

RFPC 2012 SURCHARGE CALCULATION EXPLANATION

Part Number:	V474
Steel Weight:	1.97
Composite based materials weight:	3.4125

Steel	216.7
Chemical	330.0
Rubber	288.8

Steel Component			
Index:	Producer Price Index-WPU1017 Steel mill products		
Base:	175.7 index	INDEX VALUE FROM BASE MONTH JAN '10	
Current:	216.7 index	INDEX VALUE AVERAGE OF JUN/JUL/AUG '11	
Factor:	0.165 \$	PROPRIETARY (SEE NOTE)	
Example:	\$ 0.21 surcharge	CALCULATION - (CURRENT INDEX VALUE - BASE INDEX VALUE/BASE INDEX VALUE)*FACTOR*(STEEL WEIGHT + MATERIAL WEIGHT)	

Other Chemical Component			
Index:	Producer Price Index-WPU061 Industrial chemicals		
Base:	261.7 index	INDEX VALUE FROM BASE MONTH JAN '10	
Current:	330.0 index	INDEX VALUE AVERAGE OF JUN/JUL/AUG '11	
Factor:	0.101 \$	PROPRIETARY (SEE NOTE)	
Example:	\$ 0.14 surcharge	CALCULATION - (CURRENT INDEX VALUE - BASE INDEX VALUE/BASE INDEX VALUE)*FACTOR*(STEEL WEIGHT + MATERIAL WEIGHT)	

Rubber Component			
Index:	Producer Price Index-WPU0711 Synthetic rubber		
Base:	200.3 index	INDEX VALUE FROM BASE MONTH JAN '10	
Current:	288.8 index	INDEX VALUE AVERAGE OF JUN/JUL/AUG '11	
Factor:	0.208 \$	PROPRIETARY (SEE NOTE)	
Example:	\$ 0.49 surcharge	CALCULATION - (CURRENT INDEX VALUE - BASE INDEX VALUE/BASE INDEX VALUE)*FACTOR*(STEEL WEIGHT + MATERIAL WEIGHT)	

Total Surcharge V474		\$ 0.84	ADDITION OF EACH COMPONENT TOTAL - \$0.21 + \$0.14 + \$0.49 = \$0.84
-----------------------------	--	----------------	---

Data from www.bls.gov			
Date	Producer Price Index WPU1017 Steel mill products	Producer Price Index WPU061 Industrial chemicals	Producer Price Index WPU0711 Synthetic rubber
BASE Jan-10	175.7	261.7	200.3
10-Feb	181.1	269.4	202
10-Mar	187.4	273.1	204
10-Apr	195.3	275.1	208.7
10-May	202.6	271.9	214
10-Jun	204.8	264.1	219.6
10-Jul	197	257.8	221.4
10-Aug	190.9	260.7	220.7
10-Sep	191.1	264	220.8
10-Oct	191.7	268.6	220.3
10-Nov	190.5	278.2	219.7
10-Dec	192.2	285.5	220.7
11-Jan	198.2	297.4	224.8
11-Feb	209.8	311.5	233.7
11-Mar	215.9	317.5	241.9
11-Apr	220.7	322.7	256.6
11-May	223.1	336	263.1
11-Jun	219.2	342.6	270.8
11-Jul	220.3	338	292.3
11-Aug	218.2	336.5	301.6
11-Sep	216.9	338.7	299.8
11-Oct	217.8	331	296
11-Nov	215.3	320.2	270.6

NOTE: THE **FACTOR** IS A RELATIONAL CALCULATION SPECIFIC TO EACH PART NUMBER AND THE COMPONENT QUANTITIES USED IN THAT PART NUMBER. THE ACTUAL CALCULATION CONTAIN PROPRIETARY DATA, SPECIFIC TO MATERIAL FORMULATIONS. A REVIEW BY PART NUMBER OF THE SPECIFIC FACTOR FOR EACH COMPONENT IS AVAILABLE UPON REQUEST, FOR THOSE PART NUMBERS PURCHASED.