

THE MOST ADVANCED NAME IN DRAINAGE SYSTEMS



November 11, 2010

Dear valued customer;

The conditions in the Ethylene market have taken a very negative turn due to outages in the supply chain. Approximately 15% of the Ethylene cracking capacity is down due to planned and unplanned shut-downs.

Due to the supply restrictions with Ethylene, the HDPE resin producers have implemented the November 1st increase, and they have informed us that they will implement the December 1st increase as well. This will mark the 3rd increase implemented in the last 4 months. Accordingly, we once again need to increase the price of our pipe and fittings.

Effective December 1, ADS will raise the prices on pipe and fittings by approximately 6%.

Effective immediately, we will be increasing our quotes on pipe and fittings by 6%. Quotes and orders in house prior to November 9, 2010 will be honored according to the terms stated on our quotes and purchase orders. As always, annual contracts are exempt from this announcement, and will be dealt with according to the terms of the contracts.

We will keep you informed as the supply chain situation develops, and as always, will work closely with you to ensure a smooth transition as prices are changing.

Sincerely,

A handwritten signature in cursive script that reads 'Robert M. Klein'.

Bob Klein