheet metal parts ensure that you have sufficient padding to prevent damage when tightened. Also make sure that your shipping staff is properly trained on handling and packaging with banding. Tighten the banding sufficiently to hold the part in place without damaging components, particularly on engines.

2.7.2.1.7. Panel Armor

For the past several years, Team PRP and individual members have been using Panel Armor door protection packaging. Many Team PRP members have purchased door Panel Armor packaging for use in their own deliveries using the Team PRP group purchase arrangement and Team PRP is currently experimenting with the use of Panel Armor door protection enclosures for doors shipped between Team PRP members via the Team PRP logistics network.

- If your facility is purchasing or using Panel Armor enclosures:
  - Make sure your enclosures are clearly marked with your name and location so they can be returned to you.
  - The expected useful life of the enclosures is about 75 to 100 uses. However, some enclosures may deteriorate faster due to harsher environment or less careful treatment. Make sure you inspect your enclosures periodically to make sure you don't exceed useful life and expose your parts to possible damage.
- If you receive a part in an enclosure that belongs to another facility:
  - Please return it to its owner as soon as possible unless other arrangements have been made in advance.
  - Members shipping doors using their own Panel Armor enclosures may charge a core charge to ensure their enclosures are returned.

- If you wish to order enclosures as part of the Team PRP group purchase program please review the process and documentation or contact the Team PRP staff member responsible for Vendor Relations.
- If you are placing an order for enclosures, please make sure you either request that they be identified for you or make plans for identifying them as soon as you receive them.

- If you receive an enclosure as part of a Team PRP logistics shipment:
  - Panel Armor enclosures owned by Team PRP are identified with the Team PRP name and have a shipping label attached in addition to the shipping label assigned to the part. Make sure you scan both since that is how Team PRP manages the use of the enclosures.
  - Please handle the enclosure with care. They represent a sizeable investment by Team PRP and we want to make sure we maximize their useful life.
  - Please return the enclosure to circulation as soon as possible as instructed by the Team PRP Logistics Director.

2.7.3. Packaging Detail by Part Group

The following provides more packaging detail than the general guidelines listed in the preceding sections.

2.7.3.1. Large Palletized Items

2.7.3.1.1. Engines and Transmissions

Due to the various sizes, weights and shapes of engines well-built customized pallets must be used when shipping engines on the Team PRP transportation system. Any one of the three options for preferred pallet designs shown in the section on palletizing above must be used unless the Transportation Committee reviews, approves and publishes alternative designs. If you have a pallet design that is well built and able to be handled with a standard pallet jack you can submit the design with photos to the Logistics Director for Committee approval .

Please keep in mind the following when choosing an engine pallet.

- **Pallet strength:** Engine pallet construction must be durable enough to support the weight of the engine from the origin facility through multiple hubs to the destination facility and to the end customer without having to be re-palletized or re-banded.
- **Product conveyance:** Engines must be capable of being moved by a standard pallet jack.
- **Part Securement:** Engines must be secured to the pallet with steel or polyester banding or bailing wire (see note about banding above).
- **Pallet size:** The approved pallet designs and dimensions are described in the Pallet Standardization Program section above and detailed production diagrams are available in the NING site. Ideally the pallet footprint should not exceed 30″ x 20″ unless a larger base pallet is necessary to prevent tipping (see safety precautions below). Either way the pallet must be conveyable using a standard pallet jack.
- **Safety precautions:** The recommended pallet designs cover most engine sizes and shapes; however, large, top heavy engines are prone to tipping and may require a larger pallet base. The pallet base must meet the standard pallet jack requirements if possible and be of adequate size to prevent tipping while in transit and being conveyed by the material handlers.
- **Shipping engines using Common Carriers (LTL):** Use your custom engine pallet and band it to a 48” x 40” standard shipping pallet using the instructions below.

Approved pallet designs: The Pallet Standardization section above includes 3 engine (some can also be used for transmissions) pallet designs.


Securing the engine - banding must go around the runners of the pallet not just the top boards and should go from one runner, over the part, then around the other runner and back over the part. The banding should form a double "U" over the part, not a circle around it. This forms a secure hold that is not subject to damage by fork lift forks or other lifting equipment that can cause the banding to loosen or break.

2.7.3.1.2. Large Mechanical Parts

Any part over 50 lbs. or large oddly shaped parts must be skidded in order to protect and to ensure its proper handling. The pallet must be large enough to protect the part but not excessively big and waste cargo space. Steel or polyester banding must be used on drive train parts. The banding must be protected from sharp edges and must be secured through the bearer boards of the pallet. And there must be a minimum of 2 bands per pallet.

