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September 15, 2008

To our valued Distributor Partners and Customers:

RE: PRICE INCREASE ANNOUNCEMENT

N. American manufacturers – in virtually every industry sector – have seen their raw material costs rise dramatically during 2008. As evidenced of late, the waterworks industry has not been spared of these seemingly never-ending raw material cost increases. While EBAA IRON has been working diligently during 2008 to control these costs increases, invariably though, reality hits home for all of us. Ultimately, our only alternative is to pass along these costs in the form of a price increase.

Effective October 6, 2008 an across-the-board LIST price increase of approximately 8 – 10% will be applied to all standard EBAA product items. A completely “new” price booklet will be posted and available on the EBAA website. Please go to www.ebaa.com in the coming weeks to download, print and to begin utilizing these “new” LIST prices. [NOTE: Your local EBAA Sales Agent can also assist you in obtaining a printed hard copy.]

As with previously announced price increases, any orders placed on or after October 6, 2008 will be priced according to these “new” LIST Price sheets. Only previously agreed to bid contracts with a formal expiration date will be price protected. Once these documented contracts expire, any future orders will be priced according to the current LIST price sheets at that time.

Price increases seem to becoming unavoidable. However, EBAA IRON remains committed to investing in its own “tools” and the continuous process improvements we are making in our U.S.-based manufacturing facilities in order to control the impact of any future price increases. We believe these efforts assure us greater capabilities to maintain fair and competitive pricing along with continually providing the consistent quality expectations demanded of our products. We firmly believe this strategy provides a significant positive value proposition – not only for our supportive EBAA Distributors but for our end user customers as well.

Thank you for your continued business support of **domestic** manufacturing and for being a valued EBAA Distributor and customer.

Sincerely,

James L. Keffer
President