

GRUNDFOS SALES & MARKETING BULLETIN

Bulletin Number: AZ-10-12-01

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Date: December 1, 2010

Title: 2011 Grundfos Pricing Notification - Effective February 1, 2011

To: Grundfos Partners

Grundfos understands the challenges of the business climate, and we've diligently reviewed our product portfolio and focused on cost control to minimize price increases. In 2010, Grundfos passed on minimum price increases on a small portion of our product portfolio. Effective February 1, 2011 we will be increasing our prices per the following schedule:

Product Group	% Increase
SP4	0%
SP6	4%
Sub-Factory	4%
SQ/SQE	3%
SQ FLEX	3%
MS402 & MS4000	0%
MS6	4%
MMS	4%
MQ	0%
BMQE	3%
CUE	3%
CU321	3%
BoosterpaQ	Average of 5%
HS	Average of 12%
LM / LP / TP	Average of 9.5%
MAGNA	5%
E-Pumps (LPE/TPE)	5%

Product Group	% Increase
Small UP / Med UP	5%
Large UP	5%
UP Sanitary	6%
ALPHA	5%
UPS 15-58 and 15-42	3%
KP / AP	4%
CR / CRI / CRN - All Sizes	Average of 8.5%
Motors	Average of 15%
CR Stacks, Service Kits, Parts	3%
All Parts & Service Kits	3%
CM	3%
E-Pumps (CRE, CHIE, etc)	2%
Machine Tool (MTS, CRK)	Average of 7.5%
Booster Modules (BM, BME)	4%
Hilge	Average of 12%
Small Dosing	5%
Large Dosing	3%

- Grundfos CBS will be announcing a pump price increase prior to year end with a Feb. 1st 2011 effective date.

Beginning on December 19, 2010, The Energy Independence and Security Act went into effect, impacting General Purpose NEMA and IEC motors. The act is an energy policy that consists mainly of provisions designed to increase energy efficiency and the availability of renewable energy. General purpose NEMA and IEC motors that today are required to meet EPA Act will now by law need to meet the NEMA Premium® efficiency levels. This has resulted in significant cost increases to Grundfos which is reflected in some of the pricing above.

We will provide EISA compliant motors as of February 1, 2011 and our new Bills of Material will reflect this. Between December 19, 2010 and February 1, 2011, we will exhaust our current inventory of motors. Once this inventory is used, we will substitute standard motors to the higher efficiency motors. If higher efficiency motors are substituted before February 1, there will not be a price change over current pricing.

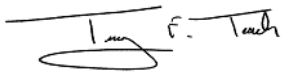
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2011 Price Book On-line Order Process:

- A direct email was distributed to all Partners on November, 22nd 2010
- The email has a personalized web link ink to place your 2011 price book order
- If you did not receive an email, please contact your local DSM for assistance.
- Deadline to order printed books is December 10th 2010.

Grundfos will continue to focus on ensuring that our products are the value leaders in the marketplace. As we collectively enter into 2011, be assured that Grundfos will execute on business and innovative product strategies that provide both our organizations with a desired competitive position in our respective markets.

Thank you for your continuous support. We look forward to working with you in the forthcoming year.



Terry Teach
Vice President
Building Services



Kerry Baskins
Vice President
Industrial/Municipal



Dave Stuart
Business Unit Director
Groundwater/Irrigation