

## Scope of Work



1. SCOPE: Company shall sell to the Contractor, and Contractor shall buy, based on the terms and conditions of this Agreement, all of Company's right, title and interest in accumulations of miscellaneous ferrous and non-ferrous scrap metal or other scrap materials (sometimes referred to as "Goods") as Company makes available from time to time at pickup points specified by Company.

The Contractor will be required to provide bins to adequately service each work site included in the scope of this Agreement. This requirement includes any increase in demand for bins required during work site turnaround or other activities that require additional bins. In the event the Contractor is not in a position, at any time during the term of the contract, to provide adequate bin service to a specific work site location, the Company will have the option to obtain additional equipment and services from other sources to fill the immediate requirements of the work site at that time.

The Contractor will assign a single point contact at the Contractor's office / yard for bin pickup and delivery. This single point contact will dispatch pickup and delivery requests to the Contractor's other office / yard locations, where applicable. Requests will be forwarded to the Contractor by electronic copy from Material Management Resources, Inc. or the specific Work Site, whichever is applicable. The Contractor will confirm receipt of the request by return electronic copy and provide a time for the pick up or delivery of the bin(s) or truck(s), whichever is applicable.

The Contractor is required to separate and report any "no value" materials and nonferrous material found present in any shipment. The Contractor will report the associated "no value" weight and nonferrous content grade and weight on the receiving gross-tare-net weight ticket to be furnished by the Contract. Any individual grade type of nonferrous in accumulated weight of less than 100 pounds will not require separation and reporting as part of the contract. Pictures are required on weight tickets with "no value" deductions of 500 pounds or more.

PPE and Site requirements: Fire Retardant Clothing, Steel Toe Boots, Hard Hat, and Safety Glasses. Clean shaven, no mustache or beards; No weapons, firearms, knives over 4 inches or any kind of machete permitted; No animals; No pictures; and No alcohol. In addition, must have at least one FULL time, English speaking, scrap metal driver with a TWIC card. Drivers will need to double up during seasonal turnaround events. Scrap driver must have a backfill.

2. COLLECTION OF GOODS:
  - a. Contractor will collect the accumulations of miscellaneous ferrous and non-ferrous scrap metal or other scrap materials on a regular and frequent basis so that the Goods do not exceed the capacity of the collection areas or receptacles. Contractor shall furnish, at its cost, all labor and material associated with collection and transportation of the Goods by vehicle.
  - b. Contractor will use reasonable efforts to refrain from removing Nonconforming Goods, including:
    - i. any Goods containing hazardous material as defined under federal or state laws and regulations;
    - ii. any single piece of equipment with a radiation level exceeding the applicable state level;
    - iii. any vessel and/or heater coated with asbestos containing insulation; and
    - iv. any uncrushed drum or container.The items described in this Section b are defined in this Agreement as "Nonconforming Goods".
  - c. Contractor agrees to render material functionless for any purpose, other than scrap metal or other scrap material.
  - d. Contractor shall perform all services hereunder during normal working hours (8:00 am to 4:30 p.m., Monday through Friday), unless otherwise specified or approved by Company.
  - e. If requested by Company, Contractor will require personnel entering any work site to perform services under this contract, to be clearly identified by badges the work site would provide. These badges must be worn at all times while on Company premises. Also at Company request, Contractor will require every person entering a work site to perform services hereunder to be identified by a complete fingerprint record.
3. LOCATION: Contractor shall pick up Goods, but not be limited to the following pickup points and any other mutually agreed upon location(s). Furnishing of all services and facilities needed to collect and remove Goods from the locations hereinafter

specified and referred to as "Work Sites". Specific area covered by the Agreement is the **Beaumont, Texas**.

The Company Contact for the Work Sites will be either the site designated Scrap Coordinator or Material Management Resources, Inc. The Contractor shall remove Goods, regardless of quantity, from Company's premises as needed, including weekends, when notified by Company Contact or Material Management Resources, Inc. The Company's premises shall be kept free of any accumulation of Goods in accordance with this Agreement.

4. WEIGHT AND MEASUREMENT:

- a. Each load of scrap metal purchased shall be weighed on the work site scales, or in the event the work site does not have scales on location, at a bonded public scale (agreed to by Company and Contractor) and all scale tickets shall include the following:
  - i. Tare weight and date of weighing
  - ii. Gross weight and date of weighing
  - iii. Net weight of miscellaneous scrap metal
  - iv. Point of origin of the scrap metal
  - v. License number of tractor and float trailer
  - vi. Signature of Company representative or bonded weigh person
  - vii. Surplus Equipment Disposal Form (SED) Number
- b. In connection with this agreement tonnage shall be equal to gross weight minus tare weight. The gross weight shall consist of the combined weights of the tractor, trailer, loaded scrap container, full fuel tanks, with no driver or helpers on board the vehicle(s). Tare weight shall consist of the combined weights of the tractor, trailer, empty scrap container, full fuel tanks, with no driver or helpers on board the vehicle(s).
- c. Scale certification from a 3rd party is to be provided yearly.

**Company reserves the right to witness all weighing at the work site or bonded public scales. Company reserves the right to witness the recovered nonferrous materials at the Contractor's site, in addition to the weights determined by the Contractor as no value.**

5. SPOT SALES: Company and Contractor agree that, from time to time, Contractor may purchase item(s) from Company which are sold separate and apart from Goods under this Agreement. Such separate item purchases shall be treated by Company and Contractor as "Spot Sales", and the purchase price of said item(s) shall be agreed upon by Company and Contractor prior to loading and transportation of the item(s). In the event of such sale, Contractor shall remit payment, execute an Agreement of Purchase and Sale, then obtain approval to load the item, and mark the weight ticket and payment documentation "Spot Sale"