

VOLVO

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Volvo Logistics Corp.	Instruction		
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Instruction for Qualified Inspection personnel: Assessment for Transit damage Volvo CE	3	Fie-113	1 (7)
Issuer (dept, name, phone, location)	Sign	Date	Info class
73400, Jesper Strömberg +46 31 3234281, ARH8		2010-01-08	Open
Approved by (dept, name, phone, location)	Sign	Date	Valid
73400, Anders Lannö +46 31 664022, ARH8		2010-01-08	
Receiver (dept, name, geogr plac)			

Instruction for Qualified Inspection personnel: Assessment of Transit damage

The survey carried out shall be Marine Cargo Survey, which is an external survey of the condition of the cargo.

1. CARGO INSPECTION PROCEDURES -General

The machinery are to be inspected for transit damage at every hand over point. It is important that the receiver inspects before moving the machinery. This assessment of transit damage is to be conducted to record all transit damages.

The assessment of transit damage is important to define the responsibilities of each and everyone within the logistics chain. Therefore it has to be carried out in an objective and systematic way by concerned parties' at hand over point. In case the cargo is delivered outside working hours (always by mutual consent!) the joint inspection cannot be done by concerned parties. The receiver will have to conduct the inspection upon opening of the working place. When a transit damage is found, it has to be recorded, reported and sent without delay to Volvo Logistics Risk Management Department.

The inspection takes place under the conditions in which the machinery is delivered.

This means that:

- Doors shall normally remain closed.
- Machinery cannot be washed prior to inspection.

The use of light tunnel and bridge is NOT allowed

It is important to maintain a consistent and high quality inspection. The inspection must be performed in a systematic and thorough manner and never vary from that routine.

Operational requirements for inspection:

Wear clean clothing which is free from exposed buttons and fasteners. Any unprotected metal objects such as rings, watches, belts with buckle, cell phones must be covered.

Pre-load survey shall be performed as close as possible to the sailing of the vessel at Last point of rest (LPR) The weather conditions and load volume should be taken into consideration at what time to start the survey.

Discharge survey must in principle be carried out instantaneously as the first machinery reaches First point of rest (FPR) but no later than 24 hours after discharge. Exceptions; Weather conditions / Darkness. If a survey is stopped the orderer needs to be informed.

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Remember/ensure that you will:

1. Record all transit damages on the freight document and if possible also on the respective damage document (e.g. VCR, ...).
2. Document the transit damage by digital photo
3. Record transport exceptions by listing and coding the specific part damaged.
4. Name the type of exceptions according to the exception code list and definitions, or in plain text were not otherwise specified.
5. Record the required repair according to the repair definitions and codes and report the cause of the exception according to the cause definitions and codes.
6. Discharged units are not to be moved from FPR until units have been surveyed, if to be surveyed.
7. If the consignee requires early delivery, arrangements must be made with the discharge surveyor to coordinate a proper discharge survey before delivery

2. ASSESSMENT OF TRANSIT DAMAGE

All exceptions must be clearly visible at > 1.0 meters distance and min 30° angle from eye to exception in question. The assessment should be conducted in a systematic manner by walking around the machinery at 1 meters distance and by taking following items into account: exterior surface of (non) painted panels, glass, mouldings, tyres & (hidden) rims and hidden surfaces.

Wrap guard may be partly removed, if the wrap guard show visible damage the. This is to be done with care!

The examples given below are only guidelines to help in assessing damage. No account has been taken as to where in the transport chain the damage took place.

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TRANSIT DAMAGE

NON TRANSIT DAMAGE

2.1. Exterior surface of painted panels incl. bumpers, spoilers etc.

Scratches	Scratches that can be rectified by polish/touch up
Dents with signs of impact	Slight waves and dents without sign of impact
Paint-chips	Dirt in paint, paint run, thin paint. Residue of glue, sealing. Paint chips on panel edges (except doors).

2.2. Exterior surface glass, mouldings, fuel tank and non-painted parts

Broken or cracked windows/rear-view mirror	Damage that can be rectified by polish or cleaning
Other damage with traces of external influence which must be rectified by replacing the component.	Distortion in surface structure of the component
Scratch/paint chip	Scratches/paint chips requiring polish/touch up
Damaged or dented fuel tank	Minor damages with no impact of the functionality of the fuel tank
Rust, if caused by insurable incident	Rust on the machine

2.3. Tyres and rims

Puncture, flat tyre with external evidence (bolt, screws etc.)	Flat tyre due to malfunction of the valve
Deep or severe damages affecting the tyre structure	Scratches located inside the rime edge and close to the sidewall of the tyre.
Deep scratches, cuts or severe chafe marks to the tyre sidewall affecting the tyre structure	Chafe marks at tyre surface Chafe marks from roller tests.
Severe damages, deep cut to tyre tread surface	Normal tyre wear

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2.4. Hidden surfaces and interior trim

Dirt, oil, grease or similar to the interior.
Other damage caused by break-in or vandalism.

