



October 8, 2021

Dear Valued Customer:

Thank you for partnering with us during these unprecedented times. We continue to face many challenges to our ability to service our customers at a level that both you and we expect. These challenges include (but are not limited to) new and significant cost increases to raw materials, packaging shortages/availability, transportation costs and availability, reliability of labor and operational costs. Due to continued high demand exceeding available supply, we find our business with a very large backlog of orders despite the earlier implementation of a 50% allocation on certain products. All of these factors have negatively impacted our ability to improve service levels to our customers. As we enter the 4th quarter, it has become evident that the price increases implemented to date have not covered the additional costs we have incurred or will incur in the coming months. Therefore, we will be immediately implementing a 10% price surcharge for all orders in house that ship on or after October 18, 2021. A Price Surcharge means that pricing for each item invoiced will include this increase applied to the previously announced increase.

Given the current industry circumstances faced by suppliers so closely tied to the chemical industry, we trust that you will understand that this surcharge is absolutely necessary and vital to continue the flow of Titebond products to you, our customer. This is an action that we would have never anticipated to be necessary but we simply cannot ship orders without this extraordinary step.

Please review the following summary;

- Effective Date:** October 18, 2021
- Surcharge Amount:** 10%
- Order Requirement:** All orders shipped on or after October 18, 2021
- Order Confirmations:** Order confirmations will be delayed 5-20 business days from receipt of order
- Surcharge Review Date:** December 3, 2021

This surcharge will be reviewed and an update will be sent to all of our customers on December 3, 2021. As our plan is that this will be a temporary measure, price sheets will not be updated during this period. All new order confirmations will include this change; however, we will be unable to change any orders that are already set to ship on or prior to October 15th and no ship dates will be moved up.

We appreciate your business and will certainly understand if you must cancel any orders that are currently in house. If you have any questions, please contact your Regional Territory Manager for updates. Thank you for your support during these challenging times.

Sincerely,

Scott Bowen
Vice President of Sales & Customer Service
Construction Products Division

CONSTRUCTION ADHESIVES
CAULKS & SEALANTS
FLOORING ADHESIVES
WOOD GLUES

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