

July 26, 2016



To: Our Customers

Subject: Current Lead-times & Raw Material Surcharges August 2016

CJ Estimated Forging Lead Times:

- **Forgings – “As Forged” with Steel in Stock = 6 weeks**
 - Current mill lead times are 7 weeks
- **Heat Treating**
 - **Normalize/Anneal = 2 weeks**
 - **Quench & Temper = 4 weeks**
- **Mechanicals = 1 week**
- **Non-destructive Testing = 2 weeks**
- **Machining = 4 weeks**

The above lead times are estimates only. Average commercial mill lead times are currently at 5-7 weeks. In some cases we can utilize service centers or alternate mills for shorter lead times (2-5 weeks). We have also been successful in expediting steel shipments from our suppliers. Steel is, in most cases, procured when customer purchase orders are confirmed. Feel free to contact us if we can assist you with any delivery requests and we'll do our best to expedite whenever possible.

Holidays & Maintenance Shut Down Periods: CJ will be shut down during the following time frames.

SUMMER MAINTENANCE SHUT DOWN: Closed Monday, 7/25/16, reopening for business on Monday, 8/8/16.

LABOR DAY: Closed Monday, 9/5/16, reopening for business on Tuesday, 9/6/16.

THANKSGIVING: Closed Thursday, 11/24/16, reopening for business on Monday, 11/28/16.

WINTER MAINTENANCE SHUT DOWN: Closed Friday, 12/23/16, reopening for business on Tuesday, 1/3/17.

SALES SURCHARGE per HUNDRED WEIGHT					
Steel Company Shipments Delivery in July 2016 for August 2016 Invoicing					
SCRAP STEEL SURCHARGE / CWT	\$8.837				
ALLOYGRADE	Cr	NICKEL	MOLY	MANGA	TOTAL
E3310H	\$1.213	\$0.000	\$0.000	\$0.000	\$1.213
4130H-4150H	\$0.667	\$0.000	\$0.927	\$0.000	\$1.594
4320	\$0.342	\$0.000	\$1.159	\$0.000	\$1.502
4340	\$0.547	\$0.000	\$1.159	\$0.000	\$1.706
4820	\$0.000	\$0.000	\$1.159	\$0.000	\$1.159
86XX	\$0.342	\$0.000	\$0.927	\$0.000	\$1.269
88XX	\$0.342	\$0.000	\$1.623	\$0.000	\$1.965
9310	\$0.837	\$0.000	\$0.534	\$0.000	\$1.371
EN355	\$1.282	\$0.482	\$0.212	\$0.000	\$1.976
carbon steel 10xx				\$0.000	\$0.000
carbon steel 1141-1144				\$0.000	\$0.000
carbon steel 1146				\$0.000	\$0.000
C-J Energy surcharge		\$0.00	per gross LB		
Heat treat energy surcharge		\$0.01	per gross LB		
Shipping Containers (2,000# capacity)		\$43.00	each		

Sincerely,

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