

Title: <b>Purchased Scrap &amp; Prime Specification</b>	Document ID: SP.520.01
Revision: 1	Effective Date: 6/22/2021
Process Owner: Chris Christianson	Prepared by: Chris Christianson

1. **sPURPOSE:** To define the specification for scrap Aluminum purchased by Ellwood Aluminum.
2. **SCOPE:** This specification applies to all scrap Aluminum and RSI purchased by Ellwood Aluminum.
3. **TERMS AND DEFINITIONS:** The following descriptions define the scrap material types purchased by Ellwood Aluminum. Any variation to these material types shall be agreed to prior to issuing the purchase order and will be noted on said purchase order. No substitutions are permitted.
  - 3.1. **1000 Series Sheet / Clip:** To consist of 1000 series alloys, to be free of paper, plastic, excessively inked sheets, and any other contaminants. Minimum size of 1" square, 0.050" minimum thickness.
  - 3.2. **E.C. (Electrical Conductor) Wire:** Shall consist of clean E.C. Aluminum wire to be baled, chopped, or shredded. To be free of screening, hair-wire, iron, copper, insulation and other non-metallic items. Must be free of minus 20 mesh material. Must contain 99.45% Aluminum content.
  - 3.3. **Bare Extrusion / Press Scrap:** Shall consist of one alloy. Material may contain "butt ends" from the extrusion process but must be free of any foreign contamination. Anodized material is acceptable.
  - 3.4. **Painted Extrusions:** Material to consist of new production and old/used 6063 painted extrusions. Must not contain other alloys of Aluminum. Material shall be free of zinc corners, iron attachments, felt, plastic, paper, cardboard, thermal break, dirt, 6061 "sheet, plate, clip" and other contaminants. No painted extrusions shall be mixed with non-painted material.
  - 3.5. **6063 10/10:** Material to consist of new production and old/used 6063 extrusions that may contain up to (but not exceed) 10 percent painted extrusions and 10 percent 6061 alloy extrusions. Must not contain other alloys of Aluminum. Material shall be free of zinc corners, iron attachments, felt, plastic, paper, cardboard, thermal break, and dirt and other contaminants.
  - 3.6. **Dealer Package:** Shall consist of old extruded Aluminum of one alloy; typically, 6063 or 6061. Material must be free of iron, thermal break, saw chips, zinc corners, dirt, paper, cardboard, and other foreign contamination. Percentages of paint or other alloys to be agreed upon by buyer and seller.
  - 3.7. **RSI (Remelt Secondary Ingot):** Shall consist of Aluminum scrap which has been sweated or melted into a form or shape such as an ingot, sow or slab for convenience in shipping; to be free from corrosion, dross or any non-Aluminum inclusions. Will be purchased subject to sample or analysis. Ellwood Aluminum will receive only single-pour low-profile sows.
  - 3.8. **Sheet / Plate / Clip:** Shall consist of clean, uncoated, and unpainted Aluminum scrap of one

specified alloy with a minimum thickness of 0.050". Material to be free of hair wire, wire screen, dirt and other non-metallic items. Oil and grease not to total more than 1%. Also free from punchings less than 1/2" in size.

- 3.9. **Wheels:** Shall consist of clean, single piece, unplated Aluminum wheels of a single specified alloy (A356 or 6061), free of all inserts, steel, wheel weights, valve stems, tires, grease and oil, and other non-metallic items. Loose "Not Boxed or Palletized" loads are preferred by Ellwood Aluminum.
- 3.10. **Primary Ingot:** Shall consist of pure Aluminum produced by a smelter preferably using the electrolytic smelting process. Primary Ingot will be accepted in a form or shape such as a T-bar, low profile "single pour" sow. Primary Ingot should be free from corrosion, dross or any non-Aluminum inclusions. Shrinkage cavities should be kept at a minimum. Each Primary Ingot shipment will be accompanied by a certified compositional analysis for each heat.
- 3.11. All scrap packages shall be 100% segregated alloy. Unless agreed to on purchase order.

#### 4. PROCEDURE

- 4.1. Blanket purchase orders will be issued monthly for each material type purchased. The material type, where applicable, the alloy and volume shall be specified. The purchase order shall reference this document and compliance with this specification is required.
- 4.2. Fixed or spot buy purchase orders will not be issued for more than (3) separate items total.
- 4.3. All incoming loads are subject to inspection in regard to this specification, verification of material type and verification of chemical composition. The incoming receiving inspection is a cursory inspection. Any foreign material of type or chemistry shall remain the financial responsibility of the supplier including or injury to Ellwood Aluminum personnel and or property.
- 4.4. Shipments with multiple items / material types will be accepted subject to the following conditions:
  - 4.4.1. No more than (2) items per shipment will be accepted unless outlined in the PO.
  - 4.4.2. Items are to be physically separated within the trailer / container and identified
  - 4.4.3. Each package, bale, or bundle must be clearly identified with the material type / alloy
  - 4.4.4. The suppliers packing slip must define the material type and weight of each item.
- 4.5. Ellwood Aluminum receiving hours are Monday-Friday 7:00 am to 2:00 pm EST. Appointments are required for all deliveries of scrap. These must be made by calling the following number 330-568-3006 or emailing your Ellwood Aluminum point of contact. A purchase order number must be provided when scheduling a delivery appointment.
- 4.6. Ellwood Aluminum will accept the material types listed in Section 3, Terms and Definitions, in the following forms as applicable:

