

December 20, 2016



To: Our Customers

Subject: Current Lead-times & Raw Material Surcharges January 2017

**CJ Estimated Forging Lead Times:**

- **Forgings – “As Forged” with Steel in Stock = 10 weeks**
  - Current mill lead times are 7 weeks
  - Includes 2 week winter maintenance shut down.
- **Heat Treating**
  - **Normalize/Anneal = 2 weeks**
  - **Quench & Temper = 4 weeks**
- **Mechanicals = 1 week**
- **Non-destructive Testing = 3 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.

**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 December 2016 for January 2017 Invoicing						
SCRAP	STEEL SURCHARGE / CWT	\$6.729				
ALLOYGRADE	Cr	NICKEL	MOLY	MANGA	TOTAL	
E3310H	\$0.812	\$2.967	\$0.000	\$0.000	\$3.779	
4130H-4150H	\$0.503	\$0.000	\$0.739	\$0.000	\$1.242	
4320	\$0.257	\$1.505	\$0.924	\$0.000	\$2.686	
4340	\$0.413	\$1.505	\$0.924	\$0.000	\$2.841	
4820	\$0.000	\$2.808	\$1.022	\$0.000	\$3.830	
86XX	\$0.257	\$0.466	\$0.739	\$0.000	\$1.463	
88XX	\$0.257	\$0.466	\$1.294	\$0.000	\$2.017	
9310	\$0.834	\$0.177	\$0.603	\$0.000	\$1.614	
EN355	\$0.993	\$1.605	\$0.817	\$0.000	\$3.416	
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,

Lori Brown, Sales Manager

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