

Date: January 27, 2012
To: Aerostar Hot Air Balloon Parts Distributors / Hot Air Balloon Repair Facilities
Subject: Hot Air Balloon Replacement Parts Price Increase

Due to the increasing manufacturing costs and raw material costs of our products we must raise the prices of repair / replacement parts for Raven/Aerostar hot air balloons. The new prices are effective Wednesday February 01, 2012.

We have done our best to control the costs of these parts over recent years and have not instituted a major price increase since 2008. On average you will see a 10% increase in parts prices. However, there are several categories that will experience significantly higher increases. These items include top-cap and burner skirt sewn assemblies as well as diamond weave fabric. We have attached the new price lists for you review. The new price lists will be updated on our website, and will be accessible through the following link;

<http://ravenaerostar.com/products/hot-air-balloon-replacement-parts/burners>

We wish to thank you for your continued support of our hot air balloon systems and your dedication to the people who fly our products and know that you will understand the necessity for this price increase.

Raven / Aerostar