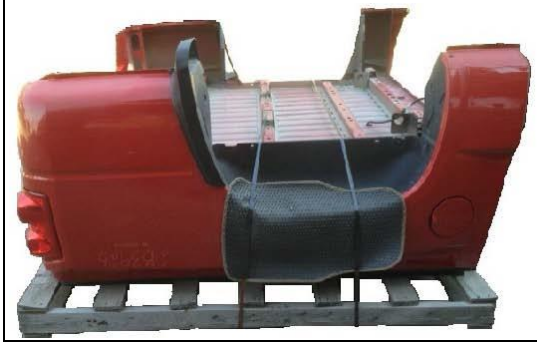



2.7.3.1.3. Truck Beds

Truck beds that exceed 92 inches in width are at high risk of damage when transported on enclosed trailers. Beds that exceed 8'x7' are excluded from transport on the Team PRP network.

When shipping via the Team PRP trailer, you should flip the bed box upside down and strap it to a pallet. Top rail must be protected
NOTES:

- Truck beds should not be placed on metal racking for shipping purposes. Use only properly sized and approved pallets instead.
- Remove the tailgate from the box and lay it flat on the pallet as opposed to shipping it mounted on the box.
- Place the box upside down on the pallet with padding between the pallet and the box.
- Strap or band the box to the pallet with at least two straps going either crosswise across the wheel wells or lengthwise. Make sure you place sufficient padding between the straps and the box to prevent damage when tightened
- When strapping the box lengthwise, make sure the straps or bands clear the forks of a forklift or lift truck.
- Do not ship or send these items with bubble wrap or plastic.



It is not recommended that you ship a pickup box via an LTL carrier due to the high probability of damage during shipment. However, should this be unavoidable, it is recommended that you build a perimeter around the outside that looks like a 78”x78”x48” wooden box, then stretch wrap it.

2.7.3.1.4. Quarter and Post Cuts

Quarter & Post Cuts must be upright on pallet not laying down in order to conserve space on the Team PRP trailer and securely strapped with at least two metal straps. Note: Do not wrap these items with bubble wrap or plastic. Total height of assembly (including pallet) may not exceed 5'6" if loading on top decks. Larger cuts can be laid down if necessary to make the height requirements.

2.7.3.1.5. Front End Assemblies and Rear Clips

Front Clips & Rear Clips must be strapped down to the pallet with at least two metal straps. Pallets should be generally 72"'x72" or 78"x78". Make sure the strapping goes through structural areas (such as the strut towers, hinge pillars, core supports, etc.) of the assembly for greater stability and security but not across the hood or fenders. Hoods should be secured either while on the assembly or separately. Any loose parts, such as lamps, coolers, bumpers, deck lid, etc. that are separated from an assembly, they must be boxed and given separate tracking label and have their own shipping tags and tracking numbers or be securely attached to the main assembly or pallet. Any loose debris like carpets, plastic panels must be removed prior to shipping. Note: Do not wrap these items with bubble wrap or plastic. As previously noted, remove all broken glass prior to shipping.

2.7.3.1.6. Frames

Frames must be skidded sideways on a proper size pallet that can support the weight of the frame. Note: Do not wrap these items with bubble wrap or plastic.

2.7.3.1.7. Bumpers

- **Standard (non-chrome) Bumpers**

Plastic bumpers found on modern vehicles do not need to be palletized. Depending on the contents of the assembly, they could be wrapped or boxed but the covering should be commensurate with the size and weight of the bumper. The bumper's inner structure must be secured compete with the cover. Then bumper must be wrapped covering on all surfaces with bubble wrap or cardboard and then stretch wrapped.

- **Chrome or Steel Bumpers**

Large heavy truck bumpers should be palletized on a quarter panel type pallet or axle pallet in addition to bubble wrap and stretch wrap.

2.7.3.1.8. Fenders, Doors, Hoods and Lids

Fenders, doors, hoods and lids present a unique risk of damage during transport and handling due to their size, weight, odd and awkward shapes. Use angled heavy duty cardboard to protect the lower edge of the door. Use bubble wrap to protect the outer skin area of the door, then package in heavy duty cardboard and then cover with stretch wrapped and thoroughly tape. Then add appropriate tracking and handling labels as needed. Panel Armor is another viable option for protecting doors.

