

Ned Camuti
President
US Electrical Division
(901) 252-5377
Fax (901) 252-1399

Thomas & Betts Corporation
8155 T&B Boulevard
Memphis, TN 38125

Thomas & Betts

August 6, 2009

To Our Valued Distributor Partners:

Thomas & Betts has long been a leader in using and developing technology to help you, our valued partners in distribution, grow profitably. Over the past two decades, we have introduced cutting-edge tools such as T&B Access to lower transaction costs, efficiently manage back-office functions, enhance marketing, and improve profitability.

Today, we are pleased to continue these efforts with the introduction of a restructured pricing system which:

- **Simplifies** our pricing structure, and;
- Improves our **mutual profitability**.

We have restructured all US Electrical Division Product Lines to apply a logical alignment of items within products groups. By expanding the use of product groups we have reduced the reliance on – and costs associated with managing -- net sheets and line item nets. These changes have simplified and enhanced the efficiency of the pricing process, further reducing your transaction costs.

Policies regarding quotes and special pricing agreements (SPAs) have been modified to reduce complexity and increase reliance on the newly restructured stock pricing. Quotation and SPA policies will be sent under separate cover for your reference.

In order to enhance our mutual profitability we have taken a data-driven approach, utilizing state of the art price optimization and management software, to apply matrix pricing to our product (price) groups. In addition to our matrix pricing structure change, we have included a commodity price increase in the restructured files that you will receive. The major steel producers, who over the last few weeks have implemented price increases, have made it necessary for T&B to adjust pricing for into stock, quotations, and SPAs affecting the following products:

<u>Products</u>	<u>Average Increase</u>	<u>Products</u>	<u>Average Increase</u>
Steel City® Boxes & Accessories	5%	Kindorf® Modular Metal Framing System	5%
Steel City® Steel EMT Fittings	5%	Superstrut® Channel & Accessories	5%
T&B® Cable Tray	5%		

Our new structure and price changes take effect Monday, October 5, 2009. Price files will begin shipping this week. New quotations and SPAs will be generated mid-August. IDW and Trade Service will also be updated. Within the next few weeks, your T&B sales representative will meet with you to review the new structure and how it will positively impact your business.

Thank you for your continued support of Thomas & Betts. We look forward to continuing to grow together – now and for many years to come.



Ned Camuti
President
US Electrical Division