



**Arconic Metal Procurement  
Receiving Locations  
Scrap Metal Purchasing  
Title: Purchased Scrap Specification**

**Document No. Rev.: PDD-0011  
Issue Date: 1/31/2020  
Prepared by: S. Kruse**

Approvals:

G.B. Carraway – 1/25/2026

Change Record:

Date	Reviewer	Version	Change Reference
31-Jan 2021	Sandy Kruse	A	Create document for Arconic.
27-Jan 2022	Sandy Kruse	B	Document reviewed - No Changes
19-July 2022	Sandy Kruse	C	Document reviewed - No Changes - Approved by GB Carraway
25-Aug 2022	GB Carraway	D	Updated Names
31-Jan-2023	GB Carraway	E	Modified section 4.5.4 - Removed loading suicide to loading eye to the side
29-Mar-2023	GB Carraway	F	Updated contacts and physical characteristics
25-Jan 2024	GB Carraway	G	Modifications-.1 added cell #s/ 4.6.6 amended receiving conditions for punching's.
Jan 21,2025	GB Carraway	H	Changes to section 4.3 & 4.4
Jan 27 2026	GB Carraway	I	Updated plant contact for TEN

Approver:

Name	Position
G.B. Carraway	Sr. Manager Scrap – Arconic Metal Procurement

**1. PURPOSE:**

**1.1** To inform both current and future scrap aluminum suppliers of the requirements that Arconic places on its vendors. The main points of this specification (i.e., water/moisture, closed tubes, contamination, etc.) have been established to ensure the safety of our personnel, plants, and equipment. Your adherence to this specification is a requirement for remaining an approved supplier.

**2. SCOPE:**

**2.1** This specification applies to all scrap purchased by Arconic Scrap Metal Procurement acting not as principle but as an agent for Arconic. All purchases are subject to final approval by the applicable Arconic plant.

Arconic Scrap Metal Procurement  
 North Administration Building  
 2300 N Wright Rd.  
 Alcoa, TN 37701

	<u>Telephone</u>	<u>Email Address</u>
G.B. Carraway	865-437-8166	George.Carraway@arconic.com
Robert T. Gately	865-607-3091	Robert.Gately@arconic.com
Jon Mulder	865-924-2602	Jon.Mulder@arconic.com
Cory Yates	865-235-4700	Cory.Yates@arconic.com
Katie Adkins	865-336-0758	Katie.Adkins@arconic.com
Matt Ritchey	865-336-6187	Matthew.Ritchey@arconic.com
Sandra Kruse	865-977-3261	Sandra.Kruse@arconic.com

Manager Secondary Metal Services  
 North Administration Building  
 2300 N Wright Rd.  
 Alcoa, TN 37701

	<u>Telephone</u>	<u>Fax</u>	<u>Email Address</u>
Ed Specht	(865) 977-2064	(865) 977-3620	Edward.specht@arconic.com

### 3. GENERAL INFORMATION:

#### 3.1 DEFINITIONS:

- 3.1.1 Written agreement to this specification must be received by Arconic Scrap Metal Procurement from the supplier prior to any sale of scrap by such supplier. Any deviation from this specification must be approved in writing by Arconic.

#### 3.2 REFERENCES:

- 3.2.1 Table – Arconic Summary of Scrap Packages.  
Please refer to the Summary of Scrap Packages for specific information about types of scrap and packaging accepted by each Arconic facility.
- 3.2.2 Attachment (1) Material Delivery Quality Report  
Attachment (2) Example of Packaging List  
Attachment (3) Arconic TN Operations - RSI Specification

### 4. SHIPPING SPECIFICATION:

#### 4.1 RECEIVING HOURS:

- 4.1.1 Scrap will be received by appointment only unless otherwise specified on the Purchase Order. Delivery appointments must be scheduled with each Arconic facility as noted on the Purchase Order. (Lancaster Sheet requires E2Open appointments for dock unloading). TEN Operations contact [RPDMAC@arconic.com](mailto:RPDMAC@arconic.com) to schedule.
- 4.1.2 Appointments should be scheduled as directed on the Purchase Order. Shipments that arrive before or after their appointment time will be unloaded during the next available appointment time. Appointments are also required for delivery of RSI sows unless otherwise specified.
- 4.1.3 Notice of three (3) business days is required for cancellation of delivery appointments.

