

May 6, 2009

To our Valued Industrial Customers,

As most of you are aware, due to the weakened global economy, demand for steel has been in decline. This trend has resulted in a marked decrease in the cost of steel. Through 2008 these decreases were largely offset by the drop in the value of the Canadian dollar. As we entered into the second quarter of 2009, the declines in steel pricing have now outpaced the currency change, resulting in an opportunity for a market price adjustment.

Effective immediately prices on all new orders and quotations will be reduced by approximately 6 to 8.5 %. However, a limited size range of lag screws (1/4" to 3/8" diameter and up to and including 4"), having been impacted by the revised anti-dumping duties are subject to a price increase to reflect the new duty rates.

In an effort to be more environmentally conscious we will not be mailing the new pricing but encourage you to view or download the information online at [www.hpaulin.com](http://www.hpaulin.com).

As an organization, H. Paulin & Co. Limited has and will continue to make every effort to support and service the fastener needs of our loyal customers and distribution partners. We continue to introduce new products, expand upon existing lines and provide opportunities for further reductions in our customers' cost of acquisition through order consolidation. Continued investment in and expansion of our Distribution Centres from coast to coast are designed to make you think of Paulin as 'First in Fasteners'.

Sincerely,



Brad Campbell  
National Industrial Sales Manager  
H. Paulin & Co. Limited