



Lieu dit la croix de Biolet

RD 62

63 780 Saint Georges de Mons

ROLLS-ROYCE plc
PO Box 31, A3 Moor Lane, Derby, DE24 8BJ

Mr Carl MAITLAND
Global Commodity Buyer, Titanium, SCHQ

Saint-Georges de Mons, 30th November 2018

Re: Rolls-Royce 2021 Global Titanium RFQ – Revised Offer

Pages: 2

Dear Carl,

Further to our meeting in Derby on November 9th. UKAD is pleased to update its quotation to you as follows:

Option A1i

Specification	Description	Diameter (mm)	Price/kg	Currency	Revert Discount (Turnings) (per 10% of volume)	Lead-time (weeks)	Supplier Stock (%)
MSRR 8652	6/4 SQ Billet	200 mm	23,90	Euro	0,104 €/kg	12	10
MSRR 8652	6/4 SQ Billet	250 mm	23,57	Euro	0,105 €/kg	12	10
MSRR 8652	6/4 SQ Billet	300 mm	23,25	Euro	0,105 €/kg	12	10
MSRR 8652	6/4 SQ Billet	350 mm	23,25	Euro	0,105 €/kg	12	10
MSRR 8652	6/4 SQ Ingot/Bingot (3)	Ø406 mm	20,49	Euro	0,096 €/kg	5	10
MSRR 8652	6/4 SQ Ingot/Bingot	Ø508 mm	20,26	Euro	0,097 €/kg	5	10
MSRR 8652	6/4 SQ Ingot/Bingot	Ø762 mm	19,03	Euro	0,096 €/kg	5	10
			(1)		(2)		

COMMENTS

(1) Price table is for random lengths

Prices are fixed for delivery until 31/12/2025 and are based on ingots coming from 2 sources:

- EcoTitanium (Plasma CHR + VAR) or
- Kazakhstan (2xVAR)
- Either source to be used at UKAD's choice

Revert

(2) UKAD would like to propose to apply revert pricing lower than the one proposed, which is above the current market price. Please compare with table A1ii further below.

(2) Based on revert at \$2.55/kg, DAP St Georges de Mons

(2) According to UKAD IQ19-V0, chemical analysis according to chapter V-2 "TA6V Grade 5 Standard"

(2) Minimum yield expected after processing 85%, oil and moisture included,

(2) Any deviation would be managed by scrap replacement or purchasing on free market at the charge of customer, + cost of additional processing at 1\$/kg

Bingots :

(3) Top and bottom of ingots are removed and extremities are US inspected.

(3) Bingots are proposed exclusively in random lengths: 1 to 3 bingots per ingot according to the diameter

- 1 x 762mm bingot @ 6.4 tons
- 2 x 508mm bingots @ 3.2 tons
- 3 x 406mm bingots @ 2.2 tons

MOQ:

- Bingot: as per above comment 3
 - Billets: 2 Tonnes minimum to be adjusted according to yield per diameter (+/-10%) and multiples thereof
- Tolerance on quantity: +/- 10%

Option A1ii

Specification	Description	Diameter (mm)	Price/kg	Currency	Revert Discount (Turnings) (per 10% of volume)	Lead-time (weeks)	Supplier Stock (%)
MSRR 8652	6/4 SQ Billet	200 mm	23,90	Euro	0,273 €/kg	12	10
MSRR 8652	6/4 SQ Billet	250 mm	23,57	Euro	0,274 €/kg	12	10
MSRR 8652	6/4 SQ Billet	300 mm	23,25	Euro	0,274 €/kg	12	10
MSRR 8652	6/4 SQ Billet	350 mm	23,25	Euro	0,274 €/kg	12	10
MSRR 8652	6/4 SQ Ingot/Bingot (3)	Ø406 mm	20,49	Euro	0,267 €/kg	5	10
MSRR 8652	6/4 SQ Ingot/Bingot	Ø508 mm	20,26	Euro	0,268 €/kg	5	10
MSRR 8652	6/4 SQ Ingot/Bingot	Ø762 mm	19,03	Euro	0,263 €/kg	5	10
			(1)		(2)		

COMMENTS - As above except for:**Revert :**

(2) revert price of \$0.60/kg, DAP St Georges de Mons,

Table A2 :

From Region	Destination	Currency	Price	Unit of measure
France	United Kingdom	Euro	0,2	€/kg for weight from 2 to 5 tons per shipment
France	United Kingdom	Euro	0	€/kg for weight over 5 tons per shipment
France	Europe (ex UK)	Euro	0	€/kg for weight over 2 tons
France	USA East Cost (CIF Seaport)	Euro	0,95	€/kg for weight from 2 to 5 tons per shipment
France	USA East Cost (CIF Seaport)	Euro	0,54	€/kg for weight over 5 tons per shipment
France	USA West Cost (CIF Seaport)	Euro	1,04	€/kg for weight from 2 to 5 tons per shipment
France	USA West Cost (CIF Seaport)	Euro	0,63	€/kg for weight over 5 tons per shipment
France	China (CIF Shanghai)	Euro	0,83	€/kg for weight from 2 to 5 tons per shipment
France	China (CIF Shanghai)	Euro	0,42	€/kg for weight over 5 tons per shipment
France	Japan (CIF Seaport)	Euro	0,85	€/kg for weight from 2 to 5 tons per shipment
France	Japan (CIF Seaport)	Euro	0,54	€/kg for weight over 5 tons per shipment

Tables A3 and A4 :**Charges for Cutting to size.**

- UKAD proposes only billets in random length and multiples.
- If length of mults is less than 500mm, UKAD will apply a mark-up of 6%
- Other cases to be discussed.

Charges for Radiusing

UKAD is not equipped for radiusing and delivers bars in random or multiple lengths.

Yours sincerely,

Patrick DELABORDE

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