#### 4.2 SHIPPING REQUIREMENTS:

- 4.2.1 All suppliers delivering scrap must ensure that metal is dry and free of contamination. Wet and contaminated loads of scrap are subject to rejection. RSI Note: RSI must be free of contamination, road salt, contaminants from road, trucking, and debris.
- 4.2.2 All trucks must be capable of being locked to the dock and unloaded from Arconic docks from the rear with forklift equipment. **Refrigerated trailers and roll-up doors are not allowed.** RSI sows delivered on flatbed trucks must be capable of being unloaded from the side with forklift equipment. Any trailer with deteriorated floorboards will be subject to rejection.
- 4.2.3 All orders must be delivered within thirty (30) days or as specified on the purchase order. **Arconic accepts 15 days early and 15 days late. If a load of scrap is not delivered within the specified time stated on the purchase order, Arconic has the right to cancel the order.**

### 4.3 WEIGHT:

- 4.3.1 Each supplier delivering scrap must weigh its trailers on Arconic plant scales or other designated receiving locations certified scale. If a delivery is made on a straight truck vs. tractor-trailer, it must be noted on the scale ticket and the driver, and any riders must be out of the truck and off the scale.
- 4.3.2 The net weight of each load, after deducting tare weight (pallets, boxes, banding, etc.) from the scale ticket, shall be compared with the supplier's manifest and packing list. Piece counts (number of boxes, bales, bundles, etc.) must match. Any weight discrepancies in which piece counts do not match those on the supplier's manifest will result in the load being held within the plant and the supplier being notified. **If truck has NO BOL, alloy, Arconic PO#, packing list or COA if RSI, trucks will be rejected.**
- 4.3.3 Purchase orders of 200,000 lb. or less will be considered complete when the received net weight is +/- 10% of the total quantity ordered. Purchase orders of 200,001 lb. or more will be considered complete when the received net weight is within 20,000 lb. of the total quantity ordered or can be closed out at the discretion of the buyer.
- 4.3.4 Arconic will pay based on received net weights as determined by the receiving plant.
- 4.3.5 No freight collect shipments will be accepted without prior written approval. (i.e., Purchase Order)

### 4.4 PAPERWORK:

- 4.4.1 All orders are subject to the terms and conditions of the applicable Arconic purchase order and these specifications. In the event of a conflict in terms between the purchase order and these specifications, the terms of the purchase order shall govern. If a discrepancy is found, the supplier has 5 days to notify their buyer and resolve differences.
- 4.4.2 Shipment of scrap to Arconic shall constitute supplier's acceptance of Arconic's terms and conditions of purchase, including this specification and the applicable purchase order.
- 4.4.3 All documents accompanying the shipment of scrap must contain Arconic's purchase order number, appointment number (as required), and the supplier's name. Failure to comply will result in immediate rejection. The bill of lading must include a commodity description, number of packages, and individual gross, tare, and net weights for each item. Alloys must be properly segregated (if the purchase order specifies segregated material) and clearly marked or tagged to ensure proper identification. A signed bill of lading will confirm delivery. (Arconic Standard Packing List Attached – Printable) **If truck has NO BOL, alloy, Arconic PO#, packing list or COA if RSI, trucks will be rejected.**
- 4.4.4 All packages (bales, bundles, skids, etc.) of scrap must be tagged and the tag must include gross, tare, and net weight of the package. The tag must also include the alloy of the material and the supplier's name. Missing tags is cause for rejection.

