



**NOTICE TO TRUSTEE, PAYING AGENT AND NOTEHOLDERS**

May 16, 2023

To: Wilmington Savings Fund Society, FSB, as Trustee and Paying Agent  
500 Delaware Avenue, 11th Floor  
Wilmington, Delaware 19801  
Attention: Geoffrey J. Lewis

To: Holders of A.M. Castle & Co.'s 3.00% / 5.00% Convertible Senior Secured PIK Toggle Notes due 2024 (CUSIP 148411AM3) (the "Notes")

**Re: Acquisition of A.M. Castle & Co.; Effectiveness of Supplemental Indenture;  
Fundamental Change Repurchase Right Notice**

Reference is made to that certain Indenture, dated as of March 27, 2020 (as amended, restated, supplemented, or otherwise modified from time to time, the "Indenture"), by and among A.M. Castle & Co. (the "Company"), and Wilmington Savings Fund Society, FSB, as trustee (in such capacity, the "Trustee") and as collateral agent (in such capacity, the "Collateral Agent"), providing for the issuance of the above referenced Notes. Capitalized terms used but not otherwise defined herein shall have the definitions assigned to such terms in the Indenture.

On January 6, 2021, the Company filed with the Securities and Exchange Commission (the "Commission") a Certification and Notice of Termination of Registration Under Section 12(g) of the Securities Exchange Act of 1934 on Form 15 (the "Form 15") notifying the Commission of the withdrawal of the Company's Common Stock from registration under Section 12(g) of the Exchange Act in accordance with Rule 12g-4(a)(1) under the Exchange Act. As a result, the Company's obligation to file periodic reports with the Commission, including its quarterly and annual reports, was suspended immediately. Accordingly, pursuant to Section 4.03(b) of the Indenture, the Company is obligated to furnish certain financial and other reports to the Holders of Notes and to the Trustee.

In accordance with Section 4.03(b) of the Indenture, the Company has prepared a confidential, nonpublic web portal (the "Castle Web Portal") through which financial and other reports will be communicated to the Holders of the Notes. To obtain login access to the Castle Web Portal, Holders of the Notes will need to execute and return a confidentiality agreement with the Company. To obtain the confidentiality agreement and a login to the Castle Web Portal, please send your company name, principal office address and primary contact to [CastleWebPortal@amcastle.com](mailto:CastleWebPortal@amcastle.com).

The Company's report regarding the completion of an acquisition and its entry into a material definitive agreement, as required by Section 4.03 of the Indenture, its notice of the amendment of the Indenture, as required by Section 9.02 of the Indenture, and the Fundamental Change Repurchase Right Notice required by Section 15.01 of the Indenture, is now available and accessible to the Holders of the Notes via the Castle Web Portal.



*Acquisition of A.M. Castle & Co.*

On May 11, 2023, Pacu Merger Sub, Inc. (“Merger Sub”) was successfully merged with and into the Company (the “Merger”) pursuant to an Agreement and Plan of Merger, dated as of January 11, 2023 (the “Merger Agreement”), by and among Porgy Acquisition Holdings, Inc., a Delaware corporation (“Buyer”), the Company and Merger Sub. Under the terms of the Merger Agreement, which was approved by the Company’s stockholders on January 11, 2023, the Company survived the merger as a wholly-owned subsidiary of Buyer.

*Supplemental Indenture*

On May 11, 2023, that certain Supplemental Indenture and Amendment No. 2, dated January 13, 2023 (the “Supplemental Indenture”), by and among the Company, the Guarantors and the Trustee, became effective upon the delivery by the Company to the Trustee and the Collateral Agent of an Officer’s Certificate certifying that the Merger and transactions related thereto have been consummated. Among other things, the Supplemental Indenture removed certain covenants and released all Collateral from the Liens Securing the Notes,

The foregoing description of the Supplemental Indenture does not purport to be complete and is qualified in its entirety by reference to the full text thereof, which is attached as Exhibit 1 hereto and is incorporated by reference herein.

*Right to Require Repurchase Upon a Fundamental Change*

This notice serves as the Fundamental Change Repurchase Right Notice required by Section 15.01 of the Indenture.

Pursuant to the terms of Section 15.01 of the Indenture, following the completion of the Merger (which is deemed a “Fundamental Change” under the Indenture), each Holder shall have the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Notes or any portion of the principal amount thereof that is equal to \$1,000 or an integral multiple of \$1.00 in excess thereof, for cash on June 13, 2023 (the “Fundamental Change Repurchase Date”) at a repurchase price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the “Fundamental Change Repurchase Price”).

