



March 7, 2022

Dear Channel Partner,

We continue to see increased pressure on both labor costs and raw material costs. As always, we continue to work on efficiency improvements and cost negotiations with our suppliers. However, the increased costs are beyond what those measures can recover. Of note are increased costs on stainless steel, galvanized steel and ceramics.

Effective April 1<sup>st</sup> we will be implementing a 7% price increase on our equipment, tools and accessories. Hoods and fans may see additional increase. All bids and quotations created prior to April 1 will be honored at the original pricing if the order is placed prior to the expiration date stated on the quotation. We understand that many projects for our products have very long lifecycles. In a separate memo, we will provide guidance on future pricing and timing of orders.

When purchase orders are placed, they will be accepted at the quoted price if ordered prior to quote expiration. For the order to be considered fully "accepted", General Arrangement drawings and other details need to be finalized and signed to ensure that we have the proper configuration for materials planning. For international orders, this includes gas and power specifications. We expect these items to be complete by both WS and the customer within 30 days of PO receipt. If these are delayed beyond 30 days of order placement, at no fault of Wood Stone, we reserve the right to requote the order. To be clear, this does not indicate an automatic price change but the need for a discussion.

Thank you for your continued partnership and support of Wood Stone. If you have any questions or need additional information, please contact your Wood Stone customer service representative or regional sales manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Quinn".

Michael Quinn  
Vice President of Global Sales