- 4.4.5 No more than two (2) items/alloys per truckload of scrap will be accepted unless otherwise specified. **Arconic TN plant accepts only one (1) item/alloy per truck unless approved by plant.**
- 4.4.6 There is no need to send invoices unless instructed to do so. Payments are based on Pay from Receipt. To obtain information about received net weights and payments, log on to <http://www.arconicdirect.com> for all plants other than TN. **For TN, only payment information can be found in Arconic Direct. Receipt information is e-mailed/faxed to vendor contact the morning after receipt is entered into TN system.**

#### 4.5 **PACKAGING SPECIFICATION**

- 4.5.1 All scrap must be loaded in a manner that allows unloading with forklift equipment or other specified equipment noted on PO in a reasonable time. Scrap must be loaded to ensure safe unloading which will cause no damage or injury to shipper's or receiver's equipment or personnel. Any scrap that arrives at an Arconic location or approved shipped to location loaded in an unsafe manner will be rejected. **See Document PD-001 Plant Specification Chart for specific details per plant.**
- 4.5.2 Scrap must be packaged in sound bales securely strapped or banded, briquettes stacked on pallets no higher than five feet, or Gaylord standard boxes on pallets. Bales should not exceed 4' x 4' x 6' in dimension unless otherwise noted on the **PD-001 Plant Specification Chart**. Cardboard, shrink wrap, or burlap wrapped bales, which do not allow for visual inspection of the contents, will not be accepted. Plastic wrapped bales, boxes, or bundles will not be accepted. Bundles loaded on end will not be accepted. Boxes must be securely bulk headed to prevent breakage. A box charge will be assessed to offset the cost of disposal of these containers - **See Document PD-001 Plant Specification Chart for specific details per plant.**
- 4.5.3 Scrap will not be accepted in wooden boxes or in metal or cardboard drum. Only exception to this rule is if there is prior approval from the plant.
- 4.5.4 Coils must be packaged to prevent movement in transit. Refer to the Summary of Scrap Packages for maximum dimensions of coils accepted by each location. No steel or fiber cores will be accepted unless prior approval is received. Arconic – TN will only accept large coils “eye horizontal” on flat bed for side unloading (loaded eye to the side). Pup coils on vans must be banded 3 together for fork truck unloading no skids. See PO for packaging requirements prior to shipment. For Davenport see Document PD-001 Plate Specification Chart

#### 4.6 **PHYSICAL CHARACTERISTICS:**

- 4.6.1 Arconic buys an aluminum scrap package that varies among plants. See **Document PD-001 Plant Specification Chart** for a list of the most common scrap types accepted at each plant. This list is not a complete list as scrap requirements change periodically. If there are any questions regarding what types of scrap are accepted by each plant, contact one of the Arconic Scrap buyers noted in section 2 of this specification.
- 4.6.2 Scrap must be free of metals other than the aluminum alloy specified on the purchase order such as steel, lead, copper, zinc, etc. Steel banding around bales will be accepted.

- 4.6.3 Scrap must be free of all contaminants and chemical substances such as dirt, grease, oil, corrosion, oxidation, fertilizer, nitrites, insulation, free lead, batteries, felt, screws, rubber, caulking, liquids, or any powders. (Any exceptions to this rule will be noted on the PO for the appropriate location) – see **Document PD-001 Plant Specification Chart** for exceptions.
- 4.6.4 **Supplier warrants that no metal delivered to Arconic hereunder contains any materials regulated as radioactive materials under Federal or State law or regulations. Supplier agrees to indemnify and hold Arconic harmless from all claims, demands costs, and expenses (including reasonable attorney's fees), resulting from or arising under, in whole or in part a breach of the foregoing warranty. Supplier agrees to be responsible for proper removal and disposal of any such materials brought to Arconic and to pay the costs of any necessary clean up.**
- 4.6.5 Painted/coated scrap is not accepted unless otherwise specified on the purchase order.
- 4.6.6 No chips, borings, turnings, or punching's will be accepted as Arconic requires dense, heavy scrap material.
- Any exceptions to accepting light gauge material must have prior approval from the Arconic facility and buyer.
- 4.6.7 No aluminum baseball/softball bats will be accepted.
- 4.6.8 Canisters such as aerosol cans, fire extinguishers, propane tanks, beer kegs, auto air bag inflation cartridges, ammunition cartridges, freon tanks, oxygen and acetylene tanks, detonators, butane lighters, CO<sub>2</sub> cartridges, or similar objects will not be accepted.
- 4.6.9 PCB's or other toxic materials will not be accepted.
- 4.6.10 Hypodermic needles or other biomedical waste will not be accepted.
- 4.6.11 **Ordnance scrap or any type of munitions scrap will not be accepted. If found, will be cause for immediate rejection and being removed from the approved supplier list.**
- 4.6.12 A single UBC found in a load of scrap will be cause for rejection of the load.
- 4.6.13 RSI aluminum sows must be free of internal cavities, corrosion, dross, and other foreign materials. Sows must be single pour containing no cold folds or layers.
- 4.6.14 All RSI sows must be low profile with ingot width-to-ingot height ratio (the aspect ratio) of 4:1 unless prior arrangements have been made with Arconic. (Refer to table)
- 4.6.15 For RSI sows delivered to the Arconic TN location, see attached Arconic – Tennessee Operations Specification.

