

BLANKET CONTRACT POLICY



The following policy put forth by Alcan Cable, a division of Alcan Products Corporation ("Alcan Cable"), addresses Alcan Cable's standards and guidelines regarding long-term (three months or longer) pricing contracts with our customers. Every contract with Alcan is subject to the conditions listed below.

Alcan Cable will enter into long term blanket contracts with our customers based on two forms of pricing:

Adjusted Pricing:

Alcan Cable's standard Aluminum Escalation/De-escalation procedure is as follows: Each month's conductor prices will be adjusted, for the Aluminum portion, based on the Platt's Metals Week US Market Average quoted in the third Monday's edition from the previous month.

Hedged Metal Firm Pricing:

Conductor contracts that require a fixed firm aluminum metal base, must be supported with a hedged aluminum/metal contract. In order to qualify for hedged aluminum contracts, customers must sign a "Cancellation Agreement" that requires the customer to financially settle any discrepancies in hedged volumes versus actual released volumes.

All customers will receive an adjusted price that may change over the duration of the blanket, as well as a hedged firm price that will remain constant throughout the life of the blanket. All hedged firm prices are subject to the conditions listed above.

Price Adjustment Clause

All blanket contracts with Alcan Cable will include the standard Price Adjustment Clause.

"The prices quoted by Alcan Cable, a division of Alcan Products Corporation ("Alcan Cable") in this quotation form are based on the assumption that Alcan Cable's raw material and transportation costs shall remain stable for the duration of the contract period. Notwithstanding anything else to the contrary herein, Alcan Cable reserves the right to modify said prices upon a material increase in any of Alcan Cable's raw material or transportation costs."

Standard Release Guideline

The Standard Release Guideline is as follows:

All contract pricing is based on the conditions outlined in the bid request. If releases do not fall within +/-10% of the bid quantity Alcan may review the contract and, in extreme cases, have the option to cancel the agreement. The enforcement of this guideline allows Alcan to provide long-term pricing and timely delivery. All contracts over three months in duration are subject to the Standard Release Guideline.