ACS Industries, Inc.
Raw Material Surcharge Policy
Monthly Surcharge Calculations
For Orders Shipped: Jan. 1-31, 2009

Alloy		Ni -Nickel	Cr - Chrome	Fe - Iron	Moly	Cu - Copper	Al - Aluminum	Surcharge Sub Total	6% Scrap Factor***	Energy Surcharge	Total Raw Material Surcharge / Lb.
Base Price/Lb.*		$ 2.000	$ 0.350	$ 0.064	$ 3.000	$ 0.750	$ 0.650				
Current Price/Lb.**		$ 4.854	$ 1.540	$ 0.066	$ 10.000	$ 1.685	$ 0.875				
Surcharge Applied		**$ 2.854**	**$ 1.190**	**$ 0.002**	**$ 7.000**	**$ 0.935**	**$ 0.225**				
304L	*% / Lb.*	*9.25%*	*19.00%*	*68.60%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.264	$ 0.226	$ 0.002	$ -	$ -	$ -	$ 0.492	$ 0.029	$ 0.039	$ 0.560
309 SS	*% / Lb.*	*13.50%*	*23.00%*	*60.20%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.385	$ 0.274	$ 0.001	$ -	$ -	$ -	$ 0.660	$ 0.040	$ 0.039	$ 0.739
310 SS	*% / Lb.*	*20.50%*	*25.00%*	*50.70%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.585	$ 0.298	$ 0.001	$ -	$ -	$ -	$ 0.884	$ 0.053	$ 0.039	$ 0.976
316 SS	*% / Lb.*	*12.00%*	*17.00%*	*65.40%*	*2.50%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.342	$ 0.202	$ 0.001	$ 0.175	$ -	$ -	$ 0.721	$ 0.043	$ 0.039	$ 0.804
321 SS	*% / Lb.*	*10.50%*	*18.00%*	*67.80%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.300	$ 0.214	$ 0.002	$ -	$ -	$ -	$ 0.515	$ 0.031	$ 0.039	$ 0.585
430 SS	*% / Lb.*	*0.00%*	*17.00%*	*80.80%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ -	$ 0.202	$ 0.002	$ -	$ -	$ -	$ 0.204	$ 0.012	$ 0.039	$ 0.255
A286	*% / Lb.*	*25.50%*	*14.75%*	*53.50%*	*1.38%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 0.728	$ 0.176	$ 0.001	$ 0.097	$ -	$ -	$ 1.001	$ 0.060	$ 0.039	$ 1.100
Al	*% / Lb.*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*100.00%*				
	$ / Lb.	$ -	$ -	$ -	$ -	$ -	$ 0.225	$ 0.225	$ 0.014	$ 0.039	$ 0.278
Carp 20	*% / Lb.*	*35.00%*	*20.00%*	*34.85%*	*2.50%*	*3.50%*	*0.00%*				
	$ / Lb.	$ 0.999	$ 0.238	$ 0.001	$ 0.175	$ 0.033	$ -	$ 1.445	$ 0.087	$ 0.039	$ 1.571
Cu	*% / Lb.*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*100.00%*	*0.00%*				
	$ / Lb.	$ -	$ -	$ -	$ -	$ 0.935	$ -	$ 0.935	$ 0.056	$ 0.039	$ 1.030
Inc 600	*% / Lb.*	*72.00%*	*15.50%*	*9.60%*	*0.00%*	*0.00%*	*0.00%*				
	$ / Lb.	$ 2.055	$ 0.184	$ 0.000	$ -	$ -	$ -	$ 2.240	$ 0.134	$ 0.039	$ 2.413
Inc 601	*% / Lb.*	*60.50%*	*23.00%*	*11.90%*	*0.00%*	*0.25%*	*0.00%*				
	$ / Lb.	$ 1.727	$ 0.274	$ 0.000	$ -	$ 0.002	$ -	$ 2.003	$ 0.120	$ 0.039	$ 2.162
Monel 400	*% / Lb.*	*66.00%*	*0.00%*	*2.50%*	*0.00%*	*31.00%*	*0.00%*				
	$ / Lb.	$ 1.884	$ -	$ 0.000	$ -	$ 0.290	$ -	$ 2.174	$ 0.130	$ 0.039	$ 2.343
Phos. Bronze	*% / Lb.*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*95.00%*	*0.00%*				
	$ / Lb.	$ -	$ -	$ -	$ -	$ 0.888	$ -	$ 0.888	$ 0.053	$ 0.039	$ 0.981
SnCu	*% / Lb.*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*98.00%*	*0.00%*				
	$ / Lb.	$ -	$ -	$ -	$ -	$ 0.916	$ -	$ 0.916	$ 0.055	$ 0.039	$ 1.010

Surcharge Policy Notes & Citations:

1. 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 ACS factors into product costing and quotations.
2. Current Price / Lb. is the material's trailing two-moth's (i.e. November calculations use September's closing spot averages) on metal exchanges. The Base Price / Lb. is subtracted from this number to calculate the surcharge component applied to individual alloys.
3. ACS factors 6% total scrap on raw material - 3% for wire processing and 3% for finished goods fabrication.
4. Energy surcharges are applied on a trailing two-months' basis. Sucharges are calculated based on actual utility costs.
5. Total Surcharge / Lb. equals the Surcharge Sub Total plus the Scrap Factor plus the Energy Surcharge. This value is applied to individual part weights
5. 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
6. For the trailing two months' New York Mercantile Exchange averages used for Copper, please visit: http://www.nymex.com/cop_fut_histspot.aspx
7. For the trailing two months' New York Mercantile Exchange averages used for Aluminum please visit: http://www.nymex.com/alu_fut_histspot.aspx