



Price Update Product Letter 2019.T4 USA

September 26, 2018

To: Office Supply Resellers
From: Victor Technology LLC
Subject: January 1, 2019 US Prices for Victor Brand Products, Sharp Brand Calculators, and Rapesco Brand Products

Under USTR-2018-0026, the United States Federal Government plans a 25% tariff on many items made in China effective January 1, 2019. This includes:

- Sharp calculators under the harmonized codes 8470.10.0040 and 8470.21.0000. As a result, the price of Sharp products will increase 17.5% to 20.0% effective January 1, 2019.
- Victor products under the harmonized codes 4420.90.8000, 8470.10.0040, 8470.10.0000, 8470.21.0000, 8473.21.0000, 9403.30.8000, 9403.10.0040, 9403.70.8020, 9403.70.4020, 9017.80.0000, and 8302.50.0000. As a result, the price of Victor products will increase 0% to 17.5% effective January 1, 2019.
- Rapesco products under the harmonized codes 8472.90.9080, 8205.59.8000. As a result, the price of Rapesco products will increase 0% to 17.5% effective January 1, 2019.

This increase has been accepted by all customers on or before January 1, 2019. Customer purchase orders received after the effective date of the increase will not be shipped until the new pricing is acknowledged and accepted. No additional rebates and/or allowances will be made available to any customer that would serve to mitigate the price increase.

Given the magnitude of the tariff and associated price increases, customers will have a strong incentive to order additional product ahead of the implementation of price increases. We are taking steps to prevent stock outs and to ensure recovery of the tariff costs. Inventory will be allocated until the price increase takes place. Customers will be allowed to purchase no more than the 2018 year-to-date average monthly quantity for each item impacted by the tariff. After the price increases are implemented, the volume limits will be removed. During this period of allocation, no fines for unshipped orders beyond the allocated volume limit will be honored or paid. Back orders on record as of January 1, 2019 will be canceled.

In the near future, should the tariffs be eliminated, after an undetermined time, prices will be reduced to prior levels adjusted for non-tariff related price changes. At that time, no price guarantees will be honored for existing inventory.

Regards,

John Ringlein
President
Victor Technology
SharpCalculators.com

Tel: 630-754-4400
Fax: 630-972-3902

100 E. Crossroads Suite C
Bolingbrook, IL 60440

www.victortech.com