



Transportation and Shipping Requirements

Revised: February 16, 2017

Transportation and Shipping Requirements

SECTION	CONTENT
<p>Purpose:</p>	<p>To provide information regarding the documentation and shipping requirements for shipments to Pep Boys, as agreed to in your Vendor Agreement.</p>
<p>Content:</p>	<ol style="list-style-type: none"> 1. Freight Terms / Terms of Sale 2. Pallet Requirements 3. Cross-Dock Pallet Labeling Requirements 4. Documentation Requirements 5. Shipment Mode and Service Levels 6. Shipper Requirements and Approved Carriers 7. Delivery Appointments 8. Merchandise Returns 9. Import Shipments 10. Distribution Center Addresses and Phone Numbers 11. Contact Phone Numbers by Topic
<p>1. Freight Terms / Terms of Sale</p>	<p>The applicable Freight Terms / Terms of Sale of a shipment are found in your <u>Vendor Agreement</u>. Processing shipments contrary to the freight terms in your Vendor Agreement will result in <i>freight charge back, as well as, compliance penalties</i>.</p> <p>PEP BOYS FREIGHT RESPONSIBILITY</p> <ul style="list-style-type: none"> - Inbound shipments with <i>Collect Freight Terms, F.O.B Origin Terms of Sale</i> are the responsibility of Pep Boys. - Outbound shipments with <i>Prepaid Freight Terms, F.O.B. Destination Terms of Sale</i> are the responsibility of Pep Boys. <p>VENDOR or SUPPLIER FREIGHT RESPONSIBILITY</p> <ul style="list-style-type: none"> - Inbound shipments with <i>Prepaid Freight Terms, F.O.B. Destination Terms of Sale</i> are the <u>responsibility of the vendor or supplier</u>. - Outbound shipments with <i>Collect Freight Terms, F.O.B Origin Terms of Sale</i> are the <u>responsibility of the vendor or supplier</u>.

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2. Pallet Requirements

Both Prepaid and Collect shipments must be configured as follows:

- All inbound freight shipments with a total shipment weight of over 150 lbs. must be palletized.
- *NOTE:* Shipments with a total shipment weight of under 150 lbs should move parcel ground service unless comprised of more than 12 packages.
- *NOTE:* Haz-Mat parcel shipments prohibited from air transport must be shipped via FedEx Ground.
- Freight may not overhang the pallet.
- All freight must be shrink wrapped in a manner which ensures the freight will remain secure and will not shift during transport.

Carton Markings, Labeling, and Packaging:

1. Each master case (shipping container) must be plainly marked with the manufacturer part number and quantity enclosed.
2. If all cartons on the skid are from the same purchase order number, a label showing the Pep Boys purchase order number must be affixed to the outside of the cartons. Labels applied to the shrink-wrap are not in compliance.
3. If multiple purchase orders are shipped on the same pallet, each carton must be marked with the Pep Boys purchase order number and outside of the pallet marked "Multiple PO Pallet".

Pallet Configuration:

1. All inbound freight must be palletized on to no less than a B-grade #2, 4-way pallet, either 48" x 40" or 48" x 42". (Stringer length X Deck length) Pallets must be of sound construction and not have loose or broken boards, split stringers, or exposed nails. Pallets that do not conform to this standard will result in a non-compliance violation **FOR EACH PALLET.**
2. All freight must be effectively shrink-wrapped on to pallet in order to safely secure merchandise and eliminate load shifting during transportation.
3. When shipping multiple purchase orders on the same shipment, please segregate the purchase orders by PO #, by pallet.
4. For small shipments of multiple Purchase orders, segregate by purchase order number, then by manufacturer part number. Do not consolidate like part numbers from multiple purchase orders on the same pallet. Please mark each carton with the Pep Boys purchase order number and mark outside of pallet "mixed/multiple PO". Double stacking single sku pallets does not constitute a mixed pallet.