Boxed hood


Hood on a pallet


Palletized and wrapped decklid


Boxed and wrapped decklid

2.7.3.1.9. Seats and Upholstered Parts

Seats and upholstered parts should be strapped to a pallet and wrapped and protected in whatever manner is necessary to shield it from the weather or from other parcels being shipped while in transit.

2.7.4. Boxed Parts

2.7.4.1. Lights and Mirrors

Lights and mirrors should be bubble wrapped and placed in box with a 3” crush zone

2.7.4.2. Glass Parts

Bubble-wrap glass completely and with several layers if possible. Windshields are “ship at own risk” and claims will not be honored.

2.7.4.3. Radios, ECMs, Instrument Clusters and Other Electronics

Radios, ECMs, instrument clusters and other electronics should be boxed with bubble wrap.

2.7.4.4. Coolers, Radiators and Condensers

Coolers, radiators, condensers should be packed in boxes. Make sure that they are completely drained and cap-plugged.

2.7.4.5. Wheels

Bubble wrap or plastic wrap chrome and alloy wheels. Wheels must be shipped in an appropriately sized box – preferably a box specifically designed for wheels - with packing material to protect the outer face side. If packing a full set of wheels, they should be packaged separately with each having an individual tracking number. This will simplify the transaction in the event of one or more of the items being returned.

2.7.4.6. Miscellaneous Small Parts

All small parts under 50 lbs. must be wrapped in bubble wrap and placed in a proper size box. There should be enough packaging material in the box in order to protect the part from being damaged.

2.7.5. Packaging Returning Cores

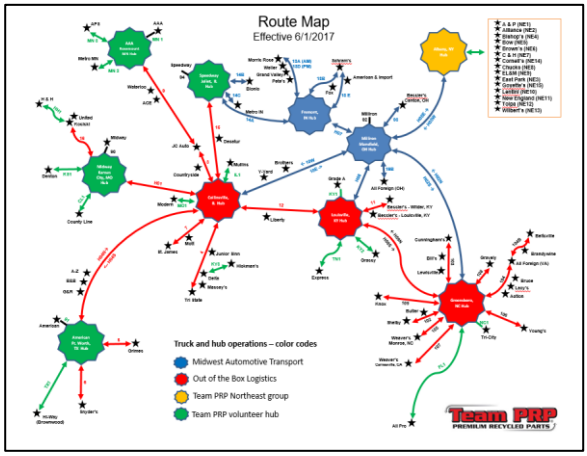
All valuable “NCB” cores must be given a P.O. or other IMS document in order to be returned via the Team PRP transportation system. They must be drained of all fluids and properly skidded and or packaged per part guidelines. Returning cores have a lower priority than liver orders when traveling on the Team PRP logistics network and may be subject to delays until space is available.

2.8. Shipping and Receiving

The shipping and receiving functions play a very important role in Team PRP’s Quality Assurance process and its effort to maximize part quality and reduce or eliminate negative surprises in trades between partners. Shipping is the last chance to inspect the part before it leaves the facility. A final inspection and a comparison of the part relative to what is on the invoice or other transaction documents is necessary regardless of whether the part is being shipped to another Team PRP partner or to the ultimate user and it should also be conducted regardless of whether the part is traveling via the Team PRP system, a common carrier or your own truck. Likewise, receiving a shipment is the first chance for the receiving facility to spot any possible issues with an incoming part so as to allow for timely actions to prevent or correct issues on a part sold to a customer.

2.8.1. Shipping

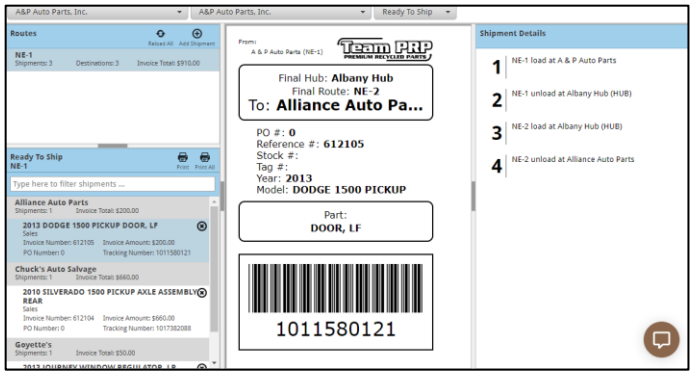
2.8.1.1. Team PRP transportation system



The Team PRP transportation network consists of:

