



March 31, 2025

To: Alfa Transformer Customers & Distributors

Re: Potential Tariffs

Dear Alfa Transformer Customer,

We are closely following the situation regarding potential tariffs and how they may affect the pricing of our products. Transformers from Alfa are almost exclusively built in the USA, Canada, or Mexico. Materials for these transformers are purchased from various countries.

Below are initial adjustments we will be making in response to the tariffs. These adjustments are subject to change as we learn the level of impact the tariffs have on our materials/products.

- Transformers manufactured in the USA exclusively with USA-made materials will not be subject to tariff-related price increases.
- Products that are USMCA-compliant currently (April 7, 2025) have a 0% tariff.
- Costs associated with any tariffs that are in effect at the time of shipment will be added to the base price of the order.
- To minimize the impact on our customers, we will adjust existing open orders to recoup only the average tariff costs.
- Orders for any transformer that was in stock in the USA prior to tariff enactment will be billed at the base price.
- Should the tariffs be lifted or reduced, we will make proportional adjustments to the surcharges.

**UPDATED MONDAY, APRIL 7, 2025**

- **Products that are USMCA-compliant currently (April 7, 2025) have a 0% tariff.**

We understand these new tariffs will present challenges for our collective businesses and we are committed to making the impact as minimal as possible. Thank you for your continued trust and partnership. If you have any questions or concerns, please do not hesitate to reach out to us.