

 **Epsilon Plastics, Inc.**  
*of Sigma Plastics Group*

January 13, 2009

Dear Valued Customer:

We are living in extraordinary, volatile and unusual times. In the first half of 2008, we saw a continuation of the resin increases that we experienced for all of 2007. In the fourth quarter of 2008 we saw unprecedented decreases in resin prices caused by falling feedstock costs and the global economic meltdown. This unprecedented fall in resin pricing has caused one resin manufacturer to permanently shut down, another to file for Chapter 11 bankruptcy protection, and others to at least temporarily shutter capacity.

All of our polyethylene resin suppliers are now implementing their previously announced price increase effective January 1, 2009. In addition, the resin suppliers have announced another increase of \$.05/lb effective February 1, 2009. These increases are being enforced by the resin companies to restore margins that deteriorated to unacceptable levels which are evidenced by the closure, bankruptcy, and capacity shutdowns previously mentioned.

**Based on the January 1, 2009 resin increase, Epsilon Plastics will increase prices 10% on all orders received on or after February 2, 2009. Orders placed at current pricing must be for immediate shipment and within historical purchasing patterns.**

Pricing for orders accepted is based upon available resin supply and Epsilon Plastics reserves the right to accept or decline orders for any reason.

Epsilon Plastics will continue to do everything possible to support our loyal customers. Please feel free to contact your sales representative with any questions or concerns. Thank you for your continued support in these difficult economic times.

Sincerely,



Robert M. Levine  
Vice President Sales