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	<p>5. When shipping less than full pallet quantities, place merchandise with the largest shipping cubic dimensions at pallet bottom, working through to merchandise with the smallest cubic dimensions placed on top of pallet.</p> <p>6. Pallets of a single part number are restricted to a maximum of forty-two inches (42”) in height. Suppliers may ask for exemptions to this rule by contacting the Supplier Compliance team or the Transportation Department. Pallets comprised of multiple part numbers are exempt from this rule as long as they are labeled “mixed pallet”.</p>																								
<p>3. Cross-Dock Pallet Labeling Requirements</p>	<p>NOTE: MercuryGate is Pep Boys new Transportation Management System (TMS). LogiSource manages and operates the MercuryGate TMS for Pep Boys.</p> <p>Requirements for Cross-Dock Pallets</p> <ul style="list-style-type: none"> - Do not mix merchandise from PO’s that have different ultimate destinations on the same pallet. - Shipments destined for the regional cross-dock locations, vendor prints a “collect” bill of lading in LogiSource/Mercury Gate with shipment consignee as shown below: <ul style="list-style-type: none"> PEP BOYS (“Location”) Distribution Center Street address City, State, Zip Phone Number - Cross-dock shipments and Cross-dock locations can be identified by reviewing the “SHIP TO” field of the LogiSource/MercuryGate BOL. - Select the appropriate ‘Ship To’ pallet label templates for that destination. The templates can be found at: <ul style="list-style-type: none"> ▪ http://info.pepboys.com ▪ Click on ‘SHIPPING INFO’ at the top of the page ▪ Select “Cross-dock Requirement” from the drop down menu ▪ Then select the appropriate DC Cross-dock label template - Print the cross-dock label using the appropriate colored copy paper. <table border="1" data-bbox="488 1560 1479 1829"> <thead> <tr> <th>Distribution Center</th> <th>Label Color</th> <th>PO Prefix</th> <th>Destination DC Cross-dock Number</th> </tr> </thead> <tbody> <tr> <td>Atlanta</td> <td>Yellow</td> <td>A</td> <td>102B</td> </tr> <tr> <td>Mid-West</td> <td>White</td> <td>W</td> <td>107B</td> </tr> <tr> <td>New York</td> <td>Blue</td> <td>Y</td> <td>109B</td> </tr> <tr> <td>Southern California</td> <td>Green</td> <td>L</td> <td>106B</td> </tr> <tr> <td>Texas</td> <td>Purple</td> <td>T</td> <td>103B</td> </tr> </tbody> </table>	Distribution Center	Label Color	PO Prefix	Destination DC Cross-dock Number	Atlanta	Yellow	A	102B	Mid-West	White	W	107B	New York	Blue	Y	109B	Southern California	Green	L	106B	Texas	Purple	T	103B
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<p>4. Documentation Requirements</p>	<p>PACKING SLIPS:</p> <ol style="list-style-type: none">1. A detailed packing slip must be generated for every shipment. The information must have clear titles identifying the information. The following information must be shown on the packing slip.<ul style="list-style-type: none">- Purchase order number.- Bill of lading number.- Manufacturer part number (preferably in alphanumeric sequence).- Quantity ordered per manufacturer part number.- Quantity shipped per manufacturer part number.- Quantity backordered by manufacturer part number (if applicable).- Total quantity shipped.- Pep Boys SKU number (if available)2. One (1) purchase order per packing slip.3. Packing Slip is to be placed within a clear window envelope and MUST be attached to the MERCHANDISE, behind the shrink-wrap. Packing slips should not be wrapped within the shrink-wrap as it may be discarded with the removal of the wrap.4. Whenever possible, place at the tail of the truck (truckload shipments).5. Vendors using ASN (Advance Ship Notice) program are still required to include a packing slip with the merchandise. <p><u>BILL OF LADING:</u></p> <ul style="list-style-type: none">- Shipments where Pep Boys is responsible for freight MUST use the LogiSource/MercuryGate Bill of Lading (BOL). The LogiSource/Mercury Gate BOL can be accessed and printed in the Transportation Management System.- Shipments where the Vendor or Supplier is responsible for freight must provide the carrier a Shipper Bill of Lading.- The shipper prepared BOL must specifically define:<ul style="list-style-type: none">▪ part number(s)▪ item description(s)▪ item count▪ item weight▪ number of cartons▪ number of pallets▪ shipment weight▪ Pep Boys Purchase Order number (PO#)▪ Freight Terms: Prepaid, F.O.B. Destination▪ Single shipments comprised of multiple PO's must list each PO#
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- Special Instruction: “Delivery Appointment Required: Call Pep Boys Distribution Center a minimum of 48 hours in advance of estimated arrival time to schedule a delivery appointment”