#### 4.7 CHEMICAL COMPOSITION OF SCRAP:

- 4.7.1 Each shipment of scrap may be sampled for chemical composition by Arconic. The method and frequency of sampling will be at Arconic's discretion. Samples representative of the load will be taken and analyzed by spectrometer. Scrap loads containing a chemical composition that varies from the chemical composition of the ordered alloy will be subject to rejection or downgrade at Arconic's discretion. **Beryllium above .0001 will not be accepted and will be a cause for immediate rejection unless otherwise noted on Purchase Order.** see **Document PD-001 Plant Specification Chart** for exceptions.
- 4.7.2 Chemical analysis and button samples by heat number must be provided by the supplier and shall precede or accompany shipment of RSI sows. Chemical analysis must include the following elements: Si, Fe, Cu, Mn, Mg, Cr, Zn, Pb, Ti, Ni, Bi, B, Li, Na, Ca, Be, Zr, Sn, Cd, Ga, Sb, V, and As. Sample disks, preferably from top pour sample molds with one inch (1") flat surface area minimum, must accompany shipment of the material. Heat numbers must be legibly marked on each sow, on each corresponding sample disk, and on the accompanying chemical analysis sheet. **Beryllium above .0001 will not be accepted and will be a cause for immediate rejection unless otherwise noted on Purchase Order.** see **Document PD-001 Plant Specification Chart** for exceptions.

\*\*\*\*\* MSDS may be required upon request \*\*\*\*\*

#### 4.8 REJECTIONS, DOWNGRADES, CANCELLATIONS, AND ADJUSTMENTS

- 4.8.1 **Arconic reserves the right to reject or downgrade scrap that does not comply with the terms of this specification document and the applicable purchase order.**
- 4.8.2 In cases where scrap does not comply with this document and the applicable purchase order or where other problems or discrepancies occur with respect to such scrap supplier agrees to divulge the name of the party who sold the material to the supplier.
- 4.8.3 Rejected scrap that has not been unloaded at an Arconic plant site or an Arconic contracted warehouse will be returned immediately. Supplier shall have 5 working days to pick up rejected scrap that has been unloaded at an Arconic plant site or an Arconic contracted warehouse. If the scrap is not picked up within the 5 working days, Arconic will arrange to have the scrap returned to the supplier. Any rejected loads will be returned at the Supplier's expense. Supplier will be billed for all transportation related charges if the rejected scrap was purchased on a picked-up basis.
- 4.8.4 If a load of scrap does not conform to this specification document and the applicable purchase order and is rejected, Arconic will issue a Delivery Quality Report, also known as a DQR, containing the specifics regarding the rejection. The supplier must respond within 5 business days following receipt of the DQR. Supplier's response must clearly address the root cause of the rejection and the corrective action that will be instituted to eliminate the reoccurrence of the problem. The corrective action must be approved by Arconic. Failure to respond to DQR's may result in the supplier's removal from

Arconic' s approved supplier list.

- 4.8.5 **If a supplier provides Arconic with non-conforming scrap hereunder and such non-conforming scrap is later combined with other metal and melted resulting in a contaminated heat or off analysis furnace to Arconic, the supplier shall be responsible for all costs, damages and charges incurred by Arconic related to the incident.**

**5. INDEMNIFICATION/INSURANCE:**

- 5.1 Each supplier shall procure and maintain Comprehensive General Liability and Products Liability insurance coverage in such amounts as are prudent and customary in supplier's industry, endorsed as required, always while conducting business with Arconic.



