NEW BRUNSWICK LIQUOR CORPORATION

REDEMPTION CENTRE STANDARDS FOR REFILLABLE CONTAINERS

May 3, 2000

<u>Facility</u>

- Building must be clean and dry, with adequate indoor space to collect and store all beer bottles on the premises. All bulking materials must be stored indoors.
- Must be accessible to 53 ft trailers and tractors to safely and efficiently load bottles.
- Must be equipped with a truck level loading dock and forklift (or handjack) for dock level loading, or a forklift and handjack for ground level loading.
- Must be able to safely load double stacked 5-high and/or single stacked 8-high pallets to the tail of a standard height trailer.

Volume

- The Distributor has voluntarily reduced the minimum volume required to qualify for collection to 13 pallets (5 tier high by 24 doz.) or 8 pallets (8 tier high by 24 doz.), as determined by the Distributor. Redemption Centres that do not meet these volume requirements may request one pickup every two months. The Distributor or their Agent will be responsible for the management of the volume and scheduling of pick-ups at each Redemption Centre.
- All bottles must be fully palletized in accordance with these standards before the pick-up.

Quality

- Boxes must be free of all debris, including caps, plastic bags, and torn flaps.
- Glass must be sorted by colour and type, with no contamination from other glass types.

- Crowns (caps) must be removed from each bottle.
- Flaps must be torn off cleanly or tucked inside the box. The tops of all bottles must be exposed. Torn flaps must not be placed in the box.
- Wet, damp, or weak cartons will not be accepted. Used beer boxes or repack trays are available from the Breweries.
- Snow and ice must be removed from boxes. If the box has any signs of being wet or damp it must be replaced.
- 6 & 8 packs must be returned in trays, which are available to the Redemption Centres at the local NBLC or Agency Store outlet. 12, 15, or 16 packs are not to be placed in trays. When palletizing 8s with 16s, a tray is not to be used. In order to stabilize the pallet, six and eight packs as well as loose bottle trays should be placed in the inner part of the pallet where possible, and never on the corners. Loose bottle trays should not be placed on the bottom tier.
- All 15-packs must be palletized on a separate pallet in the proper pattern.
- Chipped, broken, and old bottles (e.g. Dry, 8" etc.) must be palletized separately, clearly marked as "junk", and will not be accepted with regular glass.
- Bottles which are covered in mud (ditch bottles), full of debris, or any other bottle that is not capable of being cleaned by normal washing must be palletized separately, clearly marked as "junk", and will not be accepted with regular glass.
- Pallets of glass must be tied with string at the 3rd and top tiers for five high, as well as the top two tiers for eight highs. The strings must be positioned on the bottom half of the case. All pallets must be stable.
- Bottles on broken pallets will not be accepted. The broken pallets should be put aside and returned to the Breweries with the regular carriers for repair (empty).
 Foreign pallets (non-Brewery) will not be accepted.
- All pallets must be tagged on two sides (bottom tier) or have a tag attached to
 the string on the top tier, identifying the Redemption Centre where they
 originated. The Agent of the Distributor shall determine the tagging method for
 each Redemption Centre. A tag must be clearly visible on the side of the pallet
 facing the person unloading the trailer. Any pallets that are not clearly tagged
 will be left at the Redemption Centre.

- Boxes of any size must not be placed inside 24 packs. Six and eight packs must be in a standard tray, 15 packs must be palletized on a separate pallet, and 16 packs can be palletized in a special pattern (attached) with the regular glass.
- All pallets must be stable and the bottles palletized in the industry standard pattern (attached).

<u>Bulking Materials</u>

- The Agent of the Distributor will distribute pallets, tags, repack boxes, and string to the Redemption Centres. Six and eight pack trays will be available at the local NBLC or Agency Store outlet, and are to be picked up by the Redemption Centre.
- Pallets are the property of the Breweries and are to be used for beer bottles only. The Distributor or their Agent reserves the right to charge Redemption Centres a deposit on pallets for misuse of pallets.

Enforcement of Standards and Penalties for Non-Compliance

- The Distributor or their Agent is not required to pick up bottles from any Redemption Centre that does not comply with the Facility, Volume and Quality Standards detailed above.
- The Distributor or their Agent may inspect bottles at any time to ensure that the quality standards are maintained. In the event that deficiencies are found, the Redemption Centre will be immediately backcharged the following penalty on all bad cases: the \$1.20 deposit, the \$0.03 voluntary handling fee, the regulated handling fee of \$0.21, and the Distributor has the right to assess up to an additional \$0.24 administrative fee. For deficiencies in subsequent shipments, this penalty will be applied, as well as an additional levy of \$0.24 per case on the entire pallet the deficiencies were found on. Further deficiencies will result in the Distributor or their Agent discontinuing pickups from the Centre. DOE will be advised when this action is taken.