

CORE POLICY



1. Pay invoices in full including any core charges. It is not acceptable to short pay core charges. Any core returned for credit against an invoice where the core charge has been "short paid" is subject to a 50% reduction in the core credit allowance.
2. Return cores within 45 days of the original invoice date to be eligible for full credit unless prior arrangements are agreed upon:
 - a. Cores returned after 45 days up to 180 days are subject to a \$100.00 late fee.
 - b. Cores returned 6 months to 1 year are subject to a 50% reduction in the core credit allowance.
 - c. Cores returned after 1 year are subject to a 75% reduction in the core credit allowance.
3. If you are stocking units at your facility, you must notify us in writing (or e-mail nmorgan@valleytruckparts.com) weekly the units sold to your customer. This information should include your company name, location, phone number, contact name, the unit model number, our serial number and the date of sale to your customer. Timeline for item (2) above starts when units are sold to your customer.
4. All cores are to be returned via a carrier of our choice to: Reman Division, 1900 Chicago Dr. SW, Grand Rapids, MI 49519. You will receive a packet with the Reman unit you purchase containing a Bill of Lading already completed for our desired freight carrier in your region. When the core is ready to be returned, contact the carrier we have advised to schedule the pick-up. Do not return cores using a non-approved freight carrier, as you will be responsible for any extra freight charges incurred. You may also go to RemanCoreCenter.com or returncore.com for an automated return process.
5. All cores are to be returned with our core tag attached. You will find this core tag in the same packet as the Bill of Lading, or it may be in a clear packing list envelope on the unit itself. Please make sure the core tag is securely attached to the core upon return, as this helps to assure the core credit is applied to the correct account and towards the correct invoice. If the

core tag is missing or lost, please send a copy of the invoice with the core for proper credit to be issued. It is also helpful to have some kind of identification such as a shipping label or tag attached to the core to help us identify where the core came from. If not properly identified, the result may be a delay in getting your core credit.

6. All cores are subject to a visual inspection upon return. Cores may be subject to a reduced credit allowance based on the following criteria:
 - a. Transmissions with a visibly broken main case;
 - b. Differentials with a visibly bad or broken carrier & caps;
 - c. Any transmission or differential that is burned up due to improper lube levels, units that have been exposed to fire, or units that have severe rust as a result of prolonged weather exposure will not be acceptable for any core credit allowance.
 - d. See Exhibit A attached for a list of damage deductions;

We will notify you by phone when any of the above instances occur. Cores not accepted may be returned to you freight collect or scrapped at your discretion. Please carefully inspect the cores you receive from your customers. If there are any questions or concerns on core credit allowances, please contact your customer service representative.

7. All cores must be like for like, unless prior arrangements are agreed upon.
8. You may return a core unassembled, but it must be reasonably packaged and 100% complete.

Exhibit A

DAMAGE DEDUCTIONS

TRANSMISSIONS

FRONT CASE	\$850.00
AUX CASE	\$300.00
FS/FSO CASE	\$400.00
FS/FSO SHIFT CVR	\$250.00
ESO BELL	\$450.00
ESO CASE	\$400.00
ESO AUX CASE	\$200.00
L/D TRANSFER CASE	\$250.00
H/D TRANSFER CASE	\$800.00
MACK CASE	\$1,000.00
MACK BELL HOLES	\$500.00
5+ SETS BAD \$3000 +	\$600.00
5 SETS BAD \$3000-	\$300.00

DIFFERENTIALS

FRONT DIFF CARRIER REPAIRABLE	\$250
REAR DIFF CARRIER REPAIRABLE	\$200.00
POWER DIVIDER CVR	\$150.00
FRONT DIFF CARRIER NON REPAIRABLE	\$600.00
REAR DIFF CARRIER NON REPAIRABLE	\$500.00
D46170 CARRIER NON REPAIRABLE	\$1,250.00
R46170 CARRIER NON REPAIRABLE	\$1,100.00