



May 13th, 2019

Re: **2nd Tariff Update**

Dear Valued SOTA Offroad Customer,

As you may be aware, on May 10th, 2019, President Trump directed appropriate government agencies to increase the tariffs on goods coming in from China to an additional 15% (25% total). Aftermarket wheels, accessories and tires are affected by these additional tariffs. Negotiations with China and the White House are still ongoing but we want to make sure that preparations are in place if these additional tariffs remain in place.

Due to this increase SOTA Offroad will take the following actions:

Effective June 1, 2019 SOTA Offroad will raise its MSRP 11% on all product lines. This will apply to all shipments regardless of order date. This price change will stay in effect for the duration of additional tariffs. Your discount will remain unaffected.

All shippable orders received before June 1, 2019 will be honored at the current 2019 prices.

Although President Trump has ordered an additional 15% tariff, SOTA Offroad will only be passing on an 11% pricing increase.

SOTA Offroad will continue to monitor the tariff and trade negotiations carefully and communicate to our customers as soon as new information becomes available. We appreciate your business very much and look forward to working with you as these events affect the entire wheel market. Please feel free to contact us with any questions or concerns.

Thank you for your prompt attention in this matter.

Sincerely,

SOTA OFFROAD, INC.

A handwritten signature in black ink that reads "Brock Weld". The signature is stylized with a large, looped "W" and a horizontal line through the "B".

Brock Weld
President