



The Chemical Company

April 1, 2011

Dear Building Systems Customer:

As you are aware, the construction products industry has been severely impacted by the rising cost of raw materials and transportation. Due to aggressive negotiating and the strength and market presence of BASF, we have been able to absorb these costs and maintain prices on a majority of our materials. Despite every effort, the magnitude of these increases can no longer be fully absorbed and as a result we will be increasing prices by 5% for all adhesives, primers and epoxy effective May 1, 2011. Powder products such as underlayments, patching, feathering and tile setting mortars will not be subject to a price increase.

You will receive your new price file by email reflecting this increase within the next two weeks. The price increase does not apply to specific job quotes that have already been issued.

Please note the following guidelines for incoming orders between now and the effective date of the price increase:

- Orders placed and shipped prior to May 1, 2011 will be invoiced at your current pricing.
- Orders placed prior to May 1, 2011 and shipped after May 1, 2011 will be invoiced with the new pricing.
- Orders will be processed on a "first come, first served" basis and will be shipped according to our terms and conditions with our best efforts to ship complete. However, we cannot ensure that all product ordered prior to May 1 will be shipped before May 1. It is strongly advised that you place orders well in advance to improve the likelihood of shipment prior to May 1.

These are very challenging times for our industry and we will continue to work closely with our vendors to help mitigate future price increases. We truly appreciate your understanding as we take the steps necessary to continue to offer the highest quality products, technology and services in the industry.

Thank you for your continued trust in our company and we look forward to continuing to strengthen our partnership over the coming years.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Hostler".

Joe Hostler
National Sales Manager, Flooring Surfaces
BASF Corporation
Building Systems

A handwritten signature in black ink, appearing to read "Brian Saker".

Brian Saker
Marketing Manager, Flooring Surfaces
BASF Corporation
Building Systems

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