



® RAILROAD FRICTION
PRODUCTS CORPORATION
P.O. BOX 1349
LAURINBURG, NORTH CAROLINA 28353
WWW.RFPC.COM

Registered Firm:
ISO 9001-2008
AAR M-1003

August 1, 2010

Subject: Brake Shoe Surcharge

Railroad Friction Products Corporation's prices are comprised of a base price and a surcharge established from steel and oil indexes.

The surcharge amount will increase/decrease based on the NYMEX sweet crude oil barrel price—WTI, Cushing, OK and the American Metal Market (AMM) Steel Base Prices-Sheets-Hot Rolled price per pound. Surcharges are calculated using the base prices for steel, hot rolled sheet, at a level of \$0.265 per pound and a sweet crude oil level of \$90 per barrel.

For example:

August 2010 surcharge:

V472, 1.5' Freight High Friction Brake Shoe	\$0.11
V474, 2.0' Freight High Friction Brake Shoe	\$0.11
V624, 2.0' DayOne™TreadGuard® Freight Brake Shoe	\$0.18

Railroad Friction Products Corporation will use values obtained on the first of the month to establish a surcharge that will become effective the first of the following month. For example, values obtained July 1, 2010 were used to calculate the surcharge that will be effective August 1, 2010. The surcharges will be adjusted monthly and published in the announcements section of our website, www.rfpc.com, during the first week of each month.

Please feel free to contact us if you have any questions or require additional information on this recent change.

We greatly appreciate the opportunity to serve your braking requirements,

Railroad Friction Products Corporation
910.844.9700
www.rfpc.com
cobrabrakeshoes@rfpc.com