



November 3, 2023

Dear Valued Distribution Partner,

As we progress into 2024, GPT would like to thank you for all your dedication and support and express our excitement for the opportunities we see with you in the new year. We could not have the success we have seen in 2023 without our partners and customers.

In 2024 there are various cost increases that GPT is facing due to global economic factors, including increases on many raw materials, heightened shipping costs, labor shortages, and increases in labor rates. GPT understands the impact that price increases have on our customers. We have worked hard to minimize our cost increases so that we can minimize any price increases. Unfortunately, we have not been able to keep our costs in line with 2023.

Due to the factors explained above, there will be a price increase for GPT FIK products beginning January 2, 2024. We will continue to fulfill orders at current prices for valid purchase orders received on or before December 29<sup>th</sup>, 2023. To minimize the increase as much as possible across the board, the increases are separated by product line. In addition to this, the increases are split by size within products to only apply increases where necessary based upon product and material costs. The breakdown is as follows:

- VCS, VCXT gasket and kit increase of 3%
- Evolution, LineBacker, RC gasket and kit average increase of 3.5%
- VCFS, VCS-ID, PGE gaskets and kits average increase of 5%

The averages that you see here were found by applying the actual increase by size range to the full range of prices, and then take a percent difference of the full average price from 2024 to 2023.

For example with Evolution, sizes under 2" are increasing 10%, sizes 2"-5" are increasing 7%, sizes 6"-12" are increasing 4%, and size 12"+ are increasing 3%. This was taking into consideration the actual material cost impact for each size range and each product. This was similarly done for the other products. Please reach out for further granularity into the other products if this would be helpful.

New price books will be provided before the beginning of 2023 to reflect these changes.

We sincerely appreciate your business and wanted to give you a 60-day notice to prepare for the increase.



Should you have any questions, please do not hesitate to contact Product Management or your GPT Sales Representative.

We cannot thank you enough for your continued partnership and truly look forward to continuing success in 2024.

Kind regards,

A handwritten signature in blue ink, which appears to read "Ian Kinnear". The signature is written in a cursive style and is positioned to the right of a short horizontal line.

Ian Kinnear  
Product Manager  
GPT Industries