



April 12, 2022

## Material Availability and Price

The current conditions of material availability and price are unprecedented. Inventory levels are at an all-time low with our suppliers. The orders from our suppliers to the mills are subject to allocation, and the lead times from the mills for many grades and sizes extends into the end of 2022. Although we have seen some softening, these challenges still apply to red metals and stainless steel.

As a result of this supply chain disruption, our lead times for repeat business of 6-8 weeks and new business at 8-10 weeks most likely will be extended contingent upon the arrival of the material to our facility.

As to price, we will make every effort to secure the price with our supplier when we receive your purchase order as well as to clarify the potential for a "price in effect" policy that might change the price at the time of delivery. In the case of either an increase or decrease, we will notify you immediately in writing with a quotation. We will make every effort to absorb nominal increases so that administrative barriers can be avoided.

We follow these events closely. We remain in continuous contact with our suppliers and trade associations as well as search for potential new suppliers, although many if not most suppliers are not accepting new customers.

We truly hope for a resolution to this disruption sooner than later. We thank you for your patience and understanding and we are thankful for your business.

Sincerely,

*Karen A. McWhirt*

Karen A. McWhirt  
President