

ACS Industries, Inc.  
 Raw Material Surcharge Policy  
 Monthly Surcharge Calculations  
 For Orders Shipped: Jul. 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.**	\$ 11.673	\$ 2.444	\$ 0.320	\$ 32.670	\$ 3.774	\$ 1.333			
Surcharge Applied	\$ 9.673	\$ 2.094	\$ 0.256	\$ 29.670	\$ 3.024	\$ 0.683			
<b>304L</b>	% / Lb. 9.25%	19.00%	68.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 0.895	\$ 0.398	\$ 0.176	\$ -	\$ -	\$ -	\$ 1.468	\$ 0.088	\$ 1.557
<b>309 SS</b>	% / Lb. 13.50%	23.00%	60.20%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.306	\$ 0.482	\$ 0.154	\$ -	\$ -	\$ -	\$ 1.942	\$ 0.117	\$ 2.058
<b>310 SS</b>	% / Lb. 20.50%	25.00%	50.70%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.983	\$ 0.523	\$ 0.130	\$ -	\$ -	\$ -	\$ 2.636	\$ 0.158	\$ 2.795
<b>316 SS</b>	% / Lb. 12.00%	17.00%	65.40%	2.50%	0.00%	0.00%			
	\$ / Lb. \$ 1.161	\$ 0.356	\$ 0.168	\$ 0.742	\$ -	\$ -	\$ 2.426	\$ 0.146	\$ 2.572
<b>321 SS</b>	% / Lb. 10.50%	18.00%	67.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 1.016	\$ 0.377	\$ 0.174	\$ -	\$ -	\$ -	\$ 1.566	\$ 0.094	\$ 1.660
<b>430 SS</b>	% / Lb. 0.00%	17.00%	80.80%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ -	\$ 0.356	\$ 0.207	\$ -	\$ -	\$ -	\$ 0.563	\$ 0.034	\$ 0.597
<b>A286</b>	% / Lb. 25.50%	14.75%	53.50%	1.38%	0.00%	0.00%			
	\$ / Lb. \$ 2.467	\$ 0.309	\$ 0.137	\$ 0.409	\$ -	\$ -	\$ 3.322	\$ 0.199	\$ 3.521
<b>Al</b>	% / Lb. 0.00%	0.00%	0.00%	0.00%	0.00%	100.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.683	\$ 0.683	\$ 0.041	\$ 0.724
<b>Carp 20</b>	% / Lb. 35.00%	20.00%	34.85%	2.50%	3.50%	0.00%			
	\$ / Lb. \$ 3.386	\$ 0.419	\$ 0.089	\$ 0.742	\$ 0.106	\$ -	\$ 4.741	\$ 0.284	\$ 5.026
<b>Cu</b>	% / Lb. 0.00%	0.00%	0.00%	0.00%	100.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 3.024	\$ -	\$ 3.024	\$ 0.181	\$ 3.206
<b>Inc 600</b>	% / Lb. 72.00%	15.50%	9.60%	0.00%	0.00%	0.00%			
	\$ / Lb. \$ 6.965	\$ 0.325	\$ 0.025	\$ -	\$ -	\$ -	\$ 7.314	\$ 0.439	\$ 7.753
<b>Inc 601</b>	% / Lb. 60.50%	23.00%	11.90%	0.00%	0.25%	0.00%			
	\$ / Lb. \$ 5.852	\$ 0.482	\$ 0.031	\$ -	\$ 0.008	\$ -	\$ 6.372	\$ 0.382	\$ 6.754
<b>Monel 400</b>	% / Lb. 66.00%	0.00%	2.50%	0.00%	31.00%	0.00%			
	\$ / Lb. \$ 6.384	\$ -	\$ 0.006	\$ -	\$ 0.938	\$ -	\$ 7.328	\$ 0.440	\$ 7.768
<b>Phos. Bronze</b>	% / Lb. 0.00%	0.00%	0.00%	0.00%	95.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 2.873	\$ -	\$ 2.873	\$ 0.172	\$ 3.045
<b>SnCu</b>	% / Lb. 0.00%	0.00%	0.00%	0.00%	98.00%	0.00%			
	\$ / Lb. \$ -	\$ -	\$ -	\$ -	\$ 2.964	\$ -	\$ 2.964	\$ 0.178	\$ 3.142

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 part weights.

\*\*\* 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.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)