

March 4, 2025

Dear Valued Customer:

I hope this message finds you well. We value your partnership and appreciate your continued support of Sterling Electric, Inc.

In light of recent events and the ongoing inflationary pressures affecting various industries, we are faced with the necessity to adjust our prices. Over the past few months, we have experienced significant increases in the costs of raw materials, transportation, and operational expenses. Despite our best efforts to absorb these rising costs, we can no longer maintain our current pricing structure without compromising the quality of products and services that you have come to expect from us.

All **new orders** received on or after **April 1**st, **2025**, we will be implementing the following price increases on our products:

All gearing products including Helical in-Line, Helical bevel, and Right Angle: 3.0%

All Electric motors 10Hp and below in NEMA 210T Frame: 3.0%

All Parts and Accessories: 3.0%

All Electric motors 15Hp and above in NEMA 250T Frame: 5.5%

We believe this adjustment will allow us to continue providing you with the high-quality products and services that you rely on.

We understand that price changes can be challenging, and we assure you that this decision was not made lightly. Our team is committed to transparency and will continue to work diligently to ensure that you receive the best possible value.

If you have any questions or concerns regarding this change, please do not hesitate to reach out to your local sales representative or our inside sales staff. We appreciate your understanding and look forward to continuing to serve you.

Thank you for your continued trust in Sterling Electric, Inc.

Sincerely,

Bryan Moeller President, COO

Attachment: April 1st, 2025 Multiplier Schedule