



December 5, 2011

To Our Valued Customer,

Resin suppliers to the stretch film industry are implementing the previously announced December 1 increase. They are also strongly indicating there could be additional increases first quarter 2012; one has already been announced for January 1. Rising feedstock costs are given as the primary reason for the increases.

As a result, Paragon Films, Inc. will implement a price increase of 7% on all orders placed on or after December 26, 2011. Due to limited resin supply, and in an effort to prevent extended lead times, Paragon will limit orders to less than normal monthly purchases. All orders must call for immediate delivery and must ship by January 20, 2012. Paragon reserves the right to accept or decline orders for any reason.

Paragon will keep you advised of future increases as information becomes available.

Please contact your local sales rep or customer service rep with any questions or needs. We appreciate your business and will do all we can to assist you in managing your stretch film business during this time of volatility in the market.

Thank you for your continued support,

Sincerely,

Gregg Smith
Vice President, Sales and Marketing