



Date: April 26<sup>th</sup>, 2018

WSB Titan

Dear Mr. Hancock,

As a follow up to our letter of April 19<sup>th</sup>, 2018, whereby we communicated the accelerated and rapid increase of aluminum ingot pricing, I would like to advise you that the aluminum market has stabilized somewhat and has come down from extremely high price levels to whereby we can now advise you of the surcharge amount.

North American aluminum pricing is based on The Mid West Transaction Price which is a combination of the LME plus the Mid-West Premium. The Mid West Premium is the carrying cost in North America and has historically been in single digit or low double digit but since the tightness of aluminum in the past few months the spread has doubled. As a result, of these two simultaneous huge increases we will have to implement the surge discussed in our earlier letter. **Effective May 7**, the surcharge for the month of May will be **8 percent** (8%) on all Kaycan and KWP aluminum products. This will be reflected on a line by line item basis on each invoice.

We are hoping that during the coming months the market will return to some type of normality and at such time we will be able to eliminate the price surcharge. We understand how much this has affected all of our businesses but please understand this situation is worldwide and beyond anything we could have predicted or prepared for.

We realize some of our competitors are spreading false information that aluminum is dropping and as such no increase or surcharge, yet their company has put out letters and or denied those comments. Our goal is to keep communicating to you factual information on a timely basis in order to keep you informed. Please feel free to contact me any time should you have any questions

Sincerely,

Lionel Dubrofsky  
President