

## EP Contract Price Adjustment 10.25.21

**Adjustment formula:**

$$Price_{base} \times [1 + (.35 \times k_{copper}) + (0.3 \times k_{magsteel})] = \text{Adjusted Price}$$

Where:

$$Price_{base} = \text{Proposal Unit Price of Bid Item 3}^4$$

$$k_{copper} = \begin{cases} \frac{Cu_c}{Cu_b} - 1 & \text{if } Cu_c > Cu_b \text{ at twenty (20) calendar days prior to the date of issuance of NTP} \\ 1 & \text{if } Cu_b \geq Cu_c \text{ at twenty (20) calendar days prior to the date of issuance of NTP} \end{cases}$$

with:

$$Cu_b = \$6519.50$$

$$Cu_c = \text{Price of copper}^5 \text{ as of twenty (20) calendar days prior to the date of issuance of NTP}$$

$k_{magsteel}$

$$= \begin{cases} \frac{MS_c}{MS_b} - 1 & \text{if } MS_c > MS_b \text{ at twenty (20) calendar days prior to the date of issuance of NTP} \\ 1 & \text{if } MS_b \geq MS_c \text{ at twenty (20) calendar days prior to the date of issuance of NTP} \end{cases}$$

with:

$$MS_b = \$136.9$$

$$MS_c = \text{Price of magnetic steel}^6 \text{ as of twenty (20) calendar days prior to the date of issuance of NTP}$$

The Unit Price of Bid Item 3 in Seller's Proposal Form shall, following adjustment, be equal to the Adjusted Price. If the Adjusted Price exceeds the Proposal Unit Price by ten percent (10%) or more, the Buyer will reevaluate the project; if it chooses to proceed, the Unit Price will be increased using the Adjustment Formula.<sup>7</sup> The adjustment made hereunder shall be documented via Change Order.

<sup>4</sup> Proposal Unit Price of Bid Item 3 = \$430,035.00.

<sup>5</sup> Based on London Metals Exchange avg 3-months buyer Official and Official Settlement Price per ton.

<sup>6</sup> Based on 3 month average of MEPS International Ltd. World Carbon Steel Price Index for Cold Rolled Coil, per ton.

<sup>7</sup> Nothing herein is intended to nor shall negate Buyer's rights of cancellation under Article 11.01.A of the General Conditions

Cub=	9250	Feb-21
Cuc=	9704	3-month copper closing prices LME10/22/21
Msb=	996	3-month average Feb-2021 Cold Roller Coil
Msc=	1632	3-month average Sep-2021 Cold Roller Coil
kcopper=	0.0491	
kmagsteel=	0.6388	
Pricebase=	\$430,035.00	
Adjusted Price=	\$519,830.08	
Increase=	\$ 89,795.08	