

Quality & Service Since 1936

Steve Gore Ferguson Fire and Fabrication

October 1, 2021

SUBJECT: 2021 Price Increase - General Air Products Compressors and Equipment

Dear Steve,

At General Air Products, we always strive to put our partners in the best possible position to compete in the marketplace. For over 40 years, we've done just that with our unparalleled quality, customer service, and commitment to pricing that you've come to expect.

As you are well aware by now, the past two years have wreaked havoc on manufacturing supply chains, and General Air has been proud to take on much of that burden without letting it affect our partnership. In the interest of continuing to manufacture to the upmost quality standard, it has become clear that we must adjust our pricing strategy accordingly. These aren't changes we take lightly, and have made every effort to minimize the impact of these changes to our core product lines.

Effective December 1st, 2021, we will be implementing a 5% price increase on our Riser Mounted Compressors, and a 12-15% increase on our Lubricated Base Mounted & Oil-Less Tank Mounted Compressors, and a 20% increase on Lubricated Tank Mounted Compressors. Fire Protection Accessories will be receiving a 12-20% increase, with a few exceptions. All Oil-Less 1HP, 1.5HP, and 2HP Riser Mounted compressors will not be receiving a price increase.

Our Freight Allowed policy will also be changing effective 12/1. We have not increased the threshold of our Freight Allowed orders for over 20 years. The first increase in that lengthy period will see that threshold now set at \$10,000 minimum net order value

These discounts and net prices are based on the following terms and conditions:

- All products F.O.B. shipping point with freight prepaid and added to invoices
- Net 30 Days
- Drop shipments directly to your customers allowed without loss of discounts or net pricing
- Freight allowed on "stock orders" of \$10,000 net when shipped directly to your warehouses in 48 contiguous states. As an added incentive we also continue to offer an additional 3% discount on stock orders of \$25,000 or more. General Air reserves the right to "pass through" carrier fuel surcharges if they become excessive.
- Invoices must be paid within terms.

Steve, thank you for your continued support. We look forward to less volatile times ahead, and are excited to show you all that we have in store for 2022.

Best Regards,

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Dave English
Director of Sales
General Air Products, Inc.

Manufacturers of ——

FIRE PROTECTION - COMPRESSED AIR TREATMENT - PROCESS COOLING

- Equipment —

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