



Quanex Corporation
1900 West Loop South
Suite 1500
Houston, Texas 77027
713 961-4600
713 877-5333 Fax

[Handwritten signature]

Top Hat Exemption

2520032031404

**CERTIFIED MAIL NO. P 871 099 765
RETURN RECEIPT REQUESTED**

Pension and Welfare Benefits Administration
Room N-5644
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

56 NOV 20 AM 3:25
DOL-PWBA
PUBLIC DISCLOSURE

Dear Sir or Madam:

In accordance with the Department of Labor Regulation §2520.104-23, this letter will serve as the alternative method of compliance with the reporting and disclosure requirements of Part I of Title I of the Employee Retirement Income Security Act of 1974, as amended, for the pension plans described below for a select group of management or highly compensated employees.

1. The name and address of the employer is Quanex Corporation, 1900 West Loop South Suite, 1500, Houston, Tx 77027.
2. The employer identification number assigned by the Internal Revenue Service to Quanex Corporation ("Quanex") is 38-1872178.
3. Quanex declares that it maintains the following plans primarily for the purpose of providing deferred compensation from a select group of management or highly compensated employees.
 - (a) Quanex Corporation Executive Severance Compensation Plan. Eight (8) employees of Quanex Corporation participate in this plan.
 - (b) Quanex Corporation Supplemental Benefit Plan. Eight (8) employees of Quanex Corporation participate in this plan. Four (4) former employees of Quanex Corporation participate in this plan.
 - (c) Quanex Corporation Deferred Compensation Plan. Ten (10) employees of Quanex Corporation participate in this plan.

(d) Retirement Agreement between Quanex Corporation and Carl Pfeiffer. One former employee of Quanex Corporation of Quanex participates in this plan.

(e) Deferred Compensation Agreement between Quanex Corporation and Carl Pfeiffer. One former employee of Quanex Corporation participates in this plan.

(f) Nichols-Homeshield Supplemental 401(k) Savings Plan. No employees of Quanex Corporation participate in this plan.

(g) Quanex Corporation Supplemental Salaried Employees' Pension Plan. No employees of Quanex Corporation participate in this plan.

Very truly yours,

QUANEX CORPORATION

By Joseph K. Perry
Vice Pres. Human Resources

:lah