

SHEET NO. 1

DATE 04/04/2001
OFFICE OF THE ATTORNEY GENERAL
STATE OF ALABAMA
ATTORNEY GENERAL

SCHEDULE A-2 - COST OF WAREHOUSE - 1961

	OPERATING COST	LARGE AND MACHINE	SUPPLIES	POWER	INSURANCE	WATER- LANDING	DEPRECIATION	TOTALS - A-10
Furnishing and Collecting	\$ 105,765.79							
Buffie Furnaces	134,133.04							
Americas Process - Block No. 3	130,321.93							
Footings and Warehousing	115,701.27							
Total Direct Operating Cost	\$ 477,976.68	\$ 255,147.63	\$ 135,411.20	\$ 22,429.67	\$ 3,540.51	\$ 42,190.86		\$ 16,452.51
Depreciation on Zinc Oxide Produced							\$ 37,331.68	
Total	\$ 514,564.56	\$ 255,147.63	\$ 135,411.20	\$ 22,429.67	\$ 3,540.51	\$ 42,190.86	\$ 37,331.68	\$ 16,452.51
Operating Expense on Refuse Oxide Reclaimed by Americana Zinc Company, Ellisburg, Illinois	9,408.45							
Gross Operating Expense	\$ 524,421.02	\$ 255,147.63	\$ 135,411.20	\$ 22,429.67	\$ 3,540.51	\$ 56,097.32	\$ 37,331.68	\$ 16,452.51
Less: Repairs - Item A-14	\$ 53,546.20	27,537.02	27,263.79			5,715.09		
Balance	\$ 460,904.12	\$ 227,610.61	\$ 108,147.41	\$ 22,429.67	\$ 3,540.51	\$ 43,379.23	\$ 37,331.68	\$ 16,452.51
Less: Taxes - A-15	16,452.51							
Depreciation on Zinc Oxide Produced							37,331.68	
Depreciation on Furniture and Fixtures							591.60	
Less: Operating Cost	59.70							
Net Operating Cost	\$ 404,381.15	\$ 227,610.61	\$ 108,147.41	\$ 22,429.67	\$ 3,540.51	\$ 43,088.95	\$ 37,331.68	\$ 16,452.51
Operating Expense	317,111.11							
Insurance - Property	11,411.11							
Insurance - Group	11,411.11							
Total as above	\$ 349,933.33							
Taxes - Property								
Taxes - Unemployment - Operating								
Taxes - Old Age Annuity - Operating								
Taxes - Unemployment - Repairs								
Taxes - Old Age Annuity - Repairs								
Total as above								

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SECRET NO. 2
INTERNATIONAL SMELTING AND REFINING COMPANY
ZINC OXIDE DEPARTMENT
EAST CHICAGO PLANT

SCHEDULE A-2 - COST OF GOODS SOLD - YEAR 1940

Inventories: On hand January 1, 1940 - Finished Product - Zinc Oxide	\$ 182,495.01	
On hand January 1, 1940 - In Process	<u>75,653.25</u>	
Total on hand - January 1, 1940		\$ 238,148.26
Net Operating Expense - Shown on Sheet No. 1		<u>404,381.13</u>
<u>Zinc Charged</u>		
Electrolytic Zinc	\$ 705,753.80	
Great Falls Dross	237,604.80	
Galvanizer's Dross	218,334.96	
Zinc Anodes	1,566.21	
Die Cast Dross	88,943.59	
Remelt Zinc	98,167.37	
Die Cast Slabs	125,322.67	
Die Cast Scrap	201,721.75	
Scrap Zinc	48,646.86	
Zinc Chips	10,300.14	
Galena Lead Ore	2,380.02	
Zinc Ore (American Zinc Co.)	<u>85,395.81</u>	1,822,155.2
<u>Refined</u>		
Sublimed White Lead - National	\$ 84,727.86	
Zinc Skimmings	2,133.73	
Zinc Oxide (American Zinc Sales Co.)	27,239.17	
Zinc Fume	<u>208.06</u>	114,308.8
<u>Sold</u>		
Galvanizer's Dross	\$ 57,321.22	
Remelt Zinc	26,974.12	
Electrolytic Zinc	809.18	
Galena Ore	2,592.79	
Zinc Skimmings	841.43	
Zinc Chips	2,995.04	
Zinc Anodes	<u>508.25</u>	91,042.8
GRAND TOTAL		\$ 2,876,812.2
Inventories: On hand December 31, 1940 - Finished Product - Zinc Oxide	\$ 153,912.37	
On hand December 31, 1940 - In Process	<u>78,413.97</u>	232,326.3
Total Cost of Goods Sold		\$ 2,440,281.2
Cost of Samples Charged to Advertising	\$ 266.16	
Cost of Zinc Oxide Sold - Shown on Sales Cost and Profit Statement	\$ 2,201,202.53	
Cost of Other Material Sold - Shown on Sales Cost and Profit Statement - "Other Income"	<u>398,693.18</u>	
Total Cost of All Goods Sold	\$ 2,560,095.71	
Less: Repairs - Item A-14	\$ 63,548.90	
Taxes - Item A-16	18,432.81	
Depreciation - Zinc Oxide	37,381.88	
Depreciation - Furniture and Fixtures	561.80	
Dismantlement - Furniture and Fixtures	<u>96.70</u>	120,069.89
		<u>2,440,025.82</u>
		\$ 2,440,281.2

