
INTER-OFFICE CORRESPONDENCE



Our Customers Power the Future

Date: September 1st, 2009

Memo To: All Lapp Customers

From: Matt Bailey, Vice President

Subject: Sale of Distribution Insulator business to Gamma Insulators

Effective today, Lapp Insulators has sold its interest in the porcelain distribution insulator product category to Gamma Insulators. Gamma is Lapp's long time manufacturing partner, and we will work closely with them to transition the business with a particular focus on prompt customer service and continued high levels of quality.

The products affected by this transition include pin, spool, guy strain and dead end insulators, as well as vertical line posts up to 45 kV. The terms of the contract include transferring from Lapp to Gamma the product designs and part numbers associated with each insulator. In addition, the insulators will be co-branded LAPP GAMMA, as Lapp will continue to perform testing on representative samples from each manufacturing lot.

All open orders for these products will be fulfilled by Lapp Insulators. In the future, new requests for quotation and purchase orders for the distribution products should be sent to:

Gamma Insulators
2121 Ponce de Leon Blvd, Suite 1050
Coral Gables, FL 33134

Fax: (585) 486-1678.

Contacts:

Chris Seguin, Sales & Marketing Manager, cseguin@gammainsulators.com, (815) 353 – 8607
Sara Marin, Sales & Marketing Engineer, sara.marin@gammainsulators.com, (585) 302 - 0878

If you have any questions, please contact your local Lapp agent or call us directly at (585) 768 – 6221.

Thank you for your attention to this matter, and we look forward to serving you in the future.