



November 1, 2010

Subject: SCUBA Cylinders Price Increase

Dear Valued Customer,

Aluminum prices have risen significantly in the past year and maintained their current level for the last few months. We have been hoping the price of aluminum would drop, but it has not. The price of aluminum directly affects our cost of manufacturing aluminum cylinders. As a result, we are forced to enact a **price increase effective on all shipments beginning December 1st, 2010.**

New pricing schedules reflecting the partial recovery of recent raw material increases will be provided to you shortly.

Please be assured Catalina Cylinders is doing all that is possible to improve efficiencies in order to keep our prices competitive. Should material prices subside in the future, Catalina will react quickly to reduce its prices.

We appreciate your business and remain hopeful of your continued support.

Sincerely,

E. A. Dekker, Jr. "Ward"

Sales and Marketing Manager
Catalina Cylinders - West