Repurchases of Notes shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Paying Agent by a Holder of a valid Fundamental Change Repurchase Notice in electronic form in accordance with the procedures of the Depository before the Close of Business on June 12, 2023; and

(ii) delivery or book-entry transfer of the Notes to the Paying Agent at any time on or before the Close of Business on June 12, 2023 (together with all necessary endorsements).

As the Notes are Global Notes, all Fundamental Change Repurchase Notices, any notice of the withdrawal of a Fundamental Change Repurchase Notice (described below), and the book-entry transfer of Notes to the Paying Agent must be made in accordance with the applicable procedures of the Depository, DTC. Holders that wish to exercise their option to require the Company to repurchase their Notes should



contact their broker or other custodian through which their book-entry interest in the Notes is maintained as soon as possible.

Elections to require the Company to repurchase Notes must be electronically delivered in accordance with DTC's procedures. No written election needs to be executed in order to deliver a Fundamental Change Repurchase Notice.

**Holders of Notes desiring to deliver their Fundamental Change Repurchase Notices prior to the Close of Business on June 12, 2023 should note that they must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC.**

The Fundamental Change Repurchase Price to be received by the Holder will be delivered promptly following the *later* of the Fundamental Change Repurchase Date and the time of the book-entry transfer or delivery of the Note conforming in all respects to the description thereof in the related Fundamental Change Repurchase Notice.

A Fundamental Change Repurchase Notice may be withdrawn in whole or in part by means of a withdrawal delivered in accordance with the customary procedures of DTC's ATOP at any time prior to the Close of Business on June 12, 2023 (the "Fundamental Change Expiration Time"). DTC Participants who wish to exercise their right of withdrawal with respect to a Fundamental Change Repurchase Notice must deliver a properly formatted and transmitted withdrawal request to the Paying Agent for return to DTC prior to the Fundamental Change Expiration Time.

Pursuant to Article 14 of the Indenture, each Holder has the right, at such Holder's option, to convert all or any portion (if the portion to be converted is \$1,000 principal amount, or an integral multiple of \$1.00 in excess thereof) of its Notes at any time prior to the Close of Business on the Scheduled Trading Day immediately preceding the Maturity Date, at a rate of 0.21939631 shares of Common Stock per \$1.00 principal amount of the Notes, provided that Notes converted in connection with a Fundamental Change (i.e., the 35<sup>th</sup> Trading Day immediately following the effective date of the Merger) will convert at a rate of 10 shares of Common Stock per \$1.00 principal amount of the Notes. Settlement upon conversion may be in the form of cash, shares of Common Stock or a combination thereof, in the Company's sole discretion; on May 11, 2023, the Company provided notice to the Trustee, the Conversion Agent and the Holders of its election to settle in cash all conversions in connection with a Fundamental Change. Accordingly, pursuant to Section 14.01(b)(iii) of the Indenture, for each \$1.00 principal amount of Notes so surrendered in connection with a Fundamental Change, the Company will deliver \$0.126 to the converting Holder.

Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of the Indenture.



Summary of Fundamental Change Repurchase Right Terms

<b>Fundamental Change Repurchase Price</b>	100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date
<b>Fundamental Change Repurchase Date</b>	Close of Business, June 13, 2023
<b>Fundamental Change Expiration Time; Deadline to Exercise Repurchase Right; Deadline to Deliver Fundamental Change Repurchase Notice and Notes</b>	Close of Business, June 12, 2023
<b>Fundamental Change Expiration Time; Deadline to Withdraw Fundamental Change Repurchase Notice</b>	Close of Business, June 12, 2023
<b>Paying Agent</b>	Wilmington Savings Fund Society, FSB 500 Delaware Avenue, 11th Floor Wilmington, Delaware 19801
<b>Conversion Agent</b>	Wilmington Savings Fund Society, FSB 500 Delaware Avenue, 11th Floor Wilmington, Delaware 19801

Exhibits

1. Supplemental Indenture and Amendment No. 2, dated January 13, 2023, by among the Company, the Guarantors and Wilmington Savings Fund Society, N.A., as trustee

Sincerely,

A. M. Castle & Co.

By: 

Name: Jeremy Steele

Title: Senior Vice President, General Counsel & Secretary

cc. Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, New York 10036-8704  
Facsimile No.: (646) 728-1663  
Attention: Mark Somerstein, Esq.

**SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 2**

THIS SUPPLEMENTAL INDENTURE AND AMENDMENT NO. 2 (this “Supplemental Indenture”), dated as of January 13, 2023, is between A. M. Castle & Co., a Maryland corporation (the “Company”), the Guarantors (as defined in the Indenture), and Wilmington Savings Fund Society, FSB, as trustee (in such capacity, the “Trustee”) and as collateral agent (in such capacity, the “Collateral Agent”).

## WITNESSETH

WHEREAS, the Company and the Guarantors have heretofore executed and delivered to the Trustee and the Collateral Agent an indenture, dated as of March 27, 2020 (as amended by that certain Supplemental Indenture and Amendment No. 1, dated as of December 21, 2021, and as further amended, restated, supplemented, or otherwise modified from time to time, the “Indenture”), providing for the issuance of 3.00%/5.00% Convertible Senior Secured PIK Toggle Notes due 2024 (the “Notes”);

WHEREAS, Porgy Acquisition Holdings, Inc., a Delaware corporation (“Buyer”), Pacu Merger Sub, Inc., a Delaware corporation (“Merger Sub”), and the Company, have entered into an Agreement and Plan of Merger, dated as of the date hereof (the “Merger Agreement”), pursuant to which Merger Sub will be merged with and into the Company with the Company being the surviving corporation and a wholly-owned subsidiary of Buyer (the “Merger” and, together with the Note repurchases contemplated by the Merger Agreement, the “Transactions”);

WHEREAS, Section 9.02 of the Indenture permits the execution of supplemental indentures for the purpose of amending or supplementing certain provisions of the Indenture with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes voting as a single class;

WHEREAS, Section 9.02 of the Indenture permits the release of all or substantially all of the Collateral from the Liens Securing the Notes with the consent of Holders of at least 66-2/3% in aggregate principal amount of the then outstanding Notes;

WHEREAS, by way of a Noteholder Consent, dated as of the date hereof, the Holders of more than 66 2/3% in aggregate principal amount of the outstanding Notes have consented in writing to the amendment of the Indenture as set forth in this Supplemental Indenture and the release of all of the Collateral from the Liens Securing the Notes, in each case, upon the delivery by the Company to the Trustee and the Collateral Agent of an Officers’ Certificate certifying that the Transactions have been consummated (such Officers’ Certificate, the “Closing Certificate”);

WHEREAS, by way of resolutions, dated as of January 10, 2023, the Board of Directors of the Company has authorized the execution and delivery by the Company of this Supplemental Indenture;

WHEREAS, by way of a request letter, dated as of the date hereof, the Company has requested the Trustee and the Collateral Agent to join it in the execution of this Supplemental Indenture;

WHEREAS, pursuant to Section 9.02 of the Indenture, the Trustee and the Collateral Agent are each authorized to execute and deliver this Supplemental Indenture; and

WHEREAS, all conditions to the execution and delivery of this Supplemental Indenture pursuant to Sections 9.02, 9.06, 12.04 and 12.05 of the Indenture have been satisfied, each party hereto has duly authorized the execution and delivery of this Supplemental Indenture and all other acts necessary to make this Supplemental Indenture a valid, binding and legal supplement to the Indenture have been duly taken by the Company and the Guarantors.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, each Guarantor, the Trustee, and the Collateral Agent mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

(1) Capitalized Terms. Capitalized terms used herein (including in the recitals above) without definition shall have the meanings assigned to them in the Indenture.

(2) Deletion of Certain Provisions. Upon the delivery by the Company to the Trustee and the Collateral Agent of the Closing Certificate certifying that the Transactions have been consummated:

a. The following provisions of the Indenture shall be automatically and immediately deleted and eliminated in their entirety, without redesignation of any other provision of the Indenture:

Section 4.03	Section 4.13	Section 13.01
Section 4.04	Section 4.17	Section 13.02
Section 4.07	Section 4.18	Section 13.03
Section 4.08	Section 4.19	Section 13.04
Section 4.09	Section 4.20	Section 13.05
Section 4.10	Section 4.21	Section 13.06
Section 4.11	Section 4.22	Section 13.07
Section 4.12	Section 4.23	Section 13.09

b. In addition, all references in the Indenture to any of the foregoing provisions shall also be deemed deleted and eliminated in their entirety.

c. All definitions in the Indenture that, as a result of the deletions set forth in Section (1), define terms that no longer appear in Indenture, shall be deleted and eliminated in their entirety.

