



Industrial & Commercial Lighting

Sales Operations

July 7, 2011

Dear Valued Trade Partner,

The global Rare Earth situation caused by the Lighting Industry's reliance on Chinese raw materials has placed the SYLVANIA Industrial Commercial Channel into an unprecedented position of having to review and reconsider our previously communicated firm priced quotes.

We have instructed our Field Sales Professionals to discuss these SPAs with each of you with regards to our intention of moving these quotes to a Price In Effect status.

It is our intention to:

- Remain competitive with the market
- Restate our Firm quotes to a Price In Effect status
- Make alterations to affected products
 - NO OTHER PRODUCT TYPES WILL BE IMPACTED.
- Provide communication materials that can be presented to our mutual customers explaining this Industry crisis
- Have our Field Sales Professional available for you to help explain this situation and work with you to get this message out
- Once this situation has stabilized, we will resume our historical practice of providing firm price levels

We appreciate your understanding and cooperation during these challenging times.

Best regards,

Sales Operations