

ACS Industries, Inc.
 Raw Material Surcharge Policy
 Monthly Surcharge Calculations
 For Orders Shipped: Jan. 1-31, 2008



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.**	\$ 13.885	\$ 1.654	\$ 0.134	\$ 32.950	\$ 3.129	\$ 1.134			
Surcharge Applied	\$ 11.885	\$ 1.304	\$ 0.070	\$ 29.950	\$ 2.379	\$ 0.484			
304L	% / Lb. 9.25%	19.00%	68.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.099	\$ 0.248	\$ 0.048	\$ -	\$ -	\$ -	\$ 1.395	\$ 0.084	\$ 1.479
309 SS	% / Lb. 13.50%	23.00%	60.20%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.604	\$ 0.300	\$ 0.042	\$ -	\$ -	\$ -	\$ 1.947	\$ 0.117	\$ 2.064
310 SS	% / Lb. 20.50%	25.00%	50.70%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 2.436	\$ 0.326	\$ 0.036	\$ -	\$ -	\$ -	\$ 2.798	\$ 0.168	\$ 2.966
316 SS	% / Lb. 12.00%	17.00%	65.40%	2.50%	0.00%	0.00%			
	\$ / Lb. \$ 1.426	\$ 0.222	\$ 0.046	\$ 0.749	\$ -	\$ -	\$ 2.443	\$ 0.147	\$ 2.589
321 SS	% / Lb. 10.50%	18.00%	67.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.248	\$ 0.235	\$ 0.048	\$ -	\$ -	\$ -	\$ 1.530	\$ 0.092	\$ 1.622
430 SS	% / Lb. 0.00%	17.00%	80.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ -	\$ 0.222	\$ 0.057	\$ -	\$ -	\$ -	\$ 0.279	\$ 0.017	\$ 0.295
A286	% / Lb. 25.50%	14.75%	53.50%	1.38%	0.00%	0.00%			
	\$ / Lb. \$ 3.031	\$ 0.192	\$ 0.038	\$ 0.413	\$ -	\$ -	\$ 3.674	\$ 0.220	\$ 3.894
Al	% / Lb. 0.00%	0.00%	0.00%	0.00%	0.00%	100.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.484	\$ 0.484	\$ 0.029	\$ 0.513
C1008	% / Lb. 0.00%	99.41%	0.00%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ -	\$ 1.297	\$ -	\$ -	\$ -	\$ -	\$ 1.297	\$ 0.078	\$ 1.375
Carp 20	% / Lb. 35.00%	20.00%	34.85%	2.50%	3.50%	0.00%			
	\$ / Lb. \$ 4.160	\$ 0.261	\$ 0.025	\$ 0.749	\$ 0.083	\$ -	\$ 5.277	\$ 0.317	\$ 5.594
Cu	% / Lb. 0.00%	0.00%	0.00%	0.00%	100.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 2.379	\$ -	\$ 2.379	\$ 0.143	\$ 2.522
Inc 600	% / Lb. 72.00%	15.50%	9.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 8.557	\$ 0.202	\$ 0.007	\$ -	\$ -	\$ -	\$ 8.766	\$ 0.526	\$ 9.292
Inc 601	% / Lb. 60.50%	23.00%	11.90%	0.00%	0.25%	0.00%			
	\$ / Lb. \$ 7.190	\$ 0.300	\$ 0.008	\$ -	\$ 0.006	\$ -	\$ 7.505	\$ 0.450	\$ 7.955
Monel 400	% / Lb. 66.00%	0.00%	2.50%	0.00%	31.00%	0.00%			
	\$ / Lb. \$ 7.844	\$ -	\$ 0.002	\$ -	\$ 0.738	\$ -	\$ 8.583	\$ 0.515	\$ 9.098
Phos. Bronze	% / Lb. 0.00%	0.00%	0.00%	0.00%	95.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 2.260	\$ -	\$ 2.260	\$ 0.136	\$ 2.396
SnCu	% / Lb. 0.00%	0.00%	0.00%	0.00%	98.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 2.332	\$ -	\$ 2.332	\$ 0.140	\$ 2.472

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 ACS factors into product costing and quotations.
- ** Current Price / Lb. is the material's trailing two-month'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 parts.
- *** ACS factors 6% total scrap on raw material - 3% for wire processing and 3% for finished goods 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.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
- 3) For the trailing two months' New York Mercantile Exchange averages used for Aluminum please visit:
http://www.nymex.com/alu_fut_histspot.aspx