

May 14,2025

RE: Notification of Tariff Impact to Mechatronics Products

Dear Valued Customer,

Mechatronics has a diverse manufacturing footprint. With facilities in Indonesia, Taiwan and China, our global facilities allow us to provide flexible solutions and high-quality products to meet a variety of customer needs. As a result of recent tariff policy adjustments by the US government, it is necessary for us to adjust our tariff policy accordingly.

On May 9, 2019 the US government announced import tariffs applied to China made products listed in Section 301 List 3 at 25%. Mechatronics products made in China are included in Section 301 List 3. For products subjected to the Section 301 25% tariff, Mechatronics applies a 20% Section 301 tariff surcharge to customer line items that have been impacted by the tariff.

On March 3, 2025 the US government announced an additional 20% import tariff on all products made in China in addition to the Section 301 tariffs, effective immediately. For products subject to these new 20% tariffs, Mechatronics applies a 16% tariff surcharge to customer line items that have been impacted by the tariff.

On April 3, 2025 the US government announced new tariffs across 185 countries scheduled to start April 9, 2025. These new tariffs impact a wider range of Mechatronics products including our Indonesia and Taiwan factories, both at a tariff rate of 32%. On April 9, 2025 a 90 day pause for new tariffs was announced reducing the tariff for Taiwan and Indonesia products to 10%. For Taiwan and Indonesia products impacted by these tariffs, Mechatronics will apply a tariff surcharge of 8%.

In addition to the new tariffs added to Indonesia and Taiwan products, it was also announced that there will be another 34% tariff added to China products on top of the previously applied tariffs. April 8, 2025 saw an additional 50% tariff added to China products on top of all previously applied tariffs. On April 9 it was announced the new April 2025 combined reciprocal China tariff would be at 125%.

As of May 14, 2025, the China reciprocal tariffs have been reduced from 125% to 10%. This changes the effective China tariff rate to 25% for Section301, 20% for March 2025 tariff and 10% for reciprocal tariff for a total of 55%. Mechatronics will apply a 44% tariff surcharge for products subject to these tariff rates.

See the table below for further clarification of the updated tariff surcharges.

The tariff landscape continues to be fluid. We will update our tariff policy as things change. If you have any questions about potential tariff impacts, please contact us.

Sincerely,

Shawn Psachos Vice President Mechatronics Electrical Group



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Mechatronics Series Prefix	Country of Origin	Mechatronics Tariff Surcharge	US Government Tariff Rate
UF	Taiwan	8%	10%
G	Indonesia	8%	10%
F	Indonesia	8%	10%
E	Indonesia	8%	10%
В	Indonesia	8%	10%
LPT	Taiwan	8%	10%
IR	Taiwan	8%	10%
A	Indonesia	8%	10%
071xx	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
09xxx	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
PFG	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
UX	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
UM	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
UH	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
SGR	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
Μ	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
LPH	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
D	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total
LPA / LPAI	China	20% + 16% + 8% = 44% total	25% + 20% + 10% = 55% total