

# **DEPOSIT OR RENTAL SCHEME**

PVC Window Systems Suppliers chose to implement a rental or a deposit scheme to manage the return of empty stillages by window manufacturers. The conditions for both schemes have been defined within the European Association and are monitored regularly.

# Participating profile manufacturers



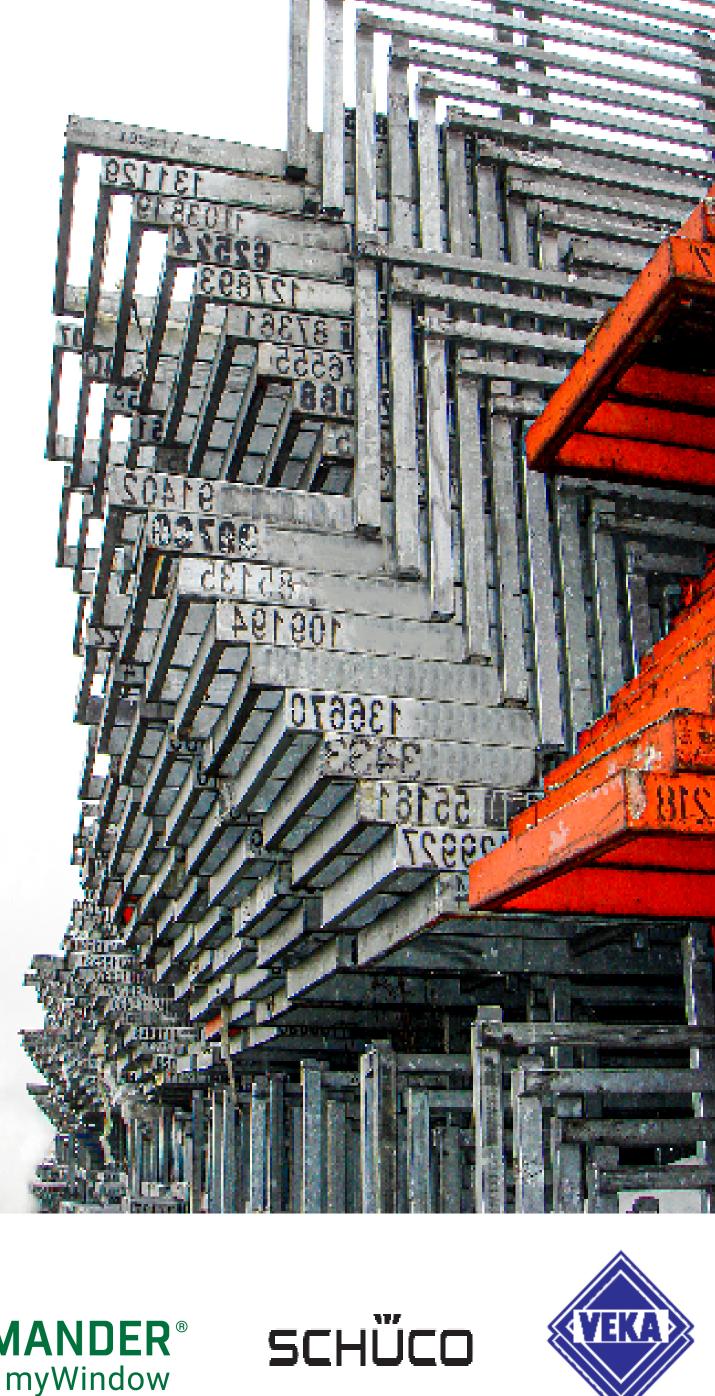






## The prompt return of stillages is vital to establish smooth and fast delivery processes. Rental and deposit systems have proven effective for meeting the requirements of the circular economy on the one hand and for preserving resources on the other hand.

