

November 24, 2015

Dear Valued Customer,

Due to the increases in various raw materials, we are being assessed a surcharge from our suppliers. These surcharges must be passed along to all users of the grades to which they apply. They will go into effect with shipments as of **December 1st, 2015**. We will continue to monitor the situation and communicate any changes in surcharges when they occur.

Surcharge (Grade)	December 2015 Scrap Surcharge (\$/cwt)	Alloy Surcharges (Cr, Ni, Mo, V, Mn) (\$/cwt)
Carbon and Alloy Bars thru 1" and any stock which Banner must buy as CF before grinding	\$.20	
Carbon and Alloy Bars over 1" thru 3.5"	\$0.00	
Large Carbon and Alloy Bars above 3.5"	\$.15	
4140		\$1.61
4340		\$3.80
8620		\$1.64
10V45		\$.18
Manganese (Applicable to all Carbon and Alloy grades)		\$0.00

We appreciate your business. Please do not hesitate to contact us with any questions or concerns.

Sincerely,

Dave Simak
Marketing Manager

December 2015 Surcharge
Letter