SHEET NO. 2 (CONT'D)

INTERNATIONAL SMELTING AND REFINING COMPANY

ZINC OXIDE DEPARTMENT

AKRON PLANT

SCHEDULE A-2 - COST OF GOODS SOLD - YEAR 1940

SHUT DOWN EXPENSE

NOT INCLUDED IN FIGURES ON FIRST SHEET

Labor and Salaries	\$ 737.50	
Electric Power - Lighting	280.53	
Gas	128.79	
Insurance - Property	361.14	
Taxes - Property	278.42	<i>Not</i>
Telephone and Telegraph	19.22	
Community Chest	150.00	<i>Contribution</i>
Sundry Expenses	<u>336.78</u>	
Total - Shown on Sales, Cost and Profit Statement	<u>\$ 1,618.82</u>	

SECRET NO. 3

INTERNATIONAL SMELTING AND REFINING COMPANY
ZINC OXIDE DEPARTMENT
EAST CHICAGO PLANT

SCHEDULE A-2 - COST OF GOODS SOLD - YEAR 1940

Purchases:

Electrolytic Zinc	\$ 426,506.67
Great Falls Dross	195,122.41
Calvanizer's Dross	234,797.59
Zinc Anodes	4,783.43
Die Cast Dross	60,361.12
Remelt Zinc	79,319.32
Die Cast Slabs	110,580.90
Die Cast Scrap	189,820.59
Scrap Zinc	45,690.68
Zinc Clips	15,295.15
Zinc Fume	2,856.53
Zinc Ore (American Zinc Co.)	81,901.02
Zinc Skimmings	2,926.78
Sublimed White Lead (National)	77,784.46
Zinc Oxide (American Zinc Sales Co.)	37,311.33
	<u>\$ 1,563,039.31</u>

MAJOR ITEMS INCLUDED IN MISCELLANEOUS EXPENSE

Gas	\$ 9,349.51
Telephone and Telegraph	1,369.81
Postage	324.97
Office Building Maintenance	1,269.36
Subscriptions	279.50
Community Chest	180.00
New York Office Expense	3,047.65
New York Departmental Expense	3,840.62
Mr. F. O. Case - Chicago Office	1,197.78
Liability and Compensation	1,349.94
Inter-Plant Expense	3,121.89
Buildings	2,572.01
Laboratory Expense	2,656.80
Change House Expense	1,378.52
Stationery and Supplies	1,094.00
Machine Shop	1,797.03
Steam	2,050.00
Compressed Air	1,200.00
Auditing Expense	690.43
Water	985.19
Testing and Research	1,030.46
Sundry Expenses	2,375.97
	<u>\$ 42,590.86</u>

Item 78 1141.01
344.37
315.00
3099.47
344.00
1141.01
1094.00
175.00
Item 79 100.00
100.00

SHEET NO. 4
 INTERNATIONAL SMELTING AND REFINING COMPANY
 ZINC OXIDE DEPARTMENT
 EAST CHICAGO PLANT
 SCHEDULE A-2 - COST OF GOODS SOLD - YEAR 1940
 ITEM A-14 - REPAIRS

	<u>LABOR</u>	<u>SUPPLIES</u>	<u>EXPENSES</u>	<u>SHOPS</u>	<u>TOTAL</u>
Furnacing and Collecting	\$ 1,963.96	\$ 2,142.15	\$ 386.86	\$ 9,174.03	\$ 13,666.92
Muffle Furnaces	2,286.33	5,732.62	133.19	16,915.65	25,067.79
American Process - Block No. 3	514.45	3,002.82	488.68	8,252.14	12,257.99
Packing and Warehousing	1,340.57	1,405.13	626.24	5,179.42	8,549.36
Auxiliary Accounts	<u>1,346.46</u>	<u>2,159.46</u>	<u>499.02</u>		<u>4,004.94</u>
	<u>\$ 7,451.69</u>	<u>\$ 14,439.98</u>	<u>\$ 2,133.99</u>	<u>\$ 39,521.24</u>	<u>\$ 63,546.90</u>

