

August 1, 2011



To: Our Customers

Subject: Current Lead-times & Raw Material Surcharges August 2011

CJ Estimated Forging Lead Times:

- **Forgings – As Forged – Dependent on Steel Availability**
 - 201# and up = 18-40 weeks (depending on part configuration)
 - 121# - 200# = 21 weeks
 - 81# - 120# = 16 weeks
 - 40# - 80# = 30 weeks
 - 39 & below = 15 weeks
- **Heat Treating = 4-6 weeks**
- **Non-destructive Testing = 2 weeks**
- **Machining = 6-8 weeks**

Please send us orders for any forgings you require through May 2012 to ensure that we can meet your delivery requests. We would appreciate any forecasting through the second quarter of 2012.

Holidays & Maintenance Shutdown: Just a reminder that CJ will be shut down during the following times.

INDEPENDENCE DAY: Closed Monday, 7/4/11, reopening for business at 7 AM CST on Tuesday, 7/5/11.

ANNUAL MAINTENANCE SHUTDOWN: Closed starting at 12 PM CST on Friday, July 22nd, reopening on Monday, August 8th at 7 AM. During this period the plant and office will be shutdown. Limited staff will be available to answer phone calls and address customer needs. Please feel free to leave a message or send emails and we will respond as soon as possible.

LABOR DAY: Closed Monday, 9/5/11, reopening for business at 7 AM CST on Tuesday, 9/6/11.

Invoicing Update: Effective 8/1/11, Clifford-Jacobs will begin emailing invoices to customers. Please ensure that an email address is noted on your purchase orders and we will submit invoices to said address. Feel free to contact us with any questions.

SALES SURCHARGE per HUNDRED WEIGHT					
STEEL COMPANY SHIPMENTS DELIVERY IN July 2011 for August 2011 INVOICING					
SCRAP STEEL SURCHARGE / CWT					\$22.092
ALLOYGRADE	Cr	NICKEL	MOLY	MANGA	TOTAL
E3310H	\$1.829	\$27.797	\$0.000	\$0.157	\$29.784
4130H-4150H	\$1.132	\$0.000	\$3.139	\$0.263	\$4.534
4320	\$0.581	\$14.098	\$3.925	\$0.165	\$18.768
4340	\$0.930	\$14.495	\$3.925	\$0.218	\$19.567
4820	\$0.000	\$27.797	\$3.925	\$0.180	\$31.902
86XX	\$0.581	\$4.368	\$3.139	\$0.232	\$8.320
88XX	\$0.581	\$4.368	\$5.495	\$0.263	\$10.706
9310	\$1.422	\$25.812	\$1.805	\$0.165	\$29.204
EN355	\$1.800	\$15.884	\$3.139	\$0.165	\$20.988
carbon steel 10xx				\$0.226	\$0.226
carbon steel 1141-1144				\$0.450	\$0.450
carbon steel 1146				\$0.255	\$0.255
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,

Troy P. Mitchell, Sales Manager

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