(3) Amendment of the Indenture. Upon the delivery by the Company to the Trustee and the Collateral Agent of the Closing Certificate certifying that the Transactions have been consummated, the Indenture shall hereby be automatically and immediately amended as follows:

- a. Each of Sections 5.01(a)(3), 5.01(a)(4), 5.01(a)(5), 6.01(5), 6.01(6), 6.01(7), 6.01(9) and 6.01(10) of the Indenture shall be amended and restated in its entirety as follows:

“Reserved”

- b. Section 6.01(3) of the Indenture shall be amended and restated in its entirety as follows:

“(3) failure by the Company or any of its Restricted Subsidiaries to comply with 5.01 or Article 15 hereof;”

- c. Section 10.03 of the Indenture shall be amended by deleting the following:

“If required by Section 4.22 hereof, the Company will cause each Restricted Subsidiary to comply with the provisions of Section 4.22 hereof and this Article 10, to the extent applicable.”

(4) Release of Collateral. The Trustee and the Collateral Agent hereby acknowledge and agree that, upon the delivery to them of the Closing Certificate certifying that the Transactions have been consummated and otherwise complying with Section 13.03 of the Indenture, all security interests and liens which the Company or any Guarantor may have granted to the Trustee or the Collateral Agent in connection with the Indenture shall be automatically and immediately released and terminated and all of the Collateral Documents shall be automatically and immediately terminated. Upon the delivery to the Trustee and the Collateral Agent of the Closing Certificate certifying that the Transactions have been consummated, the Company and each Guarantor and their respective attorneys shall be authorized to file any and all necessary terminations and releases, including, without limitation with respect to all Uniform Commercial Code financing statements filed in connection with the Indenture by or for the benefit of the Trustee or the Collateral Agent against the Company or any Guarantor. Following the delivery to the Trustee and the Collateral Agent of the Closing Certificate certifying that the Transactions have been consummated, at the expense of the Company, the Trustee and the Collateral Agent shall deliver or cause to be delivered such other terminations (including, without limitation, Uniform Commercial Code termination statements, terminations and releases of security interests in intellectual property and terminations and releases of mortgages and deeds of trust), authorizations to terminate and releases as the Company may reasonably request to authorize, evidence and/or effect the termination and release by the Trustee and the Collateral Agent of all security interests, mortgages, deeds of trust, encumbrances and other liens, if any, granted to the Collateral Agent and the Trustee pursuant to the Collateral Documents.

(5) No Recourse Against Others. No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes Documents or this Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. The waiver may not be effective to waive liabilities under the federal securities laws.

(6) GOVERNING LAW. THIS SUPPLEMENTAL INDENTURE, THE INDENTURE AND THE OTHER NOTES DOCUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS TO THE EXTENT THAT THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE INDENTURE, THE OTHER NOTES DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED BY THE INDENTURE.

(7) Effectiveness & Counterparts. This Supplemental Indenture shall become effective as of the date first above written upon execution and delivery of counterparts of this Supplemental Indenture by the Trustee, the Collateral Agent, each Guarantor and the Company; provided, however, that for the avoidance of doubt, Sections 2, 3 and 4 hereof shall not become operative, and shall have no effect, until the Company delivers to the Trustee and the Collateral Agent the Closing Certificate certifying that the Transactions have been consummated. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

(8) Ratification of Indenture; Supplemental Indenture Part of Indenture. Except as expressly amended hereby, the Indenture, as amended by this Supplemental Indenture, is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. Upon and after execution of this Supplemental Indenture, this Supplemental Indenture shall form a part of the Indenture for all purposes and each reference in the Indenture, as amended by this Supplemental Indenture, to “this Indenture,” “hereunder,” “hereof” or words of like import referring to the Indenture shall mean and be a reference to the Indenture as modified hereby. In addition, every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

(9) Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

(10) Severability. In case any provision in this Supplemental Indenture is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

(11) Successors. All agreements in this Supplemental Indenture by the parties hereto shall bind their successors.

(12) The Trustee and the Collateral Agent. The Trustee and the Collateral Agent shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guarantors and the Company.

*[Remainder of Page Intentionally Left Blank; Signature Page Follows]*



IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

**A. M. CASTLE & CO.  
TOTAL PLASTICS, INC.  
A. M. CASTLE & CO. (CANADA) INC.**

By: /s/ Jeremy Steele  
Name: Jeremy Steele  
Title: Vice President

**CASTLE METALS DE MEXICO, S.A. DE C.V.  
CASTLE METALS DE MEXICALI, S.A. DE C.V.**

By: /s/ Jeremy Steele  
Name: Jeremy Steele  
Title: Vice President of the Board of Directors

**WILMINGTON SAVINGS FUND SOCIETY,  
FSB, as Trustee and Collateral Agent**

By: /s/ Geoffrey Lewis

Name: Geoffrey J. Lewis

Title: Vice President