Normal travel stain, dirt, oil, grease or similar that can be rectified by cleaning the interior other than drivers side not caused by break-in or vandalism

Water leakage caused by not properly closed windows, doors, sunroof or lids

Water damage caused by bad sealing

Damage on the undercarriage and spoilers, with traces of external influence

Theft of permanently mounted equipment

Missing optional equipment

2.5. Cleaning

Contamination by oil, grease, rust stains and saltwater

Normal travel stain

3 DEFINITIONS:

3.1 Damage

- Fluid spillage** Spilled parts of exterior surface due to rusty water or others.
- Scratch** Linear formed mechanical damages of surface of differing depths.
- Dent** An inward surface depression whether the painted finish is affected or not.
- Scuff** A mark that does not break the painted surface and possibly could be buffed or compounded out.
- Paint chips** An area of missing paint
- Punctured** Flatted tire by foreign object or other causes.
- Missing** Part not at its location.

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3.2 Cause of damage Valid for Marine Surveyors

Some Stage

In Transit (STI) Just general damages caused anytime after the vehicle leaves the factory.

Travel stained The vehicle has some type of fluid spillage (salt water) etc. during and/or prior to shipment arrival

Stevedore Loading

The stevedore company reported that the damage occurred during loading.

Stevedore Unloading

The stevedore company reported that the damage occurred during unloading.

3.3 Other

Exterior Surface

Sections of the vehicle visible, from a distance of 1 meter when all doors and lids are closed.

Hidden Surface

Sections of vehicle not visible from outside.

Protective Coating

Wax, wrap guard, foil or other types of transport protection.

Will Polish Out (WPO)

Means a minor surface scratch, chafe & paint chip which could be polished out. Not payable.

Touch/Brush up (BTU)

Means that a paint damage which does not penetrate down to base metal could be touched up or compounded out. Not payable.

Commercially Accept. (CA)

A minor blemish that does not detract from the value. Not payable.

Other Than Marine Damage (OTMD)

An exception that is not specifically related to the marine transport, such as exceptions known not be marine related where "defect" is not appropriate.

Other Than Transport Damage (OTTD)

An exception that is not transport related

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4. PREPARING THE SURVEY REPORT (valid for marine surveyors)

4.1 How to complete the worksheet

The surveyor will provide a survey report format for each survey and complete report as follows:

Maker name	Name of maker for a vehicles to be surveyed
Port	Name of port and terminal
Operator	Name of vessel operator
Stevedore	Company name of stevedore
Surveyor	Name of surveyor / Survey company
Total vehicle shipped	Total quantity of surveyed vehicles (To be divided as per final destination)
Total damaged units	Total quantity of damaged vehicles
Vehicle exception frequency	Damage ratio (Damaged units/Total vehicle shipped * 100)
VIN	Complete seventeen (17) character of Vehicle Identification Number (VIN)
Model	Kind of vehicle or name of model
Damage description	Damaged part, location and kind of damage (ex) bmpr/cvr/ext-r – scratched
Cause	Cause of damage (ex) in-stow or STI etc.)
Repair mode	How to repair a damaged part (ex) Refinish or Polish out or Touch up or Cleaning etc.)

4.2 Codes to be entered

Damage description To be filled as per above guidelines

Kind of

Damage To be included in damage description and has twelve (13) categories of Fluid spillage, scratches, gouged, mldg/embl damage, dents, scuffed, broken, chipped, hdwr ext-d, punctured, missing, bent, others.

Cause of damage

Have twelve (12) categories of mishandling, travel-stained, rust scale, manoeuvring, in-stow damage, stevedore unloading, saltwater, lashing damage, transportation, vandalism, pilferage, stevedore damage, others.

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5. REPORTING

Preliminary or final survey reports to be forwarded within 5 work days from survey being performed. Any major exceptions or repetitive exceptions to be advised without delay.

Reports to be sent to:
Volvo Logistics Corporation
Risk Management
Dept 73400 ARH8
405 08 Gothenburg
Sweden