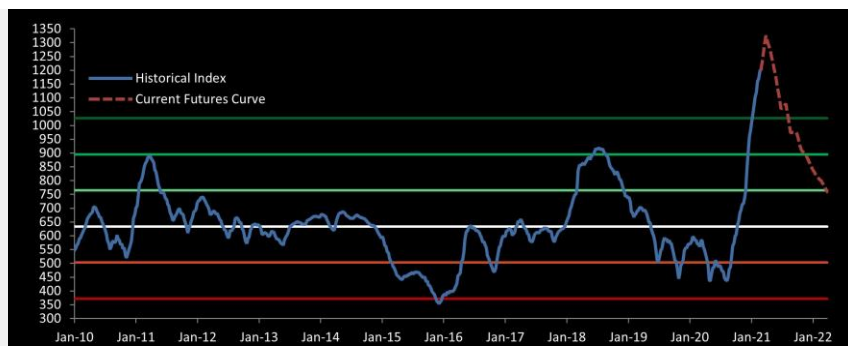


MANAGED PRICE PROGRAMS

Built for Large Scale OEMs Who are Ready to See Their Supply Chain Through a New Lens

BASED ON THE CURRENT MARKET, THE BEST TIME TO LOCK IN PRICING IS THE BACK OF THE CURVE TO SECURE LONG-TERM VALUE.



HRC 10YR AVERAGE: \$636		STANDARD DEVIATION: \$136
PERIOD	HRC PRICE	STANDARD DEVIATIONS [+/- HISTORICAL AVERAGE]
Spot Index	\$1,204	4.16
4Q21	\$930	2.15
1Q22	\$810	1.27
2Q22	\$775	1.02

Your Single Source for Supply Chain Management, Hedging and Financial Services

- Secure lower-than-market price over time via transparent pricing strategies that are based on the HRC forward curve
- Gain freedom from indexed pricing models to secure metals at a known price
- Reduce long term volatility of material costs while gaining visibility and control over your supply chain
- Achieve desired pricing without the mention of “hedging” or hedge accounting
- Simplify entering the forward markets with purchase orders that allow FGM to support posting margins and clearing trades
- Utilize the FGM balance sheet to manage margin and the timing of physical raw material
- Reduce risk by transferring to third parties



MANAGED PRICE PROGRAMS

The FGM Process™ Simple. Seamless. Accountable.

1. Price and duration are agreed upon with pricing referencing current conditions on the HRC forward curve. Includes ability to be vendor specific based upon your needs.
2. Orders for the tonnages, prices and durations are placed.
3. FGM arranges for your supply and places long futures positions to protect your pricing.
4. When physically supplying metals, FGM can, on a case-by-case basis, piggy-back upon existing contracts to achieve desired pricing while not disturbing your existing mill-direct relationships.
5. For the duration of the agreement, FGM manages the agreed upon supply chain along with placing the position margin.

“The only reason we’re in business today is because we’ve been buying and selling metals on THE FORWARD CURVE for over ten years. We don’t put customers in any position we haven’t already taken ourselves.”

– JEREMY FLACK, CEO

An Active Strategy to Control Your Risk and Reduce Your Volatility

The experienced FGM Risk Management Group continuously moves with the market, reacting to and sharing information along the way.

Conversion from fixed to floating pricing method or vice versa during the contract term is always available.

Fixed pricing is always cancelable, allowing you to manage unexpected market conditions.

Note: *Futures must be settled between the parties before pricing can be converted to floating*