Hazardous Material Shipments

- Shipper Bills of Lading are required to define:
 - Carton breakdown
 - UN #
 - Haz-Mat Class
 - Packing Group
 - Weight for all hazardous substances
 - Emergency Contact Name and Phone Number
- Hazardous substances that are listed (NOS) “Not otherwise specified” will have a chemical name (ex: isopropanol).
- Hazardous substances which call for packing groups (PG) are required to have packing group numbers listed on the Bill of Lading.
- Any hazardous substances that qualify for limited quantity status must be listed as limited quantity on the Shipper Bill of Lading.

MSDS Sheets:

- Material Safety Data Sheet (MSDS)
- Shippers are required to prepare a MSDS when required by 29CFR and any other applicable rule or regulation.
- Shippers are responsible to complete MSDS in compliance with 29CFR and any other applicable rule or regulation.
- Shippers are responsible for providing a properly completed MSDS when tendering freight to a carrier.

DELIVERY RECEIPT:

- The shipper must provide the carrier copies of the bill of lading. The consignee must sign for the delivery on the bill of lading and provide the carrier a copy.

FREIGHT BILLS:

Collect Freight Terms, F.O.B Origin Terms of Sale shipments require the following:

- The Bill of Lading Number from the LogiSource/MercuryGate Transportation Management System must be included on Freight Bills.

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	<ul style="list-style-type: none"> - Freight Bills should be sent to: Pep Boys c/o Delta Audit PO BOX 10200 Matthews, NC 28106 - Delta Audit also accepts EDI Freight Billing (see Freight Bill Processing in Section 11 for contact information).
<p>5. Shipment Mode and Service Levels</p>	<p>Selection of shipment mode and service levels varies depending on factors, such as, delivery date, shipment weight and approved carriers. Management of modal selection and carrier performance differs depending on Freight Terms / Terms of Sale.</p> <ul style="list-style-type: none"> - Pep Boys Freight Responsibility, carrier and service level will be determined by LogiSource Transportation Coordinators. - Vendor or Supplier Freight Responsibility, choosing approved carriers and the correct service level are the responsibility of the vendor or supplier.
<p>6. Shipper Requirements and Approved Carriers</p>	<p>Shipper requirements vary depending on the Freight Terms and Terms of Sale agreed to in their Vendor Agreement. Shippers failing to comply with the terms and conditions of their Vendor Agreement are responsible for the freight charges and are subject to Compliance fines.</p> <p>INBOUND COLLECT FREIGHT TERMS, F.O.B. ORIGIN TERMS OF SALE and OUTBOUND PREPAID FREIGHT TERMS, F.O.B. DESTINATION TERMS OF SALE SHIPMENTS</p> <p><u>PARCEL and SMALL PACKAGE SHIPMENTS:</u></p> <ul style="list-style-type: none"> - Shipments under 150 lbs should be shipped parcel unless the number of packages shipped exceeds twelve (12) in which case it should ship LTL. - Haz-Mat shipments prohibited from air transport must move FedEx Ground. - Multiple packages should be repacked whenever possible to reduce the number of boxes shipped. - Freight terms are determined by the Vendor agreement. - Shipment service level must adhere to service level specified on the purchase order. - Ground shipments must be shipped via FedEx Ground - Express shipments must be shipped via FedEx Express - Collect shipments must be shipped using the service level dictated on the Purchase Order. - The Purchase Order number should be listed in the Reference field. - All cartons shipped small parcel must contain a clearly marked packing list.

