



May 8, 2009

Re: American Recovery and Reinvestment Act ("ARRA") and the "Buy American" Provision

To: Hoffman Sales Team:

In February U.S. lawmakers approved the ARRA thereby dedicating \$787 billion to federal, state and local projects and programs. The "Buy American" provision of the ARRA originally required government projects use only U.S.-made iron, steel, and manufactured goods. The ARRA was later amended to uphold international trade agreements such as NAFTA and those under the World Trade Organization. These requirements may also be waived in certain circumstances and as it currently stands each government agency is reviewing projects and products and issuing waivers as needed to get the projects completed.

Section 1605 of the provision states that none of the funds appropriated or otherwise made available by the ARRA may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless: (1) the public building or public work is located in the United States; and (2) all of the iron, steel and other manufactured goods in the project are produced or manufactured in the United States.

This letter provides a position statement for Hoffman Enclosures regarding the ARRA and the Buy American provision thereof. Based on the current guidelines of Section 1605, all products manufactured in Hoffman's U.S. facilities meet the criteria to be included in qualified ARRA projects. Additionally, depending on the funding agency, products manufactured in our Mexican facilities may also meet the criteria and should be evaluated on a project by project basis.

For additional questions regarding a specific project or products please contact Toni Amenrud at toni.amenrud@pentair.com or Glen Barfknecht at glen.barfknecht@pentair.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen A. Barfknecht", with a horizontal line extending to the right.

Glen A. Barfknecht
Director of Quality
Hoffman Enclosures Inc.

A handwritten signature in black ink, appearing to read "Toni M. Amenrud", with a horizontal line extending to the right.

Toni M. Amenrud
Vertical Market Mgr – Government/Water
Hoffman Enclosures Inc.