

# Novelis North America UBC Deficient Weight Policy

Rev 2

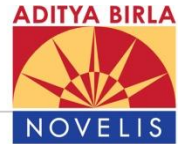
Date: February 2018

Document Manager: Kerry Ward

Approved by: Michael Anderson

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NONE



TITLE: UBC Deficient Weight Policy

**1.0 PURPOSE:**

The purpose of this policy is to clearly communicate the weight requirements using FOB shipping point terms (Novelis picked up) for truckload, and railcar shipments of UBC (Used Beverage Containers) to Novelis. Plant delivered loads are not subject to this policy.

**2.0 RESPONSIBILITIES AND AUTHORITY:**

All Novelis supplier locations

**3.0 UBC Deficient Weight Policy Requirements:**

3.1 The minimum acceptable weights for truckload and railcar shipments of UBC (Used Beverage Containers) are outlined below:

Product	Minimum Truckload Weight	Minimum Railcar Weight
UBC in Bale Form	38,000 lbs.	83,000 lbs.
UBC in Densified Biscuit Form	40,000 lbs.	110,000 lbs.

3.2 Deficient weight charges will apply when the gross weight minus the tare weight (before moisture and dunnage deductions) is less than the minimum weight shown above. For loads originating in Eastern States or provinces, the shipper will be charged \$.04/lb. on the amount of deficient weight. For loads originating in Western States or provinces, the shipper will be charged \$.08/lb. on the amount of deficient weight.

Western States/Provinces Defined As:			
AB	WA	CA	AZ
BC	OR	ID	NV
SK	UT	WY	NM
	MT	CO	
Eastern States/Provinces Defined As:			
All Others			

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**4.0 Deficient Weight Formula Calculation:**

EXAMPLE (in lbs.):

		Bales		Biscuits	
		East	West	East	West
Truck	Gross Weight:	66,500	66,500	73,000	73,000
	Tare Weight	34,500	34,500	34,500	34,500
	Net Weight	32,000	32,000	38,500	38,500
	<i>Minimum Acceptable:</i>	<i>38,000</i>	<i>38,000</i>	<i>40,000</i>	<i>40,000</i>
	Deficient Weight	(6,000)	(6,000)	(1,500)	(1,500)
	Deficient Penalty	\$ 0.04	\$ 0.08	\$ 0.04	\$ 0.08
	<b>Deficient Penalty</b>	<b>(\$240.00)</b>	<b>(\$480.00)</b>	<b>(\$60.00)</b>	<b>(\$120.00)</b>
Rail		East	West	East	West
	Gross Weight:	142,000	142,000	163,000	163,000
	Tare Weight	63,000	63,000	63,000	63,000
	Net Weight	79,000	79,000	100,000	100,000
	<i>Minimum Acceptable:</i>	<i>83,000</i>	<i>83,000</i>	<i>110,000</i>	<i>110,000</i>
	Deficient Weight	(4,000)	(4,000)	(10,000)	(10,000)
	Deficient Penalty	\$ 0.04	\$ 0.08	\$ 0.04	\$ 0.08
	<b>Deficient Penalty</b>	<b>(\$160.00)</b>	<b>(\$320.00)</b>	<b>(\$400.00)</b>	<b>(\$800.00)</b>

**5.0 CHANGE CONTROL:**

The requirements of this procedure are in effect until it is revised and the revision has been approved or until the procedure has been revoked by the positions represented by the individual(s) shown on the cover page.