



March 13, 2025

## Notice of Tariff Charge Adjustment Due to Increase

Dear Valued Customer,

We hope this letter finds you in good health and high spirits. We are writing to inform you of an important update regarding our pricing structure, necessitated by recent changes in international trade tariffs.

As you may be aware, the tariff on goods imported to the USA from China has been increased by another 10% from 35% to 45%. As a result of this substantial increase, E-Switch will be adjusting the amount we charge our customers for Chinese tariffs on all product shipped from the USA. Product shipped to outside the USA would ship from our Hong Kong warehouse and not subject to these charges. Starting on March 20, 2025, the line-item charge on your invoice to cover the tariff will be raised to 30%, up from the current rate of 25% for any product with a COO of China.

We understand that price increases can be challenging, and we want to assure you that this decision has been made after careful consideration and as a direct response to the increased tariff imposed. Our commitment to providing high-quality products and exceptional customer service remains unwavering.

E-Switch is committed in pursuing a risk mitigation plan and actively working to transfer what product lines we can from China. This is a slow and arduous process. We appreciate your patience. We already anticipate moving one product series out of China (320 series) as soon as next month and will continue to add other product lines when able. As we speak, our President is overseas looking at potential production sites outside of China.

Should there be any changes to the tariff amount in the future, whether it is a reduction or a complete removal, we will adjust our charge to reflect those changes.

We appreciate your understanding and continued support during this time. If you have any questions or require further information, please do not hesitate to contact our customer service team, who will be more than happy to assist you.

Thank you for your attention to this matter.

Sincerely,

Curt Bakken

President, E-Switch