



513-425-5070  
(Fax:) 513-425-5083  
<http://www.pghlogistics.com>

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621 Bldg. Curtis Street  
Middletown, OH 45044

**MEMORANDUM**

TO: ALL AK STEEL CARRIERS

FROM: JOE BIELAWSKI, PITTSBURGH LOGISTICS SYSTEMS INC

RE: **REQUIRED CLOTHING FOR ADMITTANCE TO AK STEEL CORPORATION FACILITIES**

DATE: May 11, 2003

CC: GARY KIDWELL, TRANSPORTATION, AK STEEL CORPORATION

Effective January 1, 1997, AK Steel Corporation had amended the safety policy for all outside contractors, that all personnel, including truck drivers, must wear the following items:

1. Long pants
2. Long sleeved shirts
3. Hard soled shoes
4. Safety helmet
5. Clear safety glasses with side shields
6. Leather or cut resistant work gloves

This policy will be posted at the Wicoff Street, Ashland and Rockport gates and will be strictly enforced as of the effective date.

Safety equipment may be obtained at one of the following facilities:

1. Vendor City – on Route 23 near Rockport, IN
2. Bishops Truck Service – on 1-75 & 63 near Middletown, OH
3. K-Mart on Hansen Avenue – 2 miles from Butler, PA
4. Paisleys – hard hats and safety glasses – next door to Zanesville, OH plant
5. Walmart on Maple Avenue – in Zanesville, OH
6. Walmart on S. Second Street – about 5 miles from Coshocton, OH

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Carrier Safety & Loading Requirements

We also remind you that no unauthorized passengers will be allowed on AK Steel Corporation property, this includes spouses, children, animals, etc. All tractor occupants must be commercial licensed drivers.

The above requirements must be followed for your drivers' safety.

Attached is a copy of the Loading & Safety Requirements that your drivers are asked to sign before entering an AK facility.

**Please acknowledge receipt of this notice by signing and returning to this office via fax at 513-425-5083.**

\_\_\_\_\_  
Carrier Representative

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Pittsburgh Logistics Systems, Inc.  
Joe Bielawski  
Executive Director of Operations



ToPLS/AK Steel Carriers:

Effective as of February 14, 2000, Pittsburgh Logistics Systems, Inc. will not pay full truckload quantities for part lot loads consisting of AK Steel freight and other shippers' material shipping on the same truck. During an audit, AK Steel discovered that they and Pittsburgh Logistics had been paying full truckload quantities for LTL shipments. **This issue is only relevant to AK Steel's Outside Processor locations wherein the processor commingles AK Steel freight with another Steel Company's freight.**

Going forward, if an AK Steel shipment is combined with other material, PLS and AK Steel will only pay a *prorated share of the total weight of the load based solely on the weight of the AK portion of the load*. All weight breaks, rates, and minimum quantities will be honored. However, the prorated calculation will be based on the *total weight of the load*.

Below are two examples of calculations of this fair share prorated payment. If you have any questions regarding the calculation method, please contact a PLS representative listed below.

**Example 1:**

		<b>40m rate</b>	<b>Payment</b>
Total load weight	46,000	.58	
Part1 (AK Material)	30,000	.58	\$174.00 (paid on actual)
Part2 (XYZ Material)	16,000	..??	\$???.

**Calculation in Example 1:**

AK Material equals 30,000  
(no deficit weight based on total weight of load)

$$\text{Rate} \times \text{weight(AK)} = \text{total payment}$$

$$.58 \times 30,000 = \$174.00$$

**Example 2:**

(Less than Min load, paying for deficit weight)

		<b>40m rate</b>	<b>Payment</b>
Total load weight	38,000	.58	
Part1 (AK Material)	28,000	.58	\$162.40 (prorated based on 40m)
Part2 (XYZ Material)	10,000	..??	

**Calculation in Example 2:**

AK Material equals:  $28,000 \div 40,000 = .70$  or 70% of total load weight.

Formula            Rate x Weight(min) x Prorated portion = total payment.

Payment equals:     $.57\text{cwt} \times 400 \times .70 = \$162.40$

The calculations are fairly straightforward and are also applicable to all other weight breaks such as 60m, 80m, and 100m rates. The formula would still be calculated in the same manner based on the total weight and the applicable minimum weight and rate.

To ensure that all carriers have an understanding of this policy, we are asking that you review this document and return a signed copy acknowledging your receipt.

If you have any questions, please contact Becky Eckhardt at (513) 425-5082, Suzanne Osborne at (513) 425-5072 or Joe Bielawski at (513) 425-5070.

Thank you,

Joe Bielawski  
Director of Operations

Carrier Acknowledgement:

Carrier Name: \_\_\_\_\_

Carrier Representative: \_\_\_\_\_  
(please print)

Signature: \_\_\_\_\_

Representative Title: \_\_\_\_\_

Date: \_\_\_\_\_