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To: Valued Customers and Channel Partners, Regarding: Tariff Recovery Fee

At Acromag, we source our raw materials globally, similar to many electronic manufacturers. Recently, tariffs imposed by the United States Trade Representative (USTR) on imported goods have significantly impacted our costs, with some parts experiencing a doubling in price. While we strive to absorb as much of these increased costs as possible, there are instances where this is not feasible.

To address these challenges, Acromag has conducted a thorough analysis of the cost increases and their impact. As a result, we are implementing a "Tariff Recovery Fee", applied only when necessary. This fee is calculated based on a blend of expenses associated with the numerous components in each product. Our goal is to share the burden of these costs rather than passing them on directly. You will see this fee as a separate line item on your invoice, acknowledgement, or quotation.

We are closely monitoring the situation and may adjust the "Tariff Recovery Fee" as conditions evolve. We appreciate your understanding and patience during this time. As always, thank you for your continued business and support.

Best Regards, Dave Wolfe President & CEO