SHOPS

Labor	\$ 20,085.33
Supplies	12,883.61
Expenses	<u>6,562.10</u>
	<u>\$ 39,521.24</u>

SUMMARY

Labor	\$ 27,537.02
Supplies	27,293.79
Expenses	<u>8,716.09</u>
	<u>\$ 63,546.90</u>

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INTERNATIONAL SMELTING AND REFINING COMPANY
WHITE LEAD DEPARTMENT
EAST CHICAGO, INDIANA
SCHEDULE A-2 - COST OF GOODS SOLD - YEAR 1940

SHEET NO. 2

INVENTORY JANUARY 1, 1940

Finished Products - White Lead	\$ 154,541.76		
White Lead-in-Oil	85,885.44	\$ 240,237.20	
In Process - White Lead	11,494.75		
White Lead-in-Oil	1,870.40	13,365.15	
			\$ 253,602.35

OPERATING EXPENSE PAGE 1

White Lead	185,177.07		
White Lead-in-Oil	43,598.60	208,775.67	
Lead Anodes Charged		500,389.07	
Linseed Oil Used		36,582.18	
Turpentine Used		3,549.91	
TOTAL TO ACCOUNT FOR		\$ 1,002,879.18	

INVENTORY DECEMBER 31, 1940

Finished Products - White Lead	142,964.25		
White Lead-in-Oil	98,913.07	\$ 241,877.32	
In Process - White Lead	9,719.32		
White Lead-in-Oil	2,384.98	12,104.48	
			\$ 253,981.80

740,011.6

\$ 748,897.38

NET COST OF GOODS SOLD

As Shown on Profit and Loss Statement:

White Lead	528,110.31		
White Lead-in-Oil	308,278.31		
Paint	1,537.98	837,926.60	
Less: Taxes	9,054.91		
Repairs	52,351.15		
Depreciation	27,469.43		
Depreciation on Furniture and Fixtures	394.37		
Loss on Dismantlement of Furniture and Fixtures	64.47	89,334.33	
			\$ 748,592.27

Goods Sold as Samples:

White Lead	54.35		
White Lead-in-Oil	250.76	305.11	

\$ 748,897.38

MATERIALS PURCHASED

Anode Lead	\$ 499,830.17
Linseed Oil	41,577.50
Turpentine	3,876.55
	\$ 545,284.22

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INTERNATIONAL SMELTING AND REFINING COMPANY

May 26, 1914.

To the Stockholders of the
INTERNATIONAL SMELTING AND REFINING COMPANY:

PLEASE TAKE NOTICE that at the special meeting of the Stockholders of the International Smelting and Refining Company held this day it was voted:

1. To sell and transfer all the property, business, assets and rights of every nature and description of this Company to the Anaconda Copper Mining Company, upon the terms set forth in the circular letter sent to stockholders of this Company under date of April 21, 1914; and
2. That this Company be dissolved and its business and affairs be settled up and adjusted and distribution made to its stockholders.

By the terms of the contract of sale, it is among other things provided:

"In case at the meeting of the stockholders of the International Company to be called as aforesaid, the contract for sale and transfer shall be authorized, the Anaconda Company will at any time within thirty days from the date of the authorization of such sale, issue shares of the capital stock of the Anaconda Company in exchange for shares of the capital stock of the International Company on the basis of three and three-tenths (3.3) shares of the capital stock of the Anaconda Company for one share of the capital stock of the International Smelting and Refining Company. To take advantage of this exchange holders of shares of the stock of the International Company must, within each period of thirty days from May 26th, deposit for such exchange the certificates representing said shares, with J. W. Allen, Treasurer of the International Company, at the office of that Company, at 42 Broadway, in the Borough of Manhattan, City of New York, duly endorsed for transfer, with satisfactory evidence of ownership, if required, and proper requests in writing for stock of the Anaconda Company in exchange therefor."

The Anaconda Copper Mining Company has now filed with the Secretary of this Company its offer to exchange its stock for the stock of the International Smelting and Refining Company, on the basis of 3.3 shares of the stock of the Anaconda Company for one share of the stock of the International Company.

Where the holder of International stock would be entitled upon such exchange to a fractional share of Anaconda stock, bearer scrip will be issued for such fraction.

No dividends will be paid by the Anaconda Company on such fractional scrip.

To take advantage of this offer, holders of shares of the stock of the International Company must within the period of thirty days from this date deposit for such exchange, the certificates representing such shares with J. W. Allen, Treasurer of the International Smelting and Refining Company, at No. 42 Broadway, Borough of Manhattan, New York City, duly endorsed for transfer, with satisfactory evidence of ownership, if required, and proper request in writing for stock of the Anaconda Copper Mining Company in exchange therefor.

J. W. ALLEN,

Treasurer.

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