SHEET NO. 1

INTERNATIONAL SMELTING AND REFINING COMPANY
ZINC OXIDE DEPARTMENT
EAST CHICAGO PLANT

SCHEDULE A-2 - COST OF OXIDE SOLD - YEAR [illegible]

	OPERATING COST	LABOR AND WAGES	SUPPLIES	POWER	INSURANCE	MISCELLANEOUS	DEPRECIATION	TAXES A-16
Furnacing and Collecting	$ 103,765.79							
Muffle Furnaces	134,133.04							
American Process - Block No. 3	120,921.98							
Packing and Warehousing	118,751.87							
Total Direct Operating Cost	$ 477,572.68	$ 255,147.63	$ 135,411.20	$ 22,429.67	$ 3,540.51	$ 42,590.86		$ 18,452.81
Depreciation on Zinc Oxide Produced	37,381.88						$ 37,381.88	
Total	$ 514,954.56	$ 255,147.63	$ 135,411.20	$ 22,429.67	$ 3,540.51	$ 42,590.86	$ 37,381.88	$ 18,452.81
Operating Expense on Refuse Oxide Reworked by American Zinc Company, Hillsboro, Illinois	9,496.46					9,496.46		
Gross Operating Expense	$ 524,451.02	$ 255,147.63	$ 135,411.20	$ 22,429.67	$ 3,540.51	$ 52,087.32	$ 37,381.88	$ 18,452.81
Less: Repairs - Item A-14	63,546.90	27,537.02	27,293.79			8,716.09		
Balance	$ 460,904.12	$ 227,610.61	$ 108,117.41	$ 22,429.67	$ 3,540.51	$ 43,371.23	$ 37,381.88	$ 18,452.81
Less: Taxes - A-16	18,452.81							18,452.81
Depreciation on Zinc Oxide Produced	37,381.88						37,381.88	
Depreciation on Furniture and Fixtures	591.60					591.60		
Loss on Dismantlement of Furniture and Fixtures	96.70					96.70		
Net Operating Cost	$ 404,381.13	$ 227,610.61	$ 108,117.41	$ 22,429.67	$ 3,540.51	$ 42,682.93	-	-

	INSURANCE
Insurance - Property	$ 1,409.76
Insurance - Group	2,130.75
Total as above	$ 3,540.51

	TAXES A-16
Taxes - Property	$ 7,113.00
Taxes - Unemployment - Operating	7,643.66
Taxes - Old Age Annuity - Operating	2,547.98
Taxes - Unemployment - Repairs	861.12
Taxes - Old Age Annuity - Repairs	287.05
Total as above	$ 18,452.81

Summary - Operating Expense

Per Above - [illegible]
Material Charged (Estimated) [illegible]
Inventory Beginning [illegible]
Discount Allowed [illegible]
Selling Exp [illegible]
Agency Stock Exp [illegible]
General Exp [illegible]
Credit & Collection [illegible]
Bad Debts [illegible]
[illegible]
Purchases [illegible]
[illegible]
Inventory [illegible]

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SHEET 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			$ 162,495.01	
On hand January 1, 1940 - In Process			75,653.25	
Total on hand - January 1, 1940				$ 238,148.26
Net Operating Expense - Shown on Sheet No. 1				404,381.13
Zinc Charged				
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			88,943.89	
Remelt Zinc			98,167.37	
Die Cast Slabs			125,322.67	
Die Cast Scrap			201,721.75	
Scrap Zinc			48,646.86	
Zinc Clips			10,300.14	
Galena Lead Ore			2,380.02	
Zinc Ore (American Zinc Co.)			83,395.61	
				1,822,[illegible]
Remixed				
Sublimed White Lead - National			$ 84,727.86	
Zinc Skimmings			2,133.73	
Zinc Oxide (American Zinc Sales Co.)			27,239.17	
Zinc Fume			208.06	
				114,[illegible]
Sold				
Galvanizer's Dross			$ 57,321.22	
Remelt Zinc			26,974.12	
Electrolytic Zinc			809.18	
Galena Ore			2,592.79	
Zinc Skimmings			641.43	
Zinc Clips			2,995.04	
Zinc Anodes			508.25	
				91,[illegible]
GRAND TOTAL				$ 2,67[illegible]
Inventories: On hand December 31, 1940 - Finished Product - Zinc Oxide			$ 153,912.37	
On hand December 31, 1940 - In Process			76,413.97	
				23[illegible]
Total Cost of Goods Sold				$ 2,440,[illegible]
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"		358,893.18		
Total Cost of All Goods Sold		$ 2,560,095.71		
Less: Repairs - Item A-14	$ 63,546.90			
Taxes - Item A-16	18,452.81			
Depreciation - Zinc Oxide	37,381.88			
Depreciation - Furniture and Fixtures	591.60			
Dismantlement - Furniture and Fixtures	96.70	120,069.89	2,440,025.82	
				$ 2,440,2[illegible]

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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 Taxes
Telephone and Telegraph	19.22
Community Chest	150.00 Contribution
Sundry Expenses	336.78
Total - Shown on Sales, Cost and Profit Statement	$ 1,618.82

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SHEET 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	$ 426,505.67
Great Falls Dross	195,122.41
Galvanizer's Dross	234,797.59
Zinc Anodes	4,763.43
Die Cast Dross	60,381.12
Remelt Zinc	79,319.32
Die Cast Slabs	110,580.90
Die Cast Scrap	189,820.89
Scrap Zinc	45,890.68
Zinc Clips	13,295.18
Zinc Fume	2,658.53
Zinc Ore (American Zinc Co.)	81,901.02
Zinc Skimmings	2,926.78
Sublimed White Lead (National)	77,764.46
Zinc Oxide (American Zinc Sales Co.)	37,311.33
	$ 1,563,039.31