- 77 dedicated or “insert” routes
- 86 Team PRP facilities
- Coverage from eastern Nebraska in the West to New England in the East and from central Florida in the South to Vermont and central Minnesota in the North.
- It uses two major transportation contractors (Out of the Box Logistics and Midwest Automotive Trucking) and many subcontractors who operate via
- 7 dedicated hubs (Albany NY, Fremont IN, Mansfield OH, Collinsville IL, Louisville KY, Kansas City, MO and Greensboro NC) and 3 volunteer hubs (Fort Worth TX, Joliet IL and Rosemount MN) using both enclosed and open trailers (shown above).
- On a daily basis, the dedicated trucks and facilities’ trucks on insert routes travel approximately 23,500 miles carrying approximately 2,000 parts between Team PRP facilities each day.
- The network has grown steadily over the years since its inception in 1998 and continues to grow as new members join Team PRP. The most current versions of the route map, participants and shipping contacts, and timelines for the 77 routes on the network are posted in the teamprp.com website.

2.8.1.1.1. Network Management and Parcel Tracking



The Team PRP transportation network and all its shipments are managed and tracked using Ez Runner web-based software that can be accessed using any web enabled device such as standard and laptop PCs, tablets and smart phones. The data necessary to create a shipment, documents such as shipping labels, etc. are automatically extracted from Pinnacle, Powerlink or Checkmate systems requiring minimal intervention.

All parcels are identified with a tracking number printed on each shipping label that also displays on-screen. Tracking at every stage of travel, from label creation to arrival and beyond can be performed using a small bar code scanner or any device equipped with a scanner that is connected to a smart phone or tablet. The left pane of the screen displays all the active parcels for the facility, the center pane shows parcel details and the right pane displays scanning activity tracking the progress towards ultimate delivery.

2.8.1.1.2. Loading the Team PRP Trailer

Any part being transported on the PRP Route System is subject to the guidelines in the preparation and packaging guidelines above. This INCLUDES returns.

- All cores being returned will be shipped on a cargo space available basis only. Sellers must invoice any core they expect to have returned and notify the buyer at the time of the sale that a core deposit and invoice will be issued. A second PO or invoice for the amount of the core charge must be issued by the purchasing facility and received by the selling facility at the time of purchase.
- All parts that ride on top of the trailer must not be shrink or bubble wrapped in any way in order to prevent the materials from flying off the trailer. Examples: Rear axles, Frames, Front Ends, and Rear Clips.
- Priority Handling: Handle all Team PRP orders with as high a priority as you would your best customers' orders. Parts that are warehoused must be packaged and ready two hours before the scheduled pick-up time. Parts that need to be removed are expected to ship within 24 hours, unless agreed to by both facilities.
- Seats and upholstered parts should be wrapped and protected in whatever manner is necessary to shield it from the weather or from other parcels being shipped while in transit in an open trailer.

2.8.1.1.3. PRP Route System Damage Claims

Team PRP and the carriers selected for the dedicated route system strive to deliver parts fast and economically but also with an aim to keep part damage to an absolute minimum. But despite their best efforts, damage does occasionally occur. The following section defines the claims process, responsibilities and timelines so you can achieve the best outcome when filing a freight claim.

Keys to a successful resolution of a claim:

- **Education**: Know and follow the claims process and timelines when filing your claim.
- **Communication**: Team PRP provides a claim help desk; If you have any questions contact the help desk immediately, Email ootbclaims@ootblogistics.com or reach out the Team PRP Director of Logistics.
- **Documentation:** As a Team PRP member using the service, it is important that, regardless of whether you are shipping or receiving, you document the shipment with digital images. If shipping, take pictures of the parts before and after packaging, which includes parts being returned to the original shipper. If receiving, you should take pictures of the part still wrapped, boxed or palletized, and then again once uncovered with detailed photos of the damage area. This is always a good idea even when using other methods of shipping.

This section outlines the responsibilities and procedure for lost part and damage claims on the Team PRP transportation network. It does not include common carrier or DLS freight program claims. Claims should be filed through DLS if the shipment took place using EZ Freight.

