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Aug 29, 2025

Subject: Clarification on Section 232 Tariffs Applied to Imported Iron Castings from Canada

Dear Valued Customer,

We would like to take this opportunity to clarify how the Section 232 tariffs are applied to Iron Castings imported into the United States from Canada.

The tariff is **only applied to the steel content used to make the casting**, not to the entire casting itself. For our products, the steel portion represents approximately **7% to 12% of the overall cost of the casting**.

Example Calculation

- For a casting valued at \$100 with 10% steel content:
 - The steel portion equals **\$10**.
 - With a **50% tariff rate**, the duty is applied only to the \$10 steel portion.
 - Therefore, the total tariff cost would be \$5, not \$50.

We will provide a spreadsheet to all customers whose products are being tariffed with steel content by part number.

Thank you for your continued partnership.

Sincerely,

Jeff Herdman

Vice President

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