**6. INTERNAL CONTROLS/SAFEGUARDS:**

Supplier represents and warrants that (i) no scrap sold to Arconic hereunder was obtained in violation of any law, regardless of whether such violation occurred prior to supplier taking title to the scrap and (ii) it does not purchase and/or sell metal which was stolen or otherwise obtained through false pretenses. Supplier further represents and warrants that it has implemented commercially reasonable procedures, and consistently adheres to such procedures, to prevent the purchase and resale of stolen scrap metal, and such procedures include, at a minimum: 1) requiring photo identification from every party selling scrap to the supplier and maintaining a copy of the same, 2) maintaining written documentation of every purchase of scrap by the supplier, including the identity of the seller and the quantity and type of metal sold, and 3) utilizing camera surveillance to record the likeness of each party selling scrap to the supplier.

Supplier acknowledges that its breach of any of the representations and warranties set forth herein gives Arconic the right to cancel all open orders with the supplier. This right of cancellation is cumulative and in addition to any other remedies provided to Arconic in law, equity or by statute.

**7. Reviewers**

<b>LOCATION</b>	<b>Reviewed BY</b>	<b>DATE</b>
Alcoa, TN	David Compton	1/24/2025
Davenport, IA	Jennifer Dalton	1/21/2025
Lancaster, PA (Sheet Mill)	Dan Hilton	1/23/2025
Lancaster, PA (Plate Mill)	Dan Hilton	1/23/2025
Lafayette, IN	Arnulfo Zepeda	1/12/2026
Alcoa, TN	Billy Anderson	1/26/2026

SENSITIVE


JOB TITLE	REVIEWED BY	DATE
Sr. Manager Scrap – Arconic Metal Procurement	G.B. Carraway	1/15/2025
Senior Metal Buyer	Robert T. Gately	1/15/2025
Senior Metal Buyer	Jon Mulder	1/20/2025
Metal Buyer	Katie Adkins	1/24/2025
Metal Buyer	Cory Yates	1/10/2025







Date Issued: 08-15-16  
Previous Date Issued: 06-01-01

## Arconic – Tennessee Operations

### **SPECIFICATION FOR PURCHASE OF RECLAIMED SCRAP INGOT (RSI) INGOT/SOW**

#### I. **SCOPE**

This specification governs all sales of RSI ingot/sow to the Tennessee Operations of Arconic. It must be referenced on all Arconic TN purchase orders for RSI from sources outside Arconic. Master purchasing agreements will be arranged and administered through Arconic Integrated Scrap Solutions.

#### II. **SHIPPING**

##### A. **Manifest**

1. The shipping manifest and paperwork relating to the purchase order, including product identification, composition, supplier, and weights, are to accompany shipment.
2. Composition data must be faxed to the receiving location prior to delivery. Arconic's Tennessee plant must approve each load prior to scheduling.
3. Orders must be delivered within the specified contract validity dates. Late shipments may be cancelled at Arconic's discretion.

##### B. **Weights**

1. Trucks must be weighed prior to and after unloading. Weighing shall be performed on certified scales. Piece count may be used at the option of the receiving Arconic location.
2. If the deviation from stated weight is greater than 0.5% but less than 2%, the supplier will be notified as soon as practical. If a discrepancy of 2% or more is encountered, the supplier will be notified.
3. Arconic TN receives shipper's shipped weight on RSI shipments unless there is a discrepancy greater than 2% in which case the receiving Arconic plant's weights will govern.

**C. Truck Shipments**

Shipments are to be made in flatbed trucks that are clean and in good condition (as specified by the receiving Arconic locations). Flatbeds must be side loaded only. Vans may be turned away at the supplier's expense.

**D. Rail Shipments**

Specific requirements for rail car shipments will be established by the Arconic receiving plant locations. Rail cars are to be clean and in good condition. Supplier's loading of scrap onto railcars must facilitate safe unloading by fork trucks unless other arrangements are made with the receiving Arconic plant. Should there be a weight discrepancy greater than 2%, the supplier will be notified, and rail weights will be obtained for reference.

**III. PHYSICAL CONDITION**

Each shipment shall be subject to inspection by the receiving Arconic location. Failure to comply with specifications will result in rejection.

