

January 5, 2011

To: Versico Independent Sales Representatives and Distributors

Re: Price Increase Announcement

Due to rising raw material and transportation costs and some raw material shortages, a 5% price increase will be implemented on all polyisocyanurate products and TPO membranes and accessories, excluding sealants and adhesives, effective March 1, 2011. Existing quotes will be honored however extensions will not be possible. As a reminder, a 6% increase in EPDM pricing will go into effect on February 1.

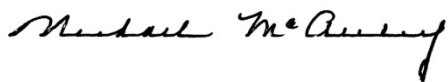
There currently exists a general shortage of certain raw materials, most notably EPDM polymer and propylene, two of the key components in EPDM and TPO sheeting respectively. News reports suggest that the price of oil is likely to continue to rise. We anticipate that additional increases are likely. To date, adhesives, sealants and PVC have been exempt from these increases but that is unlikely to continue. We will provide as much notice of future increase as possible but please plan accordingly.

The national average diesel fuel rate is \$3.33/ gallon. Our current fuel surcharges are \$25 for shipments less than or equal to 100 miles and \$150 for shipments greater than 100 miles. Should the national average diesel fuel rate increase to \$3.47, both surcharges will increase by \$25. The national diesel fuel rate is reported at <http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>.

Please direct questions to your Regional Sales Manager.

We appreciate your business and look forward to working with you in 2011.

Sincerely,



Michael J. McAuley  
General Manager