



December 6, 2018

Dear Keystone Customers and Channel Partners,

Just a few days ago, we announced a price increase of up to 25% effective January 1, 2019 on items subjected to tariffs. This past weekend, President Trump delayed the start date of the 25% tariff on the “3rd list” of Chinese imports by ninety days to allow for further negotiations to reconcile trade differences with China, leaving in place the present 10% tariff.

In light of this news, our planned price increase has now been substantially reduced. Instead of a planned increase up to 25% on affected products, the price increase will now be up to 10% on affected products, effective January 1, 2019. However, Sensors will continue with a price increase up to 25% since they have been tariffed at that rate beginning August 23rd. As before, LED lamps and tubes are not currently on any tariff list and thus do not have any price increase.

This price increase represents the first increase from Keystone in many years. As always, we promise to be transparent, fair, and responsive throughout this price adjustment process. As your partner, we are in this situation together and will work closely with you to make sure you experience as little impact as possible. If you have any questions about these tariffs, please know that we are available as your trusted knowledge resource on these complex matters.

New price sheets will be available to you by December 17th, 2018 on our portal at www.KeystoneTech.com or by contacting your Keystone Sales Representative. If there is anything we can do to help ease this transition, please let us know.

Thank you for your continued partnership.

Regards,

Ira Greenberg
Chief Executive Officer