

## **SHiFT FAQ**

## 1. What is SHiFT?

a. SHiFT is a nationwide Vehicle Retirement Initiative being led in part by the Automotive Recycling Training Institute (ARTI) and ARA. The program is similar to traditional vehicle donation programs but allows consumers, fleets and enterprises to take an active role in recycling their vehicles. For the first time ever, consumers have the ability to choose to have their vehicle recycled in an environmentally sound process by professional auto recyclers. SHiFT takes a unit by unit approach to carbon reduction and offers consumers a measurable carbon avoidance.

## 2. Who is SHiFT?

a. SHiFT is a partnership between Advanced Remarketing Services (ARS), ARTI and ARA members. SHiFT relies on ARA's network of qualified professional automotive recyclers to deliver the best environmentally focused practices possible. In turn, all the net proceeds of the program are returned to the Automotive Recycling Training Institute (ARTI) a 501c3 investing in the future and growth of the industry and its members.

## 3. Who is ARS?

- a. Advanced Remarketing Services is an ARA member and has been selling cars directly to our Member group since 2006. Advanced Remarketing is a proud partner of over 50 national nonprofit organizations. ARS is a licensed wholesale car dealer, and their program handles the title transfer, towing, and reporting of all vehicle donations.
- 4. What are the requirements of the SHiFT program that recyclers must adhere to?
  - a. To participate in SHiFT, recyclers must be registered with ARS, execute standard buyer agreements and set up the communications options. Additionally for all SHiFT units, Members will sign affidavits and agree to retire and recycle the internal combustion engines (ICE) acquired through the program; this means the engine **cannot be sold as a complete assembly** to be put into another car—thereby removing any future carbon emissions from that engine assembly.

- b. It should be noted that the engine, though retired as a complete assembly, can be disassembled for parts harvesting, rebuilding or remanufacturing, in order to get the most use out of already manufactured products.
- 5. What are the benefits of participating in the SHiFT program?
  - a. Exclusive economic opportunity for auto recyclers with another resource to acquire cost effective vehicles for their inventory
  - b. Engages ARA members and helps attract new members stronger together
  - c. Amplify ARA & Member voices as environmental authority figures
  - d. Support and fund ARTI
  - e. Real & measurable environmental benefits
- 6. What are the protocols set forth by the SHiFT Affidavit?
  - a. Verbatim the Affidavit requires one to "hereby certify that the vehicle listed below (VIN XXXX) will be dismantled and recycled following protocols set forth by the SHiFT National Vehicle Retirement Initiative."
  - b. There are three specific protocols:
    - i. "Recycling Partner will not dismantle, or otherwise work on the vehicle until ownership documents have been transferred to the Recycling Partner.
    - ii. Recycling Partner agrees to provide certain environmental recycling services such as dismantling and processing the vehicle as an end-of-life asset and not for resale or reuse as a complete vehicle.
      - 1. Environmental recycling services include:
        - Removal, management and legally required handling of hazardous materials in accordance with all prevailing, applicable state and federal environmental statutes and regulations.
        - b. Parts Harvesting and/or
        - c. Core Harvesting.
    - iii. Engine component parts may be reused and resold as recycled parts. However, the Internal Combustion Engine (ICE) shall not be sold as a complete assembly. If Recycling Partner does not dismantle the engine such that it cannot be sold as a complete assembly, Recycling Partner must clearly mark the engine as not for sale and shall not sell or re-use the engine as complete assembly."

- 7. How does pricing of vehicles work?
  - a. SHiFT vehicles are offered for purchase at tiered levels of participation with preferred pricing for ARA members who are Certified Automotive Recycler (CAR) certified or Partners who source the vehicle from their websites first.
  - b. It should be noted that if the vehicle was donated through a link on the member's website, that member would be entitled to the vehicle at Level 1 pricing.
- 8. Are all ARA members automatically enrolled in SHiFT?
  - a. No, SHiFT participation is voluntary. However, ARA members must be enrolled as a buyer in mBid (ARS system) in order to participate in SHiFT. ARA members, including CAR members who have top tier priority, will automatically be pushed SHiFT purchase opportunities based on their geographic location and have the option of participating in the program by accepting the vehicle.
- 9. Am I eligible to participate in the SHiFT program?
  - a. If you have registered as a buyer on mBid and are willing to follow the protocols for SHiFT units, you will be eligible to participate.
  - b. This requires one to be able to meet the standards of the SHiFT program, which require the removal of hazardous materials to be in accordance with state and federal laws.
- 10. What are the expectations of the recyclers in the program?
  - a. SHiFT must to be uniform in outcome but not in delivery. The goal of this program is not to unnecessarily complicate members' processes. **Compliance to all SHiFT standards, including:** 
    - i. Reasonable and convenient pick up of vehicles
    - ii. Vehicle must be flagged as SHiFT unit
    - iii. Standard environmental processing at your location
    - iv. Parts and assemblies can be removed and merchandised Complete engine assembly may not be re-sold
      - w. Member must execute Affidavit confirming carbon reduction
  - b. These standards are not meant to overhaul members' operations, but rather to fit into their already existing processes. Compliance is largely self-directed.
- 11. How is compliance enforced?
  - a. ARS will use digital tools to track and audit affidavits. Failure to complete Affidavit will result in penalties.
  - b. This is largely an honor system and legal promise via per unit Affidavit
- 12. What are the consequences of failing to comply with SHiFT
  - a. Repeat failures to comply will result in removal from participating in the SHiFT program.

- 13. What is the large-scale, long-term vision for what SHiFT will be?
  - a. Auto Recyclers as the true environmental stewards: recognition
  - b. Behavior change: consumers rethink their transport decisions and the importance of assuring these vehicles are handle in an environmentally sound process.
  - c. Connect you to your community and other members: SHiFT as a connective tissue for professional Automotive Recyclers
  - d. Centralized knowledge base on auto recycling and SHiFT becoming a trusted funnel for consumers and companies to responsibly recycle vehicles.