

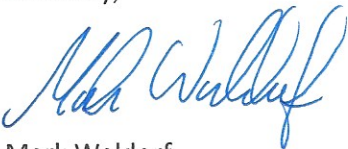
September 21, 2018

Attn: Valued Customer

This is to notify you of a pending price changes directly related to the tariffs recently implemented by the US Government, this price increase is effective 1/1/2019.

- This Specific Tariff Increase is related to the Office of the United States Trade Representative (USTR) release of the third list (**List 3 Final**) of approximately \$200 billion worth of imports from China that will be subject to additional tariffs. This recent action is part of the Section 301 U.S. response to China's unfair trade practices related to the forced transfer of American technology and intellectual property.
- The list of Samsill Items impacted are listed in Exhibit A.
- 100% of Samsill Sewn Padfolios, Executive Binders, Journals and Storage Boxes are manufactured in China
- The List 3 tariffs are being imposed in two phases phase 1 effective 9/24/18, 10% tariff & Phase 2 effective 1/1/19, 25% tariff Careful consideration has been given to current inventory levels, current open PO's and future to inventory purchases. We are consistently working with our suppliers mitigate and eliminate any non-value-added expenses and material increases. These items are imported as finished goods and will carry the full burden of the tariffs. Samsill will be increasing the invoice price of all items listed in Exhibit A by 15%.
- RMB conversion rate changes as related to last price increase. June 19, 2018 RMB exchange rate was 6.43958 vs. 6.85328 on September 19, 2018.
- All Samsill customers will be equally affected by the increases listed above, Any P.O.'s received after the effective date of increase will not be accepted until the new prices are acknowledged and accepted.
- Implementation Date: January 1, 2019

Sincerely,



Mark Waldorf
VP Sales