



September 15, 2008

Fabricare Choice Distributors Group, Inc.  
1201 West 37<sup>th</sup> Street  
Chicago, IL 60609

Dear Alicia,

Ever since Unichem first opened its doors for business in 1969, never have the challenges been greater. I think that anyone who has any sort of a budget either business or personal can identify with the problems facing us today.

Since our last price adjustment that we made effective June 1<sup>st</sup>, Dow Chemical Company has raised their prices on chemicals by 20% in June and then followed with additional increase of 25% in July. Since our June increase Chlorine has gone up an additional 70% as well as Caustic Soda 75%. Our suppliers are telling us that they expect these two items to increase further this year. Anyone in business knows that to survive, a certain profit margin must be met, and ours has simply eroded to nothing. We are not alone in this predicament as our competitors also are facing the same scenario.

UNX 1<sup>st</sup> increase effective February 26<sup>th</sup>, 2008  
Gurtler 1<sup>st</sup> increase effective February 1<sup>st</sup>, 2008  
Unichem 1<sup>st</sup> increase effective June 1<sup>st</sup>, 2008

UNX 2<sup>nd</sup> increase Effective August 26<sup>th</sup>, 2008  
Gurtler 2<sup>nd</sup> increase Effective September 1<sup>st</sup>, 2008  
Unichem 2<sup>nd</sup> increase Effective October 1<sup>st</sup>, 2008

Yes, the last line you read indicates another price increase from us but also please notice we are not the first. Unichem understands the pressures that you face with these price increases, and we have tried our best to delay them as long as possible. Unfortunately due to the size of the increases to us, we have no other choice if we want to continue to deliver the quality products and service that you, our customer deserves..

Thank you for your understanding and continued patronage.



Nowell N. Korey