

May 31, 2022

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 **June 1st, 2022**. We will continue to monitor the situation and communicate any changes in surcharges when they occur.

| Surcharge (Grade) | June 2022 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 | \$31.80 | |
| Carbon and Alloy Bars over 1" thru 3.5" | \$29.80 | |
| Large Carbon and Alloy Bars above 3.5" | \$31.80 | |
| 4140 | | \$7.00 |
| 4340 | | \$32.00 |
| 8620 | | \$13.00 |
| 10V45 | | \$6.00 |
| Manganese (Applicable to all Carbon and Alloy grades) | | \$1.20 |

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

Sincerely,

Erik Hansen
VP of Sales - Commercial

June 2022 Surcharge Letter