



November 26, 2018

Dear Valued Customer,

It was only recently that I sent you a letter revealing the unprecedented impacts of rising costs related to our inbound and outbound freight costs throughout 2018. As we continue to analyze year-to-date trends and cost projections for 2019, we realize the sustained and impending impacts are far more difficult to discern or anticipate and continue to rise at rates that outpace our ability to fully offset or overcome in a single adjustment.

In addition to freight, all inputs of raw material components as well as commercial compounds, copper cathode premiums, packaging, tariff related components and enhanced environmental regulations relating to certain component processing continue to adjust upward at respective rates to the current economic environment.

As we look out into the New Year, our markets will continue to experience a high level of volatility and cost pressures from supply chain partners. In effort to stay current with this activity, we will be raising prices 3 – 5 % effective with purchase orders received on or after January 1, 2019.

Our approach to this market volatility has been to make a series of limited, tactical adjustments to our pricing levels in order to minimize the downstream effect to you, our valued customer, and proactively such that Southwire is calibrated with the rising costs and able to limit market disruption.

Your Southwire Sales Representative will be in contact with you to provide you with a more detailed description of this activity.

As always, we value your business and our relationship and will continue to focus on our primary goal of remaining your Supplier of Choice.

Sincerely,

A handwritten signature in black ink, appearing to read "Winn Wise".

Winn Wise
President, OEM and Industrial

A handwritten signature in black ink, appearing to read "Donna Ward".

Donna Ward
Vice President Customer Experience, PSSG