

Date: March 20, 2018

To Our Valued Distributors:

As a result of continued rising costs in steel and other commodities, higher freight costs due to high demand for equipment and drivers as a result of the new government electronic data logging regulations, and in light of the recently announced tariffs on steel and aluminum, we are announcing a **June 4, 2018** price increase.

Prices will be increased effective June 4, 2018 for most products in the following categories. *Note: Quotes could reflect a higher percent increase than our Zone Sheets*

•	Residential Tank Type Water Heaters	Up to 12%
•	Commercial Gas and Electric Water Heaters	Up to 12%
•	Specialty Products and Storage Tanks	Up to 10%
•	Water Heater Parts	Up to 8%
•	Tankless Products	Up to 5%
•	Combi Boilers	Up to 4%

ORDER POLICY AND GUIDELINES

- In order to guarantee shipments by **June 4, 2018** we need to receive your orders for **immediate shipment** no later than **Thursday, May 3, 2018**.
- All Orders received after May 3, 2018 will be invoiced at the new price levels.
- To insure all customer product requirements are met, American Water Heaters reserves the right to limit orders to your normal monthly purchases.

National Price Books and Zone Sheets will be distributed at a later date.

Please contact your local Sales Representative, Regional Sales Manager or me with any questions.

As always, thank you for your business and continued support.

Sincerely,

James Margoni

Sr. Vice President Wholesale Sales