2.8.1.1.4. Loss or Damage Claim Responsibilities

- **Damage Claims (Original Shipment)**: The Buyer / Consignee notifies the Seller of transportation damage within 48 hours of receipt. The Buyer / Consignee provides Seller supporting documentation and clear digital images of damaged parts within 72 hours of the receipt. The Seller / Shipper may file a damage claim no later than 5 business days after Buyers original receipt date of the damaged part.
- **Lost Part Claims (Original Shipment)**: The Seller / Shipper may file a lost part claim within 15 days of the last part scan. It is recommended a lost part claim be filed even if the transportation provider is actively searching for the part. The Seller / Shipper is ultimately responsible for parts tracking to achieve timely filing of lost part claims; however, the Buyer / Consignee and Transportation Providers share the responsibility for notifying the Seller when a part is missing.
- **Lost Part and Damage Claim (Returns)**: The original Buyer of the part shall acquire a Return Authorization from the original Seller. The original Buyer shall provide the original Seller evidence the part is being returned in the same condition as received by providing clear digital images. If needed, the part should be removed from the packaging then repacked. This is especially important if the part has been in the possession of the original Buyer for over 5 business days. The repackaged part should meet Team PRP packaging standards.
- **Claims Review & Determination**: The Claims Committee is responsible for weekly review and disposition of claims. It is composed of a representative from each of the transportation providers and the Team PRP Director of Logistics
- **Claims Administration**: Out of the Box Logistics provides administration services for all claims and will conduct searches for missing / lost parts upon request.

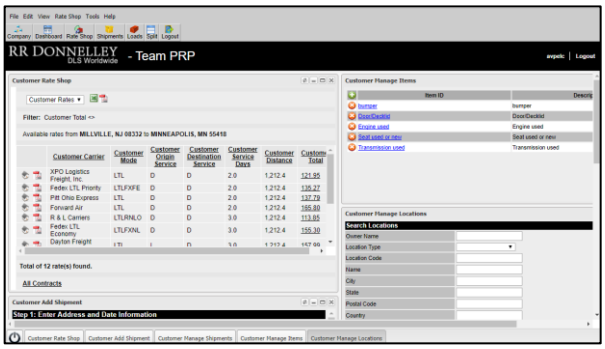
2.8.1.1.5. Lost Part Damage Claim Process

-

- All claims must include a copy of the original invoice. Damage claims must include clear digital photos showing details of the damage.
- All timelines or deadlines mentioned below exclude holidays and weekends
- All claims inquiries, claim forms and supporting documentation must be submitted to ootbclaims@ootblogistics.com. The Claims Administrator should confirm receipt of claim within 24 hours.
- The Claim Administrator should complete claims research within 5 business days of receipt. The Claimant should be notified if more time is required.
- The Claims Committee should review claims on a weekly basis.
- The Claims Administrator should advise the claimant the claim determination by email within 3 business days of the review.
- Damage claim payments are made at cost of goods sold or for cost of repair. Lost parts claims are paid at cost of goods sold. Cost of goods sold is assumed to be 50% of invoiced value.
- Any part sent to the end user, prior to filing claim, may null and void any future claim.
- The transportation providers are entitled to all non-repairable parts claimed. The claimant will be advised if the carrier desires to take possession of the part. The claim will not be paid until the part is in the possession of the transportation provider.
- Claims payments should be processed in net 30 days following approval.

2.8.1.2. PRP Ez Freight with DLS and other LTL

PRP Ez Freight with DLS is a program for LTL (Less Than Load) shipments under terms negotiated between Team PRP and DLS Worldwide (a division of RR Donnelley) that provides better shipping rates and conditions available only to Team PRP members. Under this program, the shipping rates are heavily discounted from "retail" rates and even below rates negotiated by individual members with selected carriers. In addition, the carriers do not require engines and transmissions to be boxed since, abiding by the standards established by Team PRP, the carriers know the parts will be clean and drained of any fluid.



Rates are published using an easy to use web site powered by Mercury Gate, a leading technology provider for the transportation industry. Here are some of the benefits available when shipping parts using Team PRP Ez Freight with DLS:

- Over 40 LTL carriers nationwide to choose from, offering a wide variety of rates and delivery timelines.
- Discounted accessorial fee's (lift gate and residential deliveries)
- Some of the lowest LTL rates in the industry exclusively for Team PRP members to help reduce freight costs.
- Up to a 5% total shipping revenue share for Team PRP to help fund additional Team PRP programs.
- Use of the DLS website to price, request and easily track shipments.
- Live customer support team that is exclusive for Team PRP members.

In addition, Team PRP and DLS Worldwide also facilitate the shipment of commodities and cores in Gaylord boxes at very favorable rates.

An optional feature of the Ez Freight program with DLS is the availability of an insurance program. This zero-deductible policy insures goods and/or merchandise consisting of new and recycled general commodities (such as recycled automotive parts) that have been properly packaged for transit. Consult your DLS representative for details.

