Container Acceptance Policy





Dear Container User:

Current environmental laws and regulations govern the practices followed in the disposition of used, empty, steel or plastic containers. Under the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act, empty containers must be carefully managed by both container users and reconditioners. The U.S. Department of Transportation also has established regulations that must be followed by all involved parties for the proper transport of empty containers from a container user directly to a reconditioner.

Our Company strongly endorses the **RESPONSIBLE CONTAINER MANAGEMENT (RCM)** program of the Reusable Industrial Packaging Association. A packet of brochures describing the RCM program is available upon your request.

To ensure that all necessary measures are followed, we have prepared this *Container Acceptance Policy*. We trust you will understand why we must follow these policies without exception.

You should also note that there may be steps you can take to maximize your revenue (or minimize your costs). The most important is to specify, for products you receive, containers manufactured to at least the minimum thicknesses allowed by the U.S. Department of Transportation for reuse with regulated materials, and marked according to DOT regulations for those thicknesses. For drums made from a single thickness of steel, this means a nominal 1.0 mm thickness marking; for "20/18" style drums, it is a 1.2 — 0.9 — 1.2 mm marking.

Please caution your personnel to handle drums carefully to minimize damage. (Junk containers must still be processed and cleaned before they can be recycled as scrap steel or plastic.)

When changes occur in the regulations, we will make every effort to keep you informed. Thank you for choosing Industrial Container Services – the environmentally responsible container service company.

Very truly yours,

Industrial Container Services

Container Acceptance Policy

The following presents the policy covering the pickup and transportation of used empty steel and plastic containers.

This policy is based upon applicable regulations published by the U.S. Department of Transportation (DOT), the Environmental Protection Agency (EPA), and corresponding state and local agencies.

Containers Must Be Empty

We only accept containers that are empty. We understand that some minor residue of the container's prior contents will remain after normal emptying. In all states, except California, the acceptable amount of residue is defined by EPA's definition of an "empty" container (40 CFR 261.7). This regulation says: first, that the container is as empty as it can be using "...the practices commonly employed to remove materials from that type of container, e.g., pouring, pumping. . ."; and second, that in no event may there be more than one inch (or 3 percent by weight) of residue left in the bottom of the container.

Different types of products require different degrees of emptying (solvents vs. resins, for example). Note also that the "one inch" rule applies only as an outside limit; IT DOES NOT AUTHORIZE ALL CONTAINERS TO HAVE ONE INCH OF **RESIDUE.** The first part of the regulation must be met: the containers must be as empty as they can be using normal emptying methods. With all but a few products (like tars, etc.), this will result in far less than one inch of residue. As a practical matter, the rule means that if an opened container is turned over, only a few drops of product will come out. The container should be "drip dry."

The State of California has implemented a more restrictive definition of an "empty" container than the EPA rule. For details of the California requirements, please contact your Sales Representative.

EPA's discussion of the correct interpretation of this rule is published in the August 18, 1982 Federal Register (Vol. 47; p.36093).

Containers Must Not Have Contained "Acutely Hazardous Chemicals"

The EPA has published a list of chemicals whose residues are acutely hazardous at 40 CFR 261.33(e). This list can be found at www.ecfr.gov.

We will accept containers containing residues on EPA's 261.33(e) list by special arrangement. Containers in this category must be "triple rinsed" by the emptier in accordance with 40 CFR 261.7(b)(3) and a special certification must be completed. Please contact your Sales Representative for additional information.

Containers Must Be Properly Prepared for Transportation

According to 49 CFR 173.29(a), DOT requires that an uncleaned empty container must be shipped:

- a) with "all openings including removable heads and filling and vent holes tightly closed...; and
- b) with the original label (describing the container residue) legibly in place."

The label must accurately describe the container residue. If any different materials have been placed in the container, a new label must be prepared.

No hazardous material may remain on the outside of the container (49 CFR 173.24(b) (4)). If such material cannot be removed, the container must be over packed.

There is no DOT placarding requirement for vehicles transporting empty non-bulk containers (less than 119 gallons) (49 CFR 173.29(c)(1). Also, empty non-bulk containers destined to our facilities are exempt from the DOT shipping paper requirement, because such containers are "collected and transported for... reconditioning and reuse" (49 CFR 173.29 (c)(2)).

Empty bulk containers in excess of 119 gallons, such as intermediate bulk containers (IBCs) containing hazardous material residue shall be offered for transportation in the same manner as if it contained a greater quantity of that material.

Return Requirements

ICS will only process containers that conform to this policy. Pickup and return of any non-conforming container arriving at our facility must be arranged by the customer upon our notification and returned as soon as possible.

Safe Container Handling

In order to protect our employees and equipment, we must be aware of the hazards of any residual material. We may request an SDS in the event that additional information is needed.

"RQ" Marking Presumption

We presume that all reportable quantity (RQ) markings on empty containers refer to the filled container when it was originally shipped full of product. Accordingly, we also presume RQ markings do not refer to the empty container and its residues. However, because some materials have an RQ quantity of *ONE POUND*, container emptiers are cautioned:

- a) to be sure all containers are fully, legally emptied:
- b) to ensure if an RQ marking is applicable to the residue in a legally emptied container that the proper DOT shipping papers are completed and sent with the shipment. (Note that this requirement overrides the usual shipping paper exemption for empty containers consigned for reconditioning described above.)

Inspection

Containers are inspected at our receiving yard. Containers vary considerably in their reuse value due to many factors including:

- (1) thickness of construction material;
- (2) markings;
- (3) UN specification status;
- (4) nature of residues of previous contents, difficulty of removal, and steps necessary to handle safely and dispose of these residues;
- (5) degree of damage and overall condition.

Due to one or more of these factors, we may charge for the disposition of select containers. Due to strict environmental regulations, these containers must first be cleaned before the container carcass may be sent to a steel or plastic scrap recycler. For this reason, a small fee may be charged for certain non-reconditionable containers and their ultimate disposition.