



March 27, 2018

To: Our Valued Customers

**Subject: Price Increase – June 1<sup>st</sup> 2018**

Countervailing duties enacted in 2016 by the US Commerce Department against some countries and pending discussions of tariffs on steel imported from all countries have increased US mill pricing by over 30%. The US President's recent declaration under Section 232 of 25% duties on imports from all countries, effective March 23<sup>rd</sup>, has immediately driven mill prices up even further.

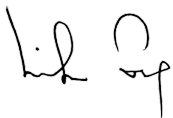
Canadian mills will ship more steel than ever to the United States at higher prices than ever before. We have received notice from Canadian mills of immediate and ongoing price increases. There is real and continued concern about their ability to supply and the impact that may have.

Due to this volatility and ongoing uncertainty, Bailey Metal Products will be increasing pricing on our Roofing products by 10 - 15% on June 1<sup>st</sup>. We expect market volatility to continue resulting in further raw material cost increases and tightened supply which may require additional increases later in the year. We will do our best to keep you informed on these developments.

Please contact your Bailey representative with any questions regarding current pricing, or if we can be of service in any way.

We appreciate your business and thank you for your continued support!

Sincerely,



Mike Fox  
Business Development Manager

CC: Angelo Sarracini, Ken Meinert, Malcolm Nobbs, Derick Vinthers