



Date: December 8, 2021

Subject: 30 Day Notice of Price Increase  
To Our Valued Business Partners,

By now you have surely been made aware of material price increases, delays, and shortages that many manufacturers are facing in today's market. Based on this information, SPP Pumps, Inc. must inform you of an upcoming price increase that will take place on January 3, 2022 for all new and unreleased fire pump orders. As of today, all of SPP Pumps vendors have provided price increase announcements and they will continue to review pricing every 60-90 days as shortages and price variations continue. This includes increases since January 1, 2021 from WEG (25%), Firetrol (15%), Tornatech (15%), Clarke (12-28%), Cla-Val (10%) as well as many others, especially the steel and electrical markets. Current increase will affect project prices from 7-10% for this increase, depending on the specific equipment affected, as the price increases were based on specific models and sizes. Not all equipment has been adjusted to the same amounts.

SPP Pumps will implement this price increase of on all systems orders entered after January 10, 2022. Any quotation that has been previously created in Dolphin will need to be updated prior to acceptance of an order. On January 6<sup>th</sup>, the Dolphin pricing will be adjusted accordingly. Please print off current pricing levels on open projects so you can better understand the increase for your specific project. You should review any open projects in Dolphin with your customers and make sure they are aware of this dynamic. These increases are not isolated to SPP Pumps as all Fire Pump OEM's are receiving the same pricing increases from these vendors, so the competitive position should not change, based on market pricing. SPP Pumps is giving advanced notice to our business partners to allow for the ability to try and close or release projects prior to the price increase and maintain their current project pricing.

If a specific project requires price protection, you must contact your assigned salesman to discuss the project. The following information should be available prior to any discussion with SPP Sales: anticipated release to production date, the system production/sales order number (if applicable), and the quote provided to the contractor. We will see if we can get the vendors to honor the old pricing, based on a extended commitment to release this material for manufacturing.

If you have any questions pertaining to the above statements, please feel free to contact either me or any of the SPP Pumps sales organization.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John P. Kahren', with a long horizontal flourish extending to the right.

John P Kahren  
President