Damages: If a part is shipped by a freight company and arrives damaged or is lost, then the seller can pursue a claim as follows:

- The shipping facility must contact the DLS program coordinator to start the claims process. DLS will handle the claims process from start to finish.
- After receiving the member's damage or loss claim, the DLS coordinator will then forward a copy of our claims form. The claim must include the following:
  - One or more images of the part prior to shipping
  - One or more image of the damaged area
  - A copy of the sales invoice
  - The DLS Claims form completed by the customer (request the claims form from the DLS program coordinator or from the Ning page for Ez Freight

- If there is concealed damage noticed after the time of delivery the customer must notify DLS of the concealed damage within 5 business days of discovery. Carriers will deny concealed damage claims that are not presented to them within 5 business days. In cases like this DLS steps up and will give the PRP shipping yard credit to offset their loss.

For more information about PRP Ez Freight consult with the program web site or contact the program coordinator from DLS for parts types accepted under this program and current rates. A brief descriptive video about DLS worldwide is also available at https://www.youtube.com/watch?v=pmE-IsfQBUU

2.8.2. Receiving Parts and Part Returns

2.8.2.1. Receiving and Part Inspection

When receiving parts, it is tempting to try to save time and money by preserving the packaging of the part just received, considering that most parts purchased from fellow recyclers are probably going to be delivered to your ultimate customer. At the extreme, the packaging is left relatively intact, only removing any labels, tags or other packaging that identifies the original source. An example of this would be an engine that arrives via the Team PRP trailer on a pallet and properly banded or a tail light that arrives in an intact and sealed box.

While this effort is commendable, it does represent a conflict with the objective of thoroughly inspecting arriving parts prior to sending them on to your customer. The part may be incorrect, may not match the description on the invoice or may have damage that is not visible due to the positioning or packaging.

Responsibility for inspecting incoming parts resides squarely with the individuals responsible for shipping and receiving and the inspection must be conducted immediately upon arrival or as soon as possible following arrival in order to meet the tight deadlines for the processes to report deviations and/or file damage claims. Specific receiving and initial inspection tasks must include:

- **Report receipt**: regardless of your company's processes, the shipping method for the incoming parts or the type of part received, you need to report that the part has arrived.
  - You may need to enter it into the purchase order record in your IMS or production control system.
  - You may need to scan the bar-coded tag to log the arrival into Ez Runner
  - You may need to inform the person that ordered the part that it has arrived
  - You may need to notify your accounts payable department so that any invoices pertaining to received merchandise are scheduled for payment

  Whatever the individual steps defined by your company, this is the time to carry them out to make sure the part is delivered to your customer on-time.
- **External inspection:** thoroughly examine the packaging looking for any indication that the external enclosure has not been altered or damaged (one would assume that damaged packaging would not have been used by the shipping facility and if there is damage upon arrival this assumption should be confirmed by contacting the shipping facility).
- **Removal of packaging and part inspection:** remove all packaging materials and/or remove the part from its container or packaging and thoroughly inspect it. You are looking for any evidence of damage regardless of whether it may have been caused during shipment or that it was shipped damaged. While the cause of damage may not ultimately matter to your customer, the process to remedy the situation does change. You may try to preserve the packaging for further use when you ship the part but it is better to have to repackage the part than to assume that is OK and ship it without inspecting it first.

- **Compare documentation:** The vast majority of arriving parts include some sort of documentation, probably included in a box or in an envelope attached to the shipment. This could be an invoice, a delivery ticket or even a work order. Compare this document to your company's purchase order to make sure that what was shipped was what your company agreed to purchase. Then compare the documentation to the parts received to make sure that the part itself, the quantity and the condition are what was expected. If there any deviations, discuss them with your manager, your buyer or the sales person who agreed to the transaction. Report the deviations and ask for further instructions prior to getting the part ready to ship to your customer.

2.8.3. Reporting receiving discrepancies

- If the part received does not match the description or quantity on the invoice or if the invoice does not match the items as defined on the PO, the receiving facility must notify the shipping facility within one working day and request instructions on the ultimate disposition of the part received. The easiest way to do this and the recommended process by Team PRP is to use Ez Runner's exception reporting program.
- If the part received shows any evidence of damage as described in the shipping documents or if the packaging or the part itself shows evidence of possible damage in transit, the receiving facility must notify the shipping facility within one working day to allow the shipping facility to file a damage claim within the prescribed deadline.
- Regardless of the discrepancy or the possible cause, such discrepancies must be logged into the exception reporting process defined by Team PRP as defined below.

