

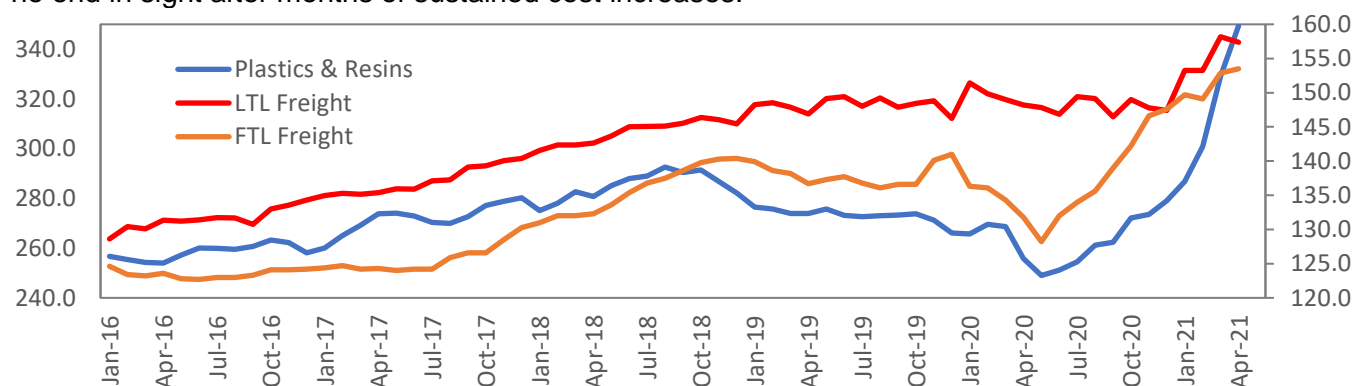
June 3, 2021

PRICE INCREASE NOTIFICATION**ESSEX BROWNELL**

Dear Ryan Meyer,

As you are aware, commodity prices have escalated to record levels over the last few months. Our product costs are directly impacted by the shortage of chemicals used in the construction of our enamels and indirectly by the price increase for wood used for our shipping pallets, corrugated products, plastic in the construction of our reels, inbound and outbound freight and many other factors..

The magnitude of the increase exceeds average inflation. Below is a chart displaying Producer Price Indexes for Plastics and Resins, Full Truck Load (FTL) and Less than Truck Load (LTL) from 2016, when we published our last Price List, to today. Prices have clearly spiked throughout the first half of 2021 and are 20-35% higher than they were in 2016. We were hoping for the price pressure to drop but there is no end in sight after months of sustained cost increases.



As a result, effective July 1st, 2021, we will be increasing our product pricing by an average of 8.2%, and our Freight and Handling Adder by \$0.015/lb for our outbound freight. In this current volatile market environment, LTL freight will be quoted upon request and future contracts will be moved to Incoterm FCA our facilities.

We will continue our efforts to contain costs when possible while remaining a strong and viable supplier. Please feel free to contact your sales representative should you have any concerns or questions about this increase.

Thank you for your continued business.

Best regards,

**JARED W. ROWNTREE**
President, North America
Essex Furukawa Magnet Wire