

June 17, 2019

Honeywell Fire Solutions Inflation Surcharge Effective June 24th, 2019

Last week, Honeywell Fire Solutions (Fire-Lite Alarms, Honeywell Silent Knight and System Sensor) postponed an inflation surcharge after receiving customer feedback regarding technical difficulties with the implementation of a surcharge automatically added to every invoice. Based upon this feedback, Honeywell Fire Solutions will instead apply a 2.5% inflation surcharge at the SKU level. Enclosed you will find your Surcharge Addendums to assist with your implementation of this surcharge. **The inflation surcharge will be implemented on all new orders placed on and after Monday, June 24th, 2019.**

As previously stated, this inflation surcharge is a result of the tariffs previously imposed by the U.S. Government on imports from China, which increased to 25% on May 10th, 2019. These tariffs are higher, and across a much broader range of products than previously seen impacting the cost of raw materials in our supply chain to a level which we can no longer absorb.

Given the dynamic nature of tariff negotiations, we will continue to closely monitor the situation. If further tariff expansions occur, we will send separate communications outlining the timing, implication and any necessary adjustments to the inflation surcharge. We will also be monitoring the government and trade negotiations to evaluate any potential opportunities for relief.

On behalf of everyone at Honeywell Fire Solutions, thank you for your business and continued support.

Dave Pakech
Vice President, Sales
Honeywell Fire Solutions

cc: Stephen Ames, Director of Sales

