

ACS Industries, Inc.  
**Raw Material Surcharge Policy**  
**Monthly Surcharge Calculations**  
For Orders Shipped: Nov. 1 - 30



| Alloy               | Ni -Nickel        | Cr -Chrome | Fe - Iron | Moly     | Ti - Titanium | 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 | \$ 8.500      | \$ 0.750    | \$ 0.650      |                     |                 |                  |                                    |
| Current Price/Lb.   | \$ 6.256          | \$ 1.004   | \$ 0.189  | \$ 9.353 | \$ 9.475      | \$ 3.273    | \$ 0.799      |                     |                 |                  |                                    |
| Surcharge Applied   | \$ 4.256          | \$ 0.654   | \$ 0.126  | \$ 6.353 | \$ 0.975      | \$ 2.523    | \$ 0.149      |                     |                 |                  |                                    |
| <b>304L</b>         | % / Lb. 9.25%     | 19.00%     | 68.60%    | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.394 | \$ 0.124   | \$ 0.086  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 0.604            | \$ 0.036        | \$ 0.039         | \$ 0.679                           |
| <b>309 SS</b>       | % / Lb. 13.50%    | 23.00%     | 60.20%    | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.575 | \$ 0.150   | \$ 0.076  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 0.801            | \$ 0.048        | \$ 0.039         | \$ 0.888                           |
| <b>310 SS</b>       | % / Lb. 20.50%    | 25.00%     | 50.70%    | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.873 | \$ 0.163   | \$ 0.064  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 1.100            | \$ 0.066        | \$ 0.039         | \$ 1.205                           |
| <b>316 SS</b>       | % / Lb. 12.00%    | 17.00%     | 65.40%    | 2.50%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.511 | \$ 0.111   | \$ 0.082  | \$ 0.159 | \$ -          | \$ -        | \$ -          | \$ 0.863            | \$ 0.052        | \$ 0.039         | \$ 0.954                           |
| <b>316 Ti</b>       | % / Lb. 12.00%    | 17.00%     | 65.40%    | 2.50%    | 0.70%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.511 | \$ 0.111   | \$ 0.082  | \$ 0.159 | \$ 0.007      | \$ -        | \$ -          | \$ 0.870            | \$ 0.052        | \$ 0.039         | \$ 0.961                           |
| <b>321 SS</b>       | % / Lb. 10.50%    | 18.00%     | 67.80%    | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 0.447 | \$ 0.118   | \$ 0.085  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 0.650            | \$ 0.039        | \$ 0.039         | \$ 0.728                           |
| <b>430 SS</b>       | % / Lb. 0.00%     | 17.00%     | 80.80%    | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ -     | \$ 0.111   | \$ 0.102  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 0.213            | \$ 0.013        | \$ 0.039         | \$ 0.264                           |
| <b>A286</b>         | % / Lb. 25.50%    | 14.75%     | 53.50%    | 1.38%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 1.085 | \$ 0.096   | \$ 0.067  | \$ 0.088 | \$ -          | \$ -        | \$ -          | \$ 1.337            | \$ 0.080        | \$ 0.039         | \$ 1.456                           |
| <b>Al</b>           | % / Lb. 0.00%     | 0.00%      | 0.00%     | 0.00%    | 0.00%         | 0.00%       | 100.00%       |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ -     | \$ -       | \$ -      | \$ -     | \$ -          | \$ -        | \$ 0.149      | \$ 0.149            | \$ 0.009        | \$ 0.039         | \$ 0.196                           |
| <b>Carp 20</b>      | % / Lb. 35.00%    | 20.00%     | 34.85%    | 2.50%    | 0.00%         | 3.50%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 1.490 | \$ 0.131   | \$ 0.044  | \$ 0.159 | \$ -          | \$ 0.088    | \$ -          | \$ 1.911            | \$ 0.115        | \$ 0.039         | \$ 2.065                           |
| <b>Cu</b>           | % / Lb. 0.00%     | 0.00%      | 0.00%     | 0.00%    | 0.00%         | 100.00%     | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ -     | \$ -       | \$ -      | \$ -     | \$ -          | \$ 2.523    | \$ -          | \$ 2.523            | \$ 0.151        | \$ 0.039         | \$ 2.714                           |
| <b>Inc 600</b>      | % / Lb. 72.00%    | 15.50%     | 9.60%     | 0.00%    | 0.00%         | 0.00%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 3.064 | \$ 0.101   | \$ 0.012  | \$ -     | \$ -          | \$ -        | \$ -          | \$ 3.178            | \$ 0.191        | \$ 0.039         | \$ 3.408                           |
| <b>Inc 601</b>      | % / Lb. 60.50%    | 23.00%     | 11.90%    | 0.00%    | 0.00%         | 0.25%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 2.575 | \$ 0.150   | \$ 0.015  | \$ -     | \$ -          | \$ 0.006    | \$ -          | \$ 2.747            | \$ 0.165        | \$ 0.039         | \$ 2.950                           |
| <b>Monel 400</b>    | % / Lb. 66.00%    | 0.00%      | 2.50%     | 0.00%    | 0.00%         | 31.00%      | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 2.809 | \$ -       | \$ 0.003  | \$ -     | \$ -          | \$ 0.782    | \$ -          | \$ 3.594            | \$ 0.216        | \$ 0.039         | \$ 3.849                           |
| <b>Ni200</b>        | % / Lb. 99.50%    | 0.00%      | 0.25%     | 0.00%    | 0.00%         | 0.05%       | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ 4.235 | \$ -       | \$ 0.000  | \$ -     | \$ -          | \$ 0.001    | \$ -          | \$ 4.236            | \$ 0.254        | \$ 0.039         | \$ 4.530                           |
| <b>Phos. Bronze</b> | % / Lb. 0.00%     | 0.00%      | 0.00%     | 0.00%    | 0.00%         | 95.00%      | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ -     | \$ -       | \$ -      | \$ -     | \$ -          | \$ 2.397    | \$ -          | \$ 2.397            | \$ 0.144        | \$ 0.039         | \$ 2.580                           |
| <b>SnCu</b>         | % / Lb. 0.00%     | 0.00%      | 0.00%     | 0.00%    | 0.00%         | 98.00%      | 0.00%         |                     |                 |                  |                                    |
|                     | \$ / Lb. \$ -     | \$ -       | \$ -      | \$ -     | \$ -          | \$ 2.473    | \$ -          | \$ 2.473            | \$ 0.148        | \$ 0.039         | \$ 2.660                           |

**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-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 indiv
3. ACS factors 6% total scrap on raw material - 3% for wire processing and 3% for finished goods fabrication.
4. Total Surcharge / Lb. equals the Surcharge Sub Total plus the Scrap Factor and is the value 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](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](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](http://www.nymex.com/alu_fut_histspot.aspx)