

1001 Hill Drive, Suite 110 Durham, NC 27703 www.CarolinaFlow.com

**Date:** April 7, 2025

**Subject:** Implementation of Tariffs Due to New U.S. Trade Procedures

Dear Valued Customers,

I hope this message finds you well. I am writing to inform you of an important update regarding our pricing structure. Due to recent changes in international trade policies, various tariffs have been imposed on the goods we import. Unfortunately, these tariffs have resulted in higher costs across many of our product lines which vary by supplier and country.

As a result, it has become necessary to pass along these costs to you, our customer. This adjustment will ensure that CCG can continue to provide the high-quality products you expect from us. We understand price changes can be challenging and we assure you this decision was not an easy one.

As of now, we are seeing these expenses in either the form of a separate line surcharge or as a price increase on individual components. Our plan is to only pass along the cost impact we incur, in the most efficient way possible, to minimize the effect on you.

Since this affects us all, CCG is committed to monitoring the situation closely and will follow suit with public actions and adjust as needed. We hope to be able to return to our previous pricing structure as soon as these issues are resolved. Your patience, understanding and continued support is very much appreciated during this time.

Please reach out to your local account manager with any questions you may have.

Thank you and best regards,

John Cooling

President & CEO, Carolina Components Group