



February 2, 2009

To Our Valued Partners,

MHSC found 2008 to be an exciting and challenging year. With the implementation of expanded programs and marketing initiatives, new product introductions, and the recent acquisition of the Majestic and Vermont Castings brands, there's not been a dull moment for us. No trade group has remained unaffected by the change in the global economy and the hearth industry is no exception. Over the past few months our vendors have increased prices on core components used in the manufacturing process, some by as much as 30%. Affected items include but are not limited to glass, gas valves, refractory and fiber materials and specialty steel. Additional increases have already been announced for later in the year. By streamlining processes and improving efficiencies, we have worked hard to mitigate the impact of these cost increases on our customers. As a result, the price increases for 2009 have been held to very modest levels and on several models there is no increase.

Effective March 2, 2009, MHSC will implement a 3% price increase on all products in the Monessen, Majestic and Ambient lines except for the following items which are excluded from this price increase:

- CDVR/T Direct Vent Series
- 36CDVXR/T Direct Vent
- BDV/DVB Direct Vent Series (millivolt versions)
- MDV500/600; DVM500/600 (millivolt versions)
- Designer Series Direct Vent
- BWB Wood Burning Series
- SR/SC36/42 Wood Burning Series
- BBV400/400BBV B-Vent Fireplace
- EYF Vent Free Gas Logs
- GCUF/VFR Vent Free Fireboxes
- MCUF36/42 Vent Free Fireboxes
- BUF400/500; 400/500BUF Fireboxes

Also effective March 2, 2009 all Vermont Castings (except grills) and Lexington Forge products will see a 2% increase in retail prices. There will be no change to the currently published prices for Vermont Castings Signature Series grills.

New price lists will be available electronically in February, with hard copies distributed in March. This year as in past years, our primary goal is to support you, our business partners in creating success for your businesses. We commit to accomplishing this by providing aggressive programs, promotions, innovative new products, improved delivery times and the best service in the industry. As always we sincerely appreciate your support and look forward to partnering with you in 2009.

All the best,
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Monessen

MAJESTIC



Ambient TECHNOLOGIES