

ACS Industries, Inc.  
 Raw Material Surcharge Policy  
 Monthly Surcharge Calculations  
 For Orders Shipped: Dec. 1-31, 2006



Alloy	Ni -Nickel	Cr -Chrome	Fe - Iron	Moly	Cu - Copper	Al - Aluminum	Surcharge Sub Total	6% Scrap Factor***	Total Raw Material Surcharge / Lb.****	
Base Price/Lb.*	\$ 2.000	\$ 0.350	\$ 0.064	\$ 3.000	\$ 0.750	\$ 0.650				
Current Price/Lb.**	\$ 14.834	\$ 0.645	\$ 0.111	\$ 25.600	\$ 3.394	\$ 1.206				
Surcharge	\$ 12.834	\$ 0.295	\$ 0.048	\$ 22.600	\$ 2.644	\$ 0.556				
<b>304L</b>	% / Lb.	9.25%	19.00%	68.60%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ 1.187	\$ 0.056	\$ 0.033	\$ -	\$ -	\$ -	\$ 1.276	\$ 0.077	\$ 1.352
<b>309 SS</b>	% / Lb.	13.50%	23.00%	60.20%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ 1.733	\$ 0.068	\$ 0.029	\$ -	\$ -	\$ -	\$ 1.829	\$ 0.110	\$ 1.939
<b>310 SS</b>	% / Lb.	20.50%	25.00%	50.70%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ 2.631	\$ 0.074	\$ 0.024	\$ -	\$ -	\$ -	\$ 2.729	\$ 0.164	\$ 2.893
<b>316 SS</b>	% / Lb.	12.00%	17.00%	65.40%	2.50%	0.00%	0.00%			
	\$ / Lb.	\$ 1.540	\$ 0.050	\$ 0.031	\$ 0.565	\$ -	\$ -	\$ 2.186	\$ 0.131	\$ 2.318
<b>321 SS</b>	% / Lb.	10.50%	18.00%	67.80%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ 1.348	\$ 0.053	\$ 0.032	\$ -	\$ -	\$ -	\$ 1.433	\$ 0.086	\$ 1.519
<b>430 SS</b>	% / Lb.	0.00%	17.00%	80.80%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ -	\$ 0.050	\$ 0.038	\$ -	\$ -	\$ -	\$ 0.089	\$ 0.005	\$ 0.094
<b>A286</b>	% / Lb.	25.50%	14.75%	53.50%	1.38%	0.00%	0.00%			
	\$ / Lb.	\$ 3.273	\$ 0.044	\$ 0.025	\$ 0.312	\$ -	\$ -	\$ 3.653	\$ 0.219	\$ 3.873
<b>Al</b>	% / Lb.	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%			
	\$ / Lb.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.556	\$ 0.033	\$ 0.590	
<b>Carp 20</b>	% / Lb.	35.00%	20.00%	34.85%	2.50%	3.50%	0.00%			
	\$ / Lb.	\$ 4.492	\$ 0.059	\$ 0.017	\$ 0.565	\$ 0.093	\$ -	\$ 5.225	\$ 0.313	\$ 5.538
<b>Cu</b>	% / Lb.	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%			
	\$ / Lb.	\$ -	\$ -	\$ -	\$ -	\$ 2.644	\$ -	\$ 2.644	\$ 0.159	\$ 2.803
<b>Inc 600</b>	% / Lb.	72.00%	15.50%	9.60%	0.00%	0.00%	0.00%			
	\$ / Lb.	\$ 9.240	\$ 0.046	\$ 0.005	\$ -	\$ -	\$ -	\$ 9.291	\$ 0.557	\$ 9.848
<b>Inc 601</b>	% / Lb.	60.50%	23.00%	11.90%	0.00%	0.25%	0.00%			
	\$ / Lb.	\$ 7.764	\$ 0.068	\$ 0.006	\$ -	\$ 0.007	\$ -	\$ 7.845	\$ 0.471	\$ 8.315
<b>Monel 400</b>	% / Lb.	66.00%	0.00%	2.50%	0.00%	31.00%	0.00%			
	\$ / Lb.	\$ 8.470	\$ -	\$ 0.001	\$ -	\$ 0.820	\$ -	\$ 9.291	\$ 0.557	\$ 9.849
<b>Phos. Bronze</b>	% / Lb.	0.00%	0.00%	0.00%	0.00%	95.00%	0.00%			
	\$ / Lb.	\$ -	\$ -	\$ -	\$ -	\$ 2.512	\$ -	\$ 2.512	\$ 0.151	\$ 2.663
<b>SnCu</b>	% / Lb.	0.00%	0.00%	0.00%	0.00%	98.00%	0.00%			
	\$ / Lb.	\$ -	\$ -	\$ -	\$ -	\$ 2.591	\$ -	\$ 2.591	\$ 0.155	\$ 2.747

Surcharge Policy Notes:

- \* Base Price / Lb. is an approximation of a commodity's price on metal exchanges in the Policy's base year, 2003. This is the price
- \*\* Current Price / Lb. is the material's trailing two-month's (i.e. November calculations use September's closing spot averages) on
- \*\*\* ACS factors 6% total scrap on raw material - 3% for wire processing and 3% for part fabrication.
- \*\*\*\* Total Surcharge / Lb. equals the Surcharge Sub Total plus the Scrap Factor and is the value applied to individual part weights.

Surcharge Policy Citations:

- 1) For the trailing two months' London Metal Exchange averages used for Nickel, Chrome, Iron and Moly, please visit:  
[http://www.aksteel.com/markets\\_products/stainless\\_surcharges.asp](http://www.aksteel.com/markets_products/stainless_surcharges.asp)  
<http://www.alleghenyludlum.com/ludlum/pages/SurchargeCalculator/SurchargeFront.asp?type=Stainless%20Steel>
- 2) For the trailing two months' New York Mercantile Exchange averages used for Copper, please visit:  
[http://www.nymex.com/cop\\_fut\\_histspot.aspx](http://www.nymex.com/cop_fut_histspot.aspx)
- 3) For the trailing two months' New York Mercantile Exchange averages used for Aluminum please visit:  
[http://www.nymex.com/alu\\_fut\\_histspot.aspx](http://www.nymex.com/alu_fut_histspot.aspx)