



July 12, 2018

To Our Valued Customers:

Re: Impact of New Tariffs

[US Trade Representative, Section 301, Trade Act of 1974](#) was passed on June 15, 2018 confirming additional tariffs on certain trade products coming from China. This list includes a 25% tariff on many components commonly used in manufacturing in the US.

The new tariffs placed on components affect some of the parts used in the manufacturing of several Maxtec products that affect our customers. In fact, we have already received notification of price increases from several top suppliers for our industry.

As your manufacturing and design partner, Maxtec is addressing the challenges caused by the tariffs on our customers' behalf. While we may be able to soften the impact of the tariffs, not all costs may be able to be mitigated. In some cases, component price increases will be passed on to the customer. If we are forced to pass on increases, Maxtec will communicate cost information with you.

We value the trust our customers place in Maxtec and are your committed manufacturing and design partner.

We will continue to provide updates as more information about the tariffs becomes available. You are always welcome to reach out to me at ahollis@maxtec.com or directly **385-549-8087** with any questions.

Almy Hollis

Chief Operating Officer