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- When a single shipment is comprised of multiple parcels, each parcel should be labeled "1 of n", "2 of n", etc. n = total number of parcels.

TRUCKLOAD and LESS-THAN-TRUCKLOAD SHIPMENTS:

- Inbound shipments must be released in LogiSource/MercuryGate at least three (3) full business days prior to the scheduled pick-up date.
- Failure to timely release a shipment in LogiSource/MercuryGate will result in a Compliance penalty.
- LogiSource will arrange transportation using a Pep Boys Approved Carrier and will tender the shipment to a Pep Boys Approved Carrier.
- Contact LogiSource Coordinators for all Collect LTL shipments to Puerto Rico to arrange proper handling.

Please refer to the following table to determine the proper release time in LogiSource/MercuryGate.

Ship by and/or Pick up Day	PO release day (by 5PM)
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Monday
Friday	Tuesday

INBOUND PREPAID FREIGHT TERMS, F.O.B. DESTINATION TERMS OF SALE and OUTBOUND COLLECT FREIGHT TERMS, F.O.B ORIGIN TERMS OF SALE

PARCEL / SMALL PACKAGE SHIPMENTS:

- Shipments of 150 pounds or less should be shipped as a parcel / small package shipment. However, if less than 150 lbs. and the number of separate packages being shipped exceeds twelve (12), then the packages should be palletized and shipped LTL.
- Prepaid shipments may use FedEx Ground, FedEx Express or UPS.
- Haz-Mat shipments prohibited from air transport must move FedEx Ground.

LESS-THAN-TRUCKLOAD (LTL) SHIPMENTS:

- Shippers must use a Pep Boys approved carrier for LTL shipments.
- Shipper is responsible for determining a carrier's transit time, and ensuring shipments are tendered in sufficient time to meet Pep Boys delivery requirements.
- **Pep Boys Approved Carriers include:**
 - **FedEx Freight Economy (FXNL)**
 - **FedEx Freight Priority (FXFE)**
 - **Estes Express Lines (EXLA)**

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	<p><u>NOTE:</u> Vendors responsible for freight must select one of the above carriers. Pep Boys will assign carriers when responsible for freight.</p> <p>TRUCKLOAD SHIPMENTS:</p> <ul style="list-style-type: none"> - Shippers may use a truckload carrier of their choice. <p>Shippers are responsible for adhering to the carrier selection guideline outlined above. Failure to follow these instructions may result in freight chargeback's and / or Compliance fines.</p> <p>Shippers are also responsible for managing carrier performance for Inbound Prepaid, F.O.B. Destination Terms of Sale.</p>
<p>7. Delivery Appointments</p>	<p>Shipments to Pep Boys Distribution Centers require delivery appointments.</p> <ul style="list-style-type: none"> - Vendors responsible for freight must notify carriers of this requirement. - Delivery Appointments must be made a minimum of 48 hours in advance of the actual delivery, except when drop trailer arrangements have been made. - Failure to make a delivery appointment may result in the delivery being refused. - Deliveries arriving 30 minutes beyond the scheduled appointment time are considered a late delivery. - Delivery appointments can be made through the <i>Navis</i> system online, or by contacting the Receiving Department of the applicable Distribution Center directly (see section 10. <i>Distribution Center Addresses and Contact Numbers</i>). Navis UserID and Password can be setup by contacting: gary_derrick@pepboys.com, or calling Gary Derrick at 770-957-7337.
<p>8. Merchandise Returns</p>	<p>Merchandise returns are outbound shipments from a Pep Boys location back to the vendor or supplier. Examples of return shipments include, overstock returns, core returns, defect returns, and discontinued recalls. Responsibility for the freight varies based on the circumstance, type of return and agreements. However, vendors / suppliers requiring a specific carrier assume responsibility for the associated freight charges regardless of other considerations.</p> <p><u>Vendor / Supplier Responsibility:</u></p> <ul style="list-style-type: none"> - Freight will ship Freight Collect / F.O.B. Origin. - Vendor / Supplier is responsible for all transportation charges. - Freight may move on a vendor selected carrier.