2.8.4. Exception Reporting (Shipment Grading)

The primary method used by Team PRP to ensure compliance with its standards is the exception report. When a part is received (and in some cases when the part is transferred at a PRP route system hub) an individual receiving the part can create an exception report to indicate that something was amiss. This could include reporting that the quality of the part was not as expected, that damage had occurred during shipping, or that the packaging did not conform to Team PRP standards, etc. Exception reports are used in a number of ways including but not limited to the evaluation of how Team PRP members implement the standards. Team PRP maintains a database of such exception reports and, when a member shows a pattern in not implementing the standards, corrective action can be taken to help define the areas of deficiency and to offer help so the issues can be resolved. As such, exception reports are not used as a punitive tool but rather as a means to help resolve issues so the member can re-attain compliance. However, when there is a pattern for lack of compliance combined with an inability or unwillingness to abide by standards, corrective action can be taken by the Board of Directors. For more information see the Planned Corrective Action section of this guide.

If the part is not going to be delivered in the condition described above and you want to avoid being the subject of an exception report, you must disclose the special conditions when the order is placed and note on the invoice. If a large item (example: engine, transmission, transfer case, axle assembly) is not properly cleaned or prepared according to Team PRP standards when it arrives, the individual receiving the part should consult the invoice for special instructions. Then, if there are none, the purchasing Team PRP facility must contact the selling Team PRP facility to inform them of the problem, and negotiate any cleanup time to prepare the part for delivery and/or issue an exception report. This must be communicated to the selling Team PRP facility immediately and a credit memo issued. If there is a dispute, it should be reported based on the Dispute Resolution process and pictures taken of the part in the exact condition it arrived.

As of mid-2017, all exception reporting for shipments between Team PRP members are to be recorded using the Exception Reporting mechanism built into the Ez Runner software. This is the case even if the shipment did not arrive via the Team PRP transportation network and was not originally tracked using Ez Runner.

The Exception Reports generated from the system allow Team PRP to continually measure member performance. For the reporting to be accurate and meaningful, it must rely on an accurate count of all shipments between members along with those that resulted in an exception. For this reason, it is extremely important that all shipments between members be logged into the system and the best way to do this is to automatically upload all shipments directly from your yard management system into the Ez Runner database. Please refer to the documentation and training videos posted in NING to make sure this is done correctly.

2.8.5. Part Returns

The goal of Team PRP is to help its members maximize revenue generated from sourcing parts. Our “No hassle return” policy, minimizes the risks associated with sourcing parts but it also complicates transactions that require part returns. To standardize the part return process and make it simpler and easier, Team PRP adopted the part return process built into Ez Runner in mid-2017. Documentation and training materials for part returns using Ez Runner are posted in NING, but in brief, the process works as follows (this assumes that all Team PRP members upload IMS data on transactions to fellow Team PRP members to the Ez Runner database even for members not on the Team PRP logistics network):

- Enter or scan the tracking number for the returning part in Ez Runner.
- Document the shipping record by including images of the part you want to return so the sender can see what the part looks like now. Record digital images of the part to be returned out of the packaging and after it has been repackaged.
- Select to request a return. This triggers Ez Runner to notify the sender that you are requesting to return the part. When requesting the return, make sure you specify the reason for the return.
- The sending member that receives the email return request notification from Ez Runner will have one business day to reply. In the reply. the sender can Accept the Return, Reject the Return or indicate that a Return Not Required.
    - If the answer is to Accept the Return, the sender agrees to issue a credit when they receive the part. You can then generate a return label using Ez Runner.
    - If the answer is to Reject the Return, the sender refuses to accept the part back and must indicate why. It also indicates the sender will not issue a credit and it is up to you to decide what to do with the part.
    - If the answer is that Return Not Required, you have the sender’s authorization to dispose of the part and a credit will be issued for the value of the part (which may be a negotiated value).
- Ez Runner will send reminders to the sender if a response is not logged into the system. If no response is filed after the last deadline, Ez Runner will notify both parties that a return is authorized by the system due to lack of response.

