



PLZ Aerospace Corporation
2651 Warrenville Rd., Suite 300
Downers Grove, IL 60515
Phone: (630) 543-7600
www.plzaeroscience.com

December 28, 2020

Dear Valued Customer,

Over the past nine months, PLZ has experienced significant and sustained cost increases on key raw materials including but not limited to ethanol and acetone driven primarily by short supply as a result of the global pandemic. We have been able to secure supply for 2021, but at much higher costs than in previous years. In addition, several key suppliers have announced and implemented January 1, 2021 price increases on components, ranging between 5% - 10% (excluding steel tariffs, which are already in place).

As a result, PLZ will implement an average 4% to 6% price increase effective March 1, 2021. We have enclosed an updated pricing schedule(s).

Unfortunately, the entire industry is being impacted by these headwinds, and PLZ is not alone in this situation. However, we can assure our customers that our Supply Chain organization maintains one of the strongest relationships and leverage positions within the supply base of our industry. They are working very closely with each of our key suppliers to identify opportunities to mitigate additional inflationary impacts and maintain a robust supply pipeline. We are also exploring new supply options and product substitution possibilities to offer competitive and innovative solutions to our customers.

In addition, we want to make you aware that effective March 1, 2021 there will be changes to our sales policy which include:

- For Claire and Sprayway businesses, a minimum order size of 60 cases is required for delivered freight (increased from 40 cases).
- A minimum revenue level of \$15,000 per year is required to maintain status as a PLZ direct distributor.

All orders that are received prior to the effective date for shipment within our standard lead times will be processed at current pricing levels.

Thank you for your continued business. Should you have any questions, please contact your sales representative.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Hribar", is written over a light blue horizontal line.

Ed Hribar
Senior Vice President, Distribution Division