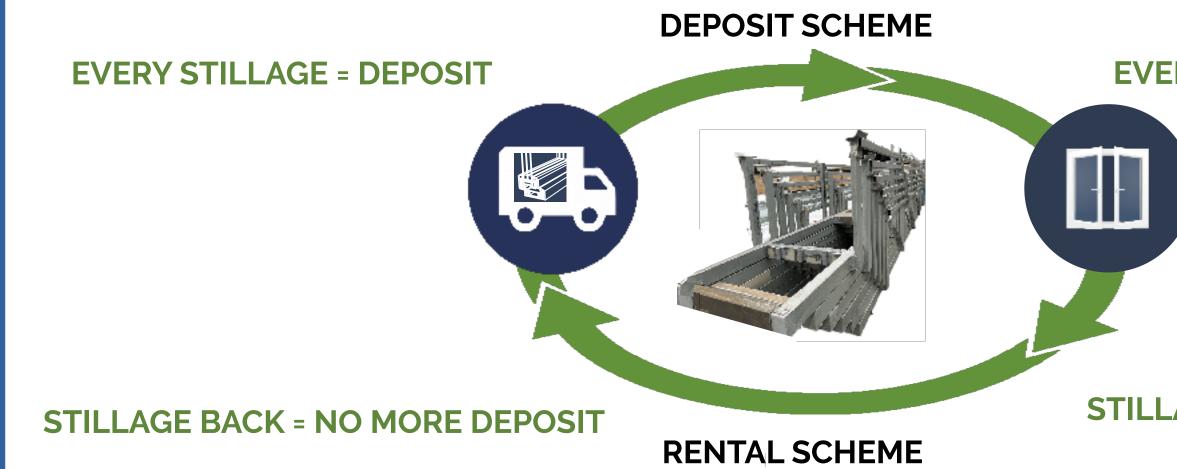








# How does it work?



# **Stillages return options**

#### **Deposit scheme**

The deposit fee is based on the approximate initial purchase price of the stillage at the time the system is adopted by the company.

(a) out-going and incoming stillages are monthly balanced and the delta is due in payment;

or (b), every outgoing stillage is charged and every incoming stillage has to be reimbursed.

For every minimum €2,500 of sales in three consecutive rolling months (three months on a cumulative basis) window manufacturers receive 1 stillage free of charge (no rent). In addition, 50% of this amount will be added as a "buffer".

A rental fee applies to each stillage exceeding the free-of-charge stock. **The rate amounts to at least €12** per month and per stillage. The profile manufacturer start invoicing after 1 to a maximum of 6 consecutive months of overstock (i.e. amount of stillages exceeding the free-of-charge-stock).

The customer of the profile manufacturer will always be responsible for the stillage until its return.

# Examples

# **EVERY SURPLUS STILLAGE = 12€**

## **STILLAGE BACK = NO MORE RENT**

#### **Rental scheme**

## Calculation example for the rental system

### Free-of-charge stock

Sales figures for consecutive 3 months €150,000 giving a basic stock of 60 units (€2,500 = 1 stillage) + buffer of 50% <u>30 units</u> = stillages free-of-charge 90 units

- Actual stock minus free-of-charge stock = overdue
- Overdue x min. €12/unit = rent per month

| Rent (min. €12/unit) | €360             | €0               |
|----------------------|------------------|------------------|
| <u>Overdue</u>       | <u>30 units</u>  | <u>o units</u>   |
| Free-of-charge stock | 90 units         | 90 units         |
| Actual stock         | 120 units        | 85 units         |
|                      | <u>example 1</u> | <u>example 2</u> |

### Calculation example for the deposit scheme

Outgoing stillages are charged, the reimbursement is made when they return to the agreed collection point

Outgoing stillages Incoming stillages Fee per stillages Debit note Credit note

| <u>example 1</u> | <u>example 2</u> |
|------------------|------------------|
| 500 units        | 500 units        |
| 450 units        | 550 units        |
| €190             | €300             |
| €9,500           |                  |

€15,000

