

High Precision Measuring Instruments

October 16, 2018

Dear Customer,





F

Height Gaging



Horizontal Measurement



Leveling

5

Precision Tools



Recently, the United States Government announced new tariffs on goods and materials that are manufactured in China. Some of Fowler's economy line products are included on the lists of goods that are already incurring new tariffs of 10%. These product tariffs will be increasing to 25% on January 1, 2019.

More information about the tariffs can be found on the US Trade Representative website: <u>ustr.gov/about-us/policy-offices/press-releases/2018/june/ustr-issues-tariffs-chinese-products</u>.

While Fowler High Precision is taking steps to alleviate the impact of these new tariffs on our customers, we must pass along a portion of the new tariffs. <u>Effective December 1, 2018</u>, Fowler High Precision will apply a <u>10% tariff surcharge</u> to those specific products affected by new tariffs.

Even though the new tariffs will be increasing our cost by 25%, we are passing along only a 10% surcharge. Unfortunately, we cannot completely absorb the increased tariff burden while maintaining our current inventory and product service levels. When you purchase a product from Fowler, after December 1, 2018, (that is affected by the new tariff) your invoice will show a "Tariff Surcharge" as shown below:

Part Number	Qty	Description	Price	Amount
54-101-150-2		1 6"/150 ELC CALPR BLUE Tariff Surcharge	49.73 10.00%	49.73 4.97

We regret having to take this action and as soon as the tariffs are removed or decrease, we will immediately decrease and or remove the tariff surcharge. Thank you for your understanding and continued business.

Best regards,

David Francis President, CEO Fowler High Precision