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	<p><u>Pep Boys Responsibility:</u></p> <ul style="list-style-type: none"> - Freight will ship Freight Prepaid / F.O.B. Destination - Pep Boys is responsible for the transportation charges. - Freight will ship on Pep Boys Approved carrier only.
<p>9. Import Shipments</p>	<p>For complete information regarding import shipments, go to http://info.pepboys.com/schain/index.htm. Click on “Shipping Info” on the top left of the screen. From the menu select “Import Requirements”.</p>
<p>10. Distribution Center Addresses and Phone Numbers:</p>	<p>Atlanta Distribution Center (ATDC) 55 Liberty Industrial Pkwy McDonough GA 30253 PO Prefix: A RECEIVING PHONE: 770-914-3313 MAIN PHONE: 770-957-7337 RECEIVING EMAIL: ATDC_Receiving@pepboys.com</p> <p>Mid West Distribution Center (MWDC) 807 Perry Rd Plainfield, IN 46168 PO Prefix: W RECEIVING PHONE: 317-837-3755 MAIN PHONE: 317-837-2200 RECEIVING EMAIL: INDC_Receiving@pepboys.com</p> <p>New York Distribution Center (NYDC) 29 Elizabeth Dr Chester, NY 10918 PO Prefix: Y RECEIVING PHONE: 845-469-6133 MAIN PHONE: 845-469-6124 RECEIVING EMAIL: NYDC_Receiving@pepboys.com</p> <p>Philadelphia Tire Distribution Center (PTDC) 9250 Ashton Rd Philadelphia, PA 19114 PO Prefix: P RECEIVING PHONE: 215-516-2735 MAIN PHONE: 215-516-2736 RECEIVING EMAIL: PADC_Receiving@pepboys.com</p>

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	<p>Southern California Distribution Center (SCDC) 300 S Tippecanoe Ave San Bernardino, CA 92408 PO Prefix: L RECEIVING PHONE: 909-915-3755 MAIN PHONE: 909-915-3740 RECEIVING EMAIL: CADC_Receiving@pepboys.com</p> <p>Texas Distribution Center (TXDC) 1130 Kearney St Mesquite, TX 75149 PO Prefix: T RECEIVING PHONE: 972-216-9666 MAIN PHONE: 972-216-9977 RECEIVING EMAIL: TXDC_Receiving@pepboys.com</p> <p>Fixtures & Display Warehouse 3658 Shady Ln Plainfield, IN 46168 MAIN PHONE: 317-839-1048</p>
11. Contact Phone Numbers by Topic:	<ul style="list-style-type: none"> - <u>LogiSource Coordinators:</u> <ul style="list-style-type: none"> o Andrew Jones 704-815-4545 x-219 o pepboysTMS@logisource.com o george_pavlichko@pepboys.com 215-430-9059 - <u>Merchandise Returns:</u> <ul style="list-style-type: none"> o Manager Reverse Logistics 215-430-4547 o MWDC Exchange Room 317-469-2200 o ATDC Exchange Room 770-957-7337 o SCDC Exchange Room 909-915-3740 - <u>Parcel / Small Package Shipments:</u> <ul style="list-style-type: none"> o Logistics Analyst 215-430-9061 o Gen Logistics Mgr 215-430-9368 - <u>Vendor Freight Term Conversions:</u> <ul style="list-style-type: none"> o Logistics Analyst 215-430-9061 o Gen Logistics Mgr 215-430-9368

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	<ul style="list-style-type: none">- <u>Import Freight:</u><ul style="list-style-type: none">○ Import Manager 215-430-9059○ Import Coordinator 215-430-9430 - <u>Compliance Team:</u><ul style="list-style-type: none">○ Manager Compliance 215-430-9095 x-6785○ Compliance Analyst 215-430-9163 - <u>Freight Bill Processing:</u><ul style="list-style-type: none">○ Delta Audit Gary Hart 704-807-0402 gary@logisource.com
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