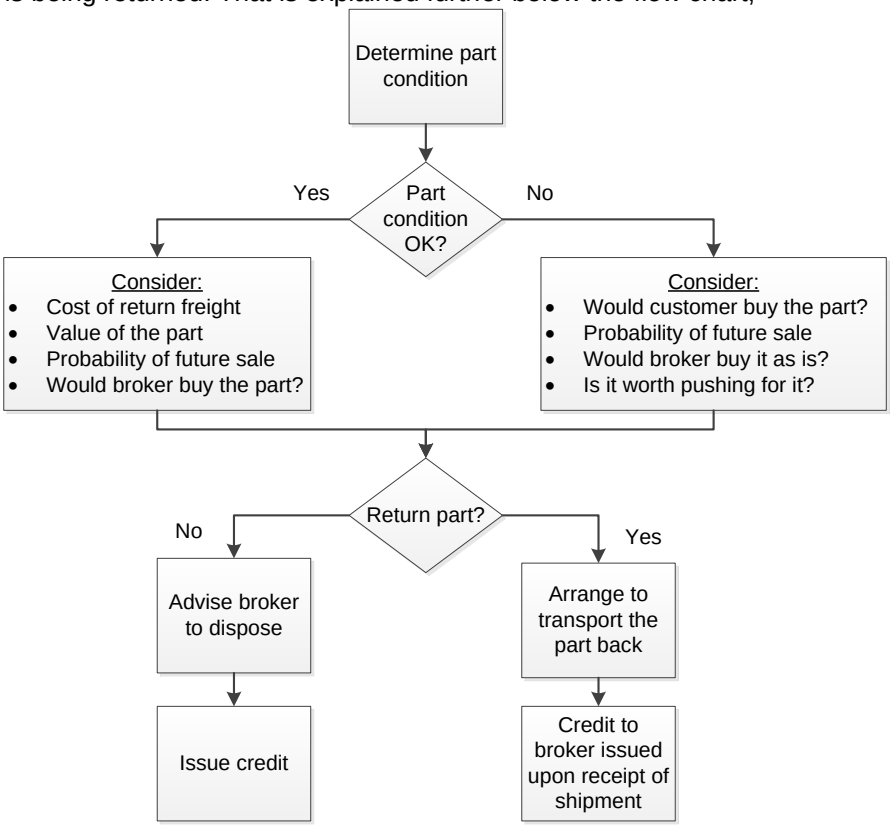
When you receive authorization to return the part, it should be returned in the same condition as when received (unless otherwise negotiated). Granted, there are instances where a part was partially disassembled or otherwise prepped and is now being returned, but whenever possible the condition should be the same as when received. If it is not, you are required to let the seller know. The part should also be shipped with care. When packaging a returning part, use the same care as for a part being shipped to protect it from shipping damage. See the packaging and shipping guidelines in another section of this Guide for further details. When being returned, doors, like other parts being returned, must be packaged the same way as when being shipped. If lamps, hinges, etc. are separated from the assembly, they need to be prepared separateley and have shipping tags and tracking numbers of their own

Details relating to the timing and value of credits being issued due to a return or from an authorization to dispose of the part in lieu of a return are included in the Credit Memo section of this guide.

2.8.6. Determining when to return a part

It is in the best interest of the seller and the broker to define, in advance, as much as possible about the disposition of a part subject to a request to return. In many instances, especially for a non-functioning part, it may be financially best to dispose of it rather than incur costs to have it returned when the potential revenue as a core is considerably below the cost of handling the return and the freight. In addition, implementing predefined criteria saves sale persons time at the seller's and the broker's locations and helps the customer by providing an immediate answer on what to do next. It is for that purpose that Team PRP has defined criteria to be used by the broker to advise the customer on what to do when requesting to return a part.

The process described below can vary depending on the determination of fault in the fact that the degree of leverage for each party varies depending on whose fault it is that the part is being returned. That is explained further below the flow chart;



Factors to consider when deciding what to do with a part may include:

- A comparison of the value of the part versus the cost of return. If the return freight is not being paid by the customer, the value of the part along with a relatively low probability of its future sale may not warrant the cost of return freight.
- When calculating the cost of returning a part also take into consideration the labor costs for re-evaluating the part upon its return and re-entering it into inventory
- Always consider the possibility of the broker keeping the part thus saving the cost of return transportation and administration. Even at a negotiated price, selling the part to the broker may be better than incurring additional cost by shipping it back.
- All customers are important to you and to Team PRP. In deciding what to do with a returning part, consider the inconvenience to the customer, particularly professional repairers. Allowing the customer to easily dispose of a part you might otherwise want back may gain you and Team PRP return business far in excess of the value of the part.