

# Skana Claims Policy

## Consistent Processes Give Expected Results

### General Guidelines

1. **Yield Standards:** Skana aims to achieve a 98% yield on all coils. An allowance of up to 2% of the coil weight is considered acceptable for handling and transit-related imperfections. Claims related to handling and transit damage within this 2% threshold will not be accepted. This generally is limited to one OD wrap and two ID wraps of the original coil.
2. **Defective Material:** Any material identified as defective should not be further processed without explicit written authorization from Skana's technical team. Claims for material processed without such authorization will not be honored unless the defect is undetectable by standard inspection procedures, such as those relating to metallurgical properties, casting, or rolling defects, as defined by the Aluminum Association's "Characteristics and Visual Attributes of Aluminum."
3. **Unauthorized Scrap:** Any material scrapped without prior authorization from Skana will not be eligible for claims.
4. **Returned Material:** Authorized returns (with a valid RMA number) that are received by Skana in a damaged condition will not qualify for a full claim if the material could have been feasibly used or reworked. In such cases, the customer will be credited for the scrap value only.
5. **Claims Submission Requirements:** All claims must be accompanied by a completed Skana claim form, which should include the following details: alloy, temper, gauge, width and length, diameter (if applicable), sales order number, and coil number (if applicable). Digital photographs that clearly show the defect, along with a physical sample (typically 12" x 12"), must also be submitted. If Skana authorizes scrapping at the customer's facility (Scrap Local), the agreed-upon scrap value will be debited to the customer. This must be indicated on the claim form, including the applicable scrap price.
6. **Rework and Reshipment:** Skana reserves the right to rework and reship any material returned under a claim.
7. **Trial Material:** Skana is responsible only for trial materials that fail to meet the customer's documented and mutually agreed-upon quality requirements. Responsibility for such material is strictly limited to these conditions.
8. **Claim Submission Deadline:** Material claims must be submitted within 365 days of the shipment date. Claims submitted beyond this period will not be considered unless express consent from Skana is obtained.

## Flatness Claims

1. **Standards Compliance:** Flatness specifications in the Aluminum Association standard only apply to sheets, not to coils. There are no specific flatness specifications for coils. Other shape defects, such as edge wave, may still be present. For a flatness claim to be considered, Skana requires either photographic evidence of the coil condition at the payoff mandrel or the coil must be held for an on-site review by Skana's technical team. Claims will only be accepted if the sheet, as it unwinds from the coil, exhibits irregular shapes or distortions that can be clearly demonstrated through digital photographs.

## Water Stain Policy

### General Water Stain Policy

1. **Risk of Damage:** Water stain claims are evaluated based on the shipping terms specified in the sales order. The type of transport (e.g., flatbed or closed van) and Skana's liability are considered only if Skana is responsible for the shipment according to the agreed-upon shipping terms. The following time periods apply based on the carrier type:
  - o Closed or Conestoga: Claims must be filed within 90 days from the ship date.
  - o Flatbed (Required by Customer): Claims must be noted upon receipt of the metal.
  - o Flatbed (Skana Option): Claims must be filed within 90 days from the ship date.
2. **Customer Responsibilities:** It is the customer's responsibility to note any material damage, wetness, or weather-related issues on the bill of lading at the time of receipt. A documented bill of lading is required with any claim submission related to transit damage.
3. **Claim Documentation:** Water stain or transit-related claims without a documented bill of lading will not be considered.

### Notes on Water Stain Claims

- **Customer Pick-Up:** No water stain claims will be honored for metal picked up by the customer.
- **Immediate Inspection:** Claims must be noted upon receipt of the metal, with any issues documented on the receiving papers or bill of lading. Immediate notification to Skana via [claims@skanaaluminum.com](mailto:claims@skanaaluminum.com) is required to ensure proper handling and minimize further damage.

- **Customer Storage:** Claims will be denied if Skana's investigation reveals that improper storage or handling at the customer's facility contributed to the damage.
- **Long Shipping Delays:** The policy is void in cases of abnormally long shipping delays caused by factors outside Skana's control, such as strikes or carrier negligence.
- **Insurance and Carrier Responsibility:** Claims related to water stains should also be filed with the insurance company and the carrier if applicable. Documentation of the claim filing and the carrier's or insurer's response is required for Skana to consider the claim.

## Required Claim Information

1. Material description: alloy, temper, gauge, width and length, diameter (If Applicable)
2. Skana Factory Order number or Skana Sales Order number
3. Defect reason
4. Weight
5. Customer claim reference/debit number
6. Skana coil number
7. Skana invoice number
8. Current scrap rate (Your Local)
9. Quality digital Photos or a physical sample of defect. (12 x 12 minimum size) should be mailed to:

Skana Aluminum  
2009 Mirro Drive  
Manitowoc, WI 54220

10. Completed Claim Form and all correspondence should be submitted to [claims@skanaaluminum.com](mailto:claims@skanaaluminum.com)
11. If you need immediate or further assistance, please do not hesitate to contact

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