

# What is a Core Charge?

A “Core Charge” is an upfront deposit on the rebuilt component purchased. When you purchase a rebuilt component the seller requires the old component back in order to rebuild it and to keep the rebuild items available for future purchase.

If the old component is not returned then rebuilt items can no longer be supplied.

For example:

A rebuilt tilt cylinder is purchased for \$750.00.

A core charge of \$750.00 is added to the sell price in order to ensure the old non-functioning tilt cylinder is returned for rebuild and to make available in the rebuilt program.

When the old item is returned, the core charge is credited back providing it is in rebuild-able condition.

If the old item is damaged beyond repair the full core charge cannot be credited or partial credit may be allowed depending on the item.

The reason for core charges are simple.

Upfront investments have been made to purchase old components by rebuilders to ensure a proper rebuild stock is made available for purchase to users.

If the old product is not returned then the available rebuild stock is diminished or no longer available.

Thus the requirement or incentive to return the old component to keep the rebuild process running and cost make it efficient over new components.