

ACS Industries, Inc.
 Raw Material Surcharge Policy
 Monthly Surcharge Calculations
 For Orders Shipped: June 1-30, 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.**	\$ 13.047	\$ 2.425	\$ 0.268	\$ 32.850	\$ 3.939	\$ 1.357			
Surcharge Applied	\$ 11.047	\$ 2.075	\$ 0.204	\$ 29.850	\$ 3.189	\$ 0.707			
304L	% / Lb. 9.25%	19.00%	68.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.022	\$ 0.394	\$ 0.140	\$ -	\$ -	\$ -	\$ 1.556	\$ 0.093	\$ 1.650
309 SS	% / Lb. 13.50%	23.00%	60.20%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.491	\$ 0.477	\$ 0.123	\$ -	\$ -	\$ -	\$ 2.091	\$ 0.125	\$ 2.217
310 SS	% / Lb. 20.50%	25.00%	50.70%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 2.265	\$ 0.519	\$ 0.104	\$ -	\$ -	\$ -	\$ 2.887	\$ 0.173	\$ 3.060
316 SS	% / Lb. 12.00%	17.00%	65.40%	2.50%	0.00%	0.00%			
	\$ / Lb. \$ 1.326	\$ 0.353	\$ 0.134	\$ 0.746	\$ -	\$ -	\$ 2.558	\$ 0.153	\$ 2.712
321 SS	% / Lb. 10.50%	18.00%	67.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.160	\$ 0.374	\$ 0.138	\$ -	\$ -	\$ -	\$ 1.672	\$ 0.100	\$ 1.772
430 SS	% / Lb. 0.00%	17.00%	80.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ -	\$ 0.353	\$ 0.165	\$ -	\$ -	\$ -	\$ 0.518	\$ 0.031	\$ 0.549
A286	% / Lb. 25.50%	14.75%	53.50%	1.38%	0.00%	0.00%			
	\$ / Lb. \$ 2.817	\$ 0.306	\$ 0.109	\$ 0.412	\$ -	\$ -	\$ 3.644	\$ 0.219	\$ 3.863
Al	% / Lb. 0.00%	0.00%	0.00%	0.00%	0.00%	100.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.707	\$ 0.707	\$ 0.042	\$ 0.750
Carp 20	% / Lb. 35.00%	20.00%	34.85%	2.50%	3.50%	0.00%			
	\$ / Lb. \$ 3.866	\$ 0.415	\$ 0.071	\$ 0.746	\$ 0.112	\$ -	\$ 5.210	\$ 0.313	\$ 5.523
Cu	% / Lb. 0.00%	0.00%	0.00%	0.00%	100.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 3.189	\$ -	\$ 3.189	\$ 0.191	\$ 3.381
Inc 600	% / Lb. 72.00%	15.50%	9.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 7.954	\$ 0.322	\$ 0.020	\$ -	\$ -	\$ -	\$ 8.295	\$ 0.498	\$ 8.793
Inc 601	% / Lb. 60.50%	23.00%	11.90%	0.00%	0.25%	0.00%			
	\$ / Lb. \$ 6.683	\$ 0.477	\$ 0.024	\$ -	\$ 0.008	\$ -	\$ 7.193	\$ 0.432	\$ 7.624
Monel 400	% / Lb. 66.00%	0.00%	2.50%	0.00%	31.00%	0.00%			
	\$ / Lb. \$ 7.291	\$ -	\$ 0.005	\$ -	\$ 0.989	\$ -	\$ 8.285	\$ 0.497	\$ 8.782
Phos. Bronze	% / Lb. 0.00%	0.00%	0.00%	0.00%	95.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 3.030	\$ -	\$ 3.030	\$ 0.182	\$ 3.212
SnCu	% / Lb. 0.00%	0.00%	0.00%	0.00%	98.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 3.126	\$ -	\$ 3.126	\$ 0.188	\$ 3.313

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.allegenyuludlum.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