**A. Surface**

1. Ingot must be skimmed and free of:
  - a. Surface contaminants such as skim/dross residue, salt cake, oxidation corrosion
  - b. Entrained salts
  - c. Seams and folds caused by pouring temperature and/or oxide levels
  - d. Seams and folds caused by double or multiple pours
2. Top edge of the ingot/sow shall **not** have a rim more than one inch high.

**B. Internal**

Ingots shall not have open shrinkage cavities/internal voids, which connect to the surface.

**C. Melting Technology**

RSI produced from induction furnaces is not acceptable to Arconic TN melting location.

**D. Identification**

Each sow will clearly display the appropriate alloy designator, heat number, name, or identification of the producer, and the predominant RSI source (e.g., skim, scrap, etc.). Alloy markings should be in black paint, 4" to 6" high, on both ends of each sow.

**E. Contamination**

Evidence of contamination by foreign materials, surface or imbedded, such as discreet non-aluminum fragments, iron, oxide flakes, rust, entrained salts, and materials such as fertilizers, nitrates, oxidizers, and hydrosopic scales will result in rejection.

**F. Size / Shape / Aspect Ratio**

1. Each sow shall be low profile and have an aspect ratio greater than or equal to 3.0, with a ratio of 3.5 preferred. Verify preference for each plant on specification chart. This ratio is defined as the smallest dimension measured across the top surface of the ingot divided by the height of the ingot.
2. Minimum weight shall be 1,500 lb. per piece.
3. Bottom of ingot/sow shall be smooth: no pronged "feet".

**IV. COMPOSITION**

Each shipment is to be accompanied by chemical analysis data and sample buttons for each heat, with appropriate identification. Chemical composition requirements for RSI by type are attached hereto. Chemical analysis that exceeds the Arconic specified limits shall be considered off-analysis and will be subject to rejection.

**V. BASIS OF ACCEPTANCE**

The results of physical inspection and/or discrepancies in composition of a shipment are cause for rejection. Physical unloading does not imply acceptance. More thorough examination of scrap after receipt may also result in rejection. Failure of the shipment to meet the conditions stated in this specification or the applicable purchase order may result in the rejection of the entire shipment. The receiving Arconic locations may refuse to unload or may assess extra handling charges on shipments not loaded or supplied in accordance with this specification and the applicable purchase order.

**VI. INTERNAL CONTROLS/SAFEGUARDS**

Supplier represents and warrants that (i) no scrap metal sold to Arconic hereunder was obtained in violation of any law, regardless of whether such violation occurred prior to supplier taking title to the scrap and (ii) it does not purchase and/or sell metal which was stolen or otherwise obtained through false pretenses. Supplier further represents and warrants that it has implemented commercially reasonable procedures, and consistently adheres to such procedures, to prevent the purchase and resale of stolen scrap metal, and such procedures include, at a minimum: 1) requiring photo identification from every party selling scrap to the supplier and maintaining a copy of the same, 2) maintaining written documentation of every purchase of scrap by the supplier, including the identity of the seller and the quantity and type of metal sold, and 3) utilizing camera surveillance to record the likeness of each party selling scrap to the supplier.

Supplier acknowledges that its breach of any of the representations and warranties set forth herein gives Arconic the right to cancel all open orders with the supplier. This right of cancellation is cumulative and in addition to any other remedies provided to Arconic in law, equity or by statute.



**A. Contract Administration**

April Taylor  
Arconic  
TEN Operations – South Plant  
300 N. Hall Road  
Alcoa, TN 37701

Phone: (865) 977-3584  
Fax: (865) 977-3602

Includes all correspondence for Arconic TN purchases, such as contract confirmations, weight discrepancies, payment issues, etc. No invoicing required; payments will be initiated upon receipt of shipment.

**B. Plant Information**

Tennessee	David Compton Ph: (865) 977-3686 Fax: (865) 977-3655	Metal Center Ph: (865) 977-2052 Fax: (865) 977-3602	Arconic-TN-AAP South Plant 300 N. Hall Road Alcoa, TN 37701
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**C. Buyers**

<u>CONTACT</u>	<u>PHONE</u>
Robert Gately	(865) 607-3091
Jon Mulder	(865) 977-2372
G.B. Carraway	(865) 977-3904
Katie Adkins	(865) 977-2576
Cory Yates	(865) 977-3076