



*The Signature of Quality*

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July 8, 2021

To: Federal Key Customers

RE: 2021 Updates

Federal has completed a careful evaluation of our costs which includes key materials such as stainless steel, OEM components, etc. Similar to other manufacturers, we have seen large increases from our supply chain. While we have made every effort to reduce the impact through strategic negotiations, we have incurred several significant increases.

Based on the notes above, Federal is announcing the following changes:

- Pricing for merchandisers on average will increase by 7% with product line increases of 4%-10%. Each series of merchandisers has been evaluated on their own merit for price increases based on the amount of stainless steel and OEM components affected by the increases noted above and have been adjusted accordingly.
- The following product lines will have a 7% price increase, on average<sup>1</sup>: NSSM, HSSM, Italian Glass, Islands/Endcaps, CGR/SGR Bakery, LPRSS, SSRC, SSRPF, SSRSP, LMD, WDC, LMDM, Series 90, and Candy
- The following product lines will have a 6% price increase, on average<sup>1</sup>: RSSM/RSSD/RSSL and SSRVS
- The following product lines will have a 5% price increase, on average<sup>1</sup>: Hybrid and SQ
- The following product line will have a 4% price increase, on average<sup>1</sup>: Countertop
- The following product line will have a 10% price increase, on average<sup>1</sup>: Elements (All)
- Optional accessories will have a price increase of 5%, on average<sup>1</sup>.

<sup>1</sup> Increases may vary by model and size within product category.

Prices will become effective on August 8, 2021.

We will price protect current 2021 pricing for thirty days. The pricing still includes a standard warranty of one-year parts, one-year labor, and a five-year motor compressor on self-contained refrigerated displays.

To announce this increase, we have sent a cover letter and price protection policy statement to all of our accounts. Due to the nature and timing of this price increase, we will not be sending new hard copies of the price list with updated pricing. We will send a PDF version of Price List with new pricing ASAP. Additionally, AutoQuotes will be updated by August 8, 2021.

If you have any questions or concerns, please feel free to contact me or your regional Sales Director.

Request for additional price lists should be emailed to Jackie Ceithamer (jceithamer@federalind.com) in our Marketing Department.

Sincerely,

*Doug Haworth*

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