



To: All Valued Steel King Customers

From: Jay Anderson, President

Date: September 17, 2008

Re: September Steel Surcharge Announcement

The most recent structural steel costs and surcharges have been announced. The Raw Material Surcharge (RMS) has DECREASED by \$171 per ton. However, the Base price increased by \$121 per ton. The net effect is that transaction pricing will be decrease by \$50 per ton or \$0.025 per pound. Therefore, Steel King's **structural product surcharges will decrease by \$0.025.**

Costs of coil steel also decreased by \$0.02/lb. Therefore, the **surcharge on SK2000 pallet rack will decrease.**

The multi-tier steel cost surcharge pass-through will be:

For orders shipping September 15 – October 19, 2008:

- | | |
|--|---------------------|
| a. SK3000 structural pallet rack, excluding step beams;
I-Beam cantilever and Guard Dawg: | \$0.3315/# net cost |
| b. SK2000 roll-formed pallet rack & step beams | \$0.3554/# net cost |
| c. SK3400 pallet flow rails & brakes (only) | n/a |
| d. All Sheet Metal or Tube based Products | \$0.4617/# net cost |

For orders shipping October 20 – November 16, 2008:

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|--|---------------------------------|
| e. SK3000 structural pallet rack, excluding step beams;
I-Beam cantilever and Guard Dawg: | \$0.3065/# net cost (decreased) |
| f. SK2000 roll-formed pallet rack & step beams | \$0.3354/# net cost (decreased) |
| g. SK3400 pallet flow rails & brakes (only) | n/a |
| h. All Sheet Metal or Tube based Products | \$0.4317/# net cost (decreased) |

We continue to post the latest news and actual surcharge announcements from our suppliers on our website at <http://www.steelking.com/steel/index.cfm>. Please review this page for the latest announcements from our steel vendors.