- 4.6.1. **Loose Scrap:** Loose scrap must be delivered in suitable trailers or roll-offs. Loose scrap shipments are dumped using a hydraulic lift and **Ellwood Aluminum will not be responsible for trailer damage** due to improper axle placement (sliding tandems), wooden trailer walls or flooring, etc. Bundled scrap included in loose loads must not exceed 8' in length. The max length for loose scrap receipts is 8'.
- 4.6.2. **Package Loads:** Package loads consisting of boxed, baled, or bundled material must be: clearly identified, grouped in the trailer by item, loaded securely, and packaged and stacked to facilitate forklift unloading. There must be adequate roof clearance to avoid trailer damage. Improperly secured or stacked loads may be rejected. The seller and seller's freight company must insure that all trucks and trailers arrive in good working order. **Ellwood Aluminum will not be responsible for trailer damage due to improper loading or inadequate unloading clearance.**
  - 4.6.2.1. The maximum weight per individual bale, box, or bundle is 6,000 lbs.
  - 4.6.2.2. The maximum bundle length shall be 12' unless specified on the purchase order.
- 4.7. A Bill of Lading must accompany all incoming shipments. The following information must be included:
  - 4.7.1. Supplier
  - 4.7.2. Ellwood Aluminum purchase order number
  - 4.7.3. Delivery appointment number if provided
  - 4.7.4. Gross, net, and tare weight
  - 4.7.5. Description of the load to be received (as outlined on Ellwood Aluminum purchase order) with each item / material type included on the shipment listed separately. A packing list may be substituted for the load description.
- 4.8. Ellwood Aluminum will weigh all loads upon receipt to ensure accurate receipt weight. Ellwood Aluminum weight will govern for payment purposes. However, if Ellwood Aluminum scales detect a deviation of 500 lbs. or more, the truck will be held until the supplier is contacted to resolve the deviation.
- 4.9. Incoming material that does not pass inspection in regard to material type or chemistry as specified on the purchase order, will be rejected or downgraded. Agreement with the supplier will be sought prior to downgrading a shipment.
  - 4.9.1. When downgrading individual bales or bundles, Ellwood Aluminum may use the weights listed on the packing list or may use the total net weight of the delivered load divided by the number of bales to develop a bundle or bales average weight. A reloading fee of \$250.00 may be charged for any load that is rejected after unloading.
- 4.10. The following conditions may be cause for immediate rejection of an incoming shipment:
  - 4.10.1. Closed containers in the load
  - 4.10.2. Detection of radioactive material in the load

- 4.10.3. Bundled scrap longer than 12' in length on flatbed or pole trailer.
  - 4.10.4. Loose scrap longer than 8' in length
  - 4.10.5. Crimped "both ends" pipe pieces in the load
  - 4.10.6. Fertilizers, salt, or other hygroscopic material in the load
  - 4.10.7. Problematic mixed chemistries not agreed to
  - 4.10.8. Lead or Beryllium bearing material in the load
  - 4.10.9. Excessive dirt, grease, gravel, or other foreign material or contamination
  - 4.10.10. Excessive saw fines
  - 4.10.11. Material that does not meet the Ellwood Aluminum specification for material types listed in "Terms and Definitions."
- 4.11. Ellwood Aluminum will take the following standard deductions:
- 4.11.1. Gaylord boxes – 70 lbs. per box and pallet plus an additional handling fee of \$10 per box
  - 4.11.2. Pallets – 40 lbs. for each pallet
  - 4.11.3. Steel Wire banding – 2 lbs. per bale or bundle
  - 4.11.4. Saw Fines – Deducted weight will be estimated upon receipt. Ellwood Aluminum will contact suppliers prior to deductions in excess of 200 pounds. Any deductions over the standard require pictures to support the extra deduction.
  - 4.11.5. Other non-Aluminum material – (cardboard, trash, steel or other metals, dirt, gloves, etc.) Deducted weight will be estimated upon receipt. Ellwood Aluminum will contact suppliers prior to deductions in excess of 300 pounds. Any deductions over the standard require pictures to support the extra deduction.
  - 4.11.6. Water, Snow, Ice – Deducted weight will be estimated upon receipt. Ellwood Aluminum will contact suppliers prior to deductions in excess of 500 pounds. Any deductions over the standard require pictures to support the extra deduction.
  - 4.11.7. If the vendor's shipping documents adequately and accurately describe tare weights, said weights may be used in lieu of the standard deductions. Use of said weights shall be at Ellwood Aluminum discretion and should be noted on the PO prior to receiving.
- 4.12. All metal purchased by Ellwood Aluminum purchase orders is expected during the ordered month. Ellwood Aluminum Terms and Conditions shall apply to all orders.

5. REVISION HISTORY

<b>Rev</b>	<b>Date</b>	<b>Nature of Change</b>	<b>Approver</b>
0.0	3/25/2020	Original	Chris Christianson
1.0	6/3/2021	Updated entire procedure	Chris Christianson