MAJOR ITEMS INCLUDED IN MISCELLANEOUS EXPENSE

Gas	$ 9,349.51
Telephone and Telegraph	1,369.61
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	3,240.62
Mr. F. O. Case - Chicago Office	1,197.78
Liability and Compensation	1,349.94
Inter-Plant Expense	3,121.69
Buildings	2,572.01
Laboratory Expense	2,656.60
Change House Expense	1,378.52
Stationery and Supplies	1,094.00
Machine Shop	1,797.03
Steam	2,080.00
Compressed Air	1,200.00
Auditing Expense	690.45
Water	985.19
Testing and Research	1,030.46
Sundry Expenses	2,375.97
	$ 42,590.66

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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

	LABOR	SUPPLIES	EXPENSES	SHOPS	TOTAL
Furnacing and Collecting	$ 1,963.88	$ 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	12,257.89
Packing and Warehousing	1,340.57	1,403.13	626.24	5,179.42	8,549.36
Auxiliary Accounts	1,346.46	2,159.46	499.02		4,004.94
	$ 7,451.69	$ 14,439.98	$ 2,133.99	$ 39,521.24	$ 63,546.90

SHOPS

Labor	$ 20,085.33
Supplies	12,853.81
Expenses	6,582.10
	$ 39,521.24

SUMMARY

Labor	$ 27,537.02
Supplies	27,293.79
Expenses	8,716.09
	$ 63,546.90

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INTERNATIONAL SMELTING AND REFINING COMPANY
WHITE LEAD DEPARTMENT
EAST CHICAGO, INDIANA
SCHEDULE A-8 - COST OF GOODS SOLD - YEAR 1940

	OPERATING COSTS	LABOR AND SALARIES	SUPPLIES	POWER	INSURANCE	MISCEL-LANEOUS	TAXES A-16	DEPRECIATION
Direct Cost								
White Lead	$ 244,175.79	$ 116,637.15	$ 56,745.81	$ 43,668.06	$ 1,864.76	$ 16,544.35	$ 8,715.66	$
White Lead-in-Oil	44,981.51	9,192.62	34,229.04	330.45	126.86	763.29	339.25	
TOTAL	289,157.30	125,829.77	90,974.85	43,998.51	1,991.62	17,307.64	9,054.91	
Depreciation	27,469.43							27,469.43
TOTAL OPERATING	316,626.73	125,829.77	90,974.85	43,998.51	1,991.62	17,307.64	9,054.91	27,469.43
Less: Taxes	7,836.31*						7,836.31	
Depreciation	27,469.43							27,469.43
Depreciation on Furniture and Fixtures	394.37					394.37		
Loss on Dismantlement of Furniture and Fixtures	64.47					64.47		
	35,764.58	-	-	-	-	458.84	7,836.31	27,469.43
	280,862.15	125,829.77	90,974.85	43,998.51	1,991.62	16,848.80	1,218.60	
Less: Repairs	53,569.75	30,465.36	20,587.29	-	-	1,298.50	1,218.60	
	227,292.40	95,364.41	70,387.56	43,998.51	1,991.62	15,550.30		
Allowance Corroding Anodes	(1) 18,516.73					8649.36		
TOTAL TO PAGE NO. 2	$ 208,775.67							

8649.36

DETAIL OF INSURANCE

Property	$ 1,203.45
Group Employees	788.17
	$ 1,991.62

DETAIL OF TAXES*

	OPERATING	REPAIRS	TOTAL
Property	$ 4,149.40	$	$ 4,149.40
Unemployment Insurance	2,765.20	913.95	3,679.15
Old Age Annuity	921.71	304.65	1,226.36
	$ 7,836.31	$ 1,218.60	$ 9,054.91

DETAIL OF REPAIRS

White Lead Plant		
Labor		$ 9,214.97
Supplies		6,255.57
Shops:		
Labor	$ 15,702.55	
Supplies	10,353.84	
Expenses	952.95	27,009.34
Expenses:		
Labor	4,962.92	
Supplies	3,549.04	
Expenses	1,538.49	10,040.45
		$ 52,520.33
White Lead-in-Oil Plant		
Labor		$ 147.64
Supplies		68.39
Shops:		
Labor	$ 431.52	
Supplies	321.49	753.01
Expenses:		
Labor	5.76	
Supplies	38.96	
Expenses	35.66	80.38
		$ 1,049.42
GRAND TOTAL REPAIRS		$ 53,569.75

We are showing below some of the large items of Expense that appear under miscellaneous:

White Lead Plant

A. C. M. Co., Purchasing Dept., New York	$ 2,780.99
New York Office (Proportion)	2,915.78
Lead Industries Association - Dues	559.50
Membership Chamber of Commerce	175.50
Donations to Community Chest	120.00
Telephone and Telegraph	844.94
Stationery	1,002.66
Postage	229.99
Remelting Scrap Anodes	3,536.22
Gas	715.71
Workmen's Compensation	472.58
	$ 13,353.87

White Lead-in-Oil Plant

Trucking	$ 299.63
Workmen's Compensation	36.17
Steam	136.10
	$ 471.90

Item 18 8509.36
Item 22 140.00
8649.36

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Summary on Cover

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	85,695.44	$ 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		165,177.07			
White Lead-in-Oil		43,598.60	208,775.67		
Lead Anodes Charged			500,389.07		
Linseed Oil Used			36,562.18		540501.16
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	9,719.52				
White Lead-in-Oil	2,384.96	12,104.48			
			$ 253,981.80		
				$ 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 such 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.