



January 28, 2022

Dear Valued Customer:

We want to take this opportunity to restate our thanks and appreciation for your continued support. While we are almost a month into the new year, the severe challenges the industry has faced remain unchanged and in some cases have worsened. Virtually all aspects of the supply chain for incoming raw materials and packaging as well as outgoing finished product are highly stressed. Our last communication on December 17, 2021 outlined a drastic step that needed to be taken in order to help us further recover from our October cyberattack. While not ideal, the implementation of an order limit process, as well as a 50% allocation for commodity products that was already in place, have had a positive effect in restoring order file integrity and efficiencies to many areas of the company most notably our distribution center, customer service, and accounting departments. We continue to make progress toward our goal of providing more material to our customers.

As indicated, our industry remains stressed with limited availability of raw materials, shortages of some packaging components, labor and transportation disruptions. The increasing impact of inflation and the overall cost of business operations under these conditions require further action at this time. As such, we have determined that a price increase is necessary. The details are as follow:

Effective Date: January 28, 2022

Amount: 9% All products*

Orders Affected: All orders received after 5:00 PM EST today and/or shipped on or after April 1, 2022

*Some product categories such as silicone sealants and insulating foams will be higher.

Additionally, the price surcharge implemented on October 18, 2021 will remain in place permanently and will be reflected on updated price sheets when available. Please note orders already in house that ship prior to April 1 will not receive the 9% price increase, only the price surcharge. Order limitation and allocation remain in effect.

It is important that you know that we completely understand the challenges with which you have been faced related to the categories of adhesives and sealants. We trust that you will remain confident in our ability to continue supplying these products to you as long term partners of Franklin International. It cannot be overstated how much we appreciate your business and are grateful for the opportunity to serve you.

Sincerely,

Scott Bowen
Vice President of Sales & Customer Service
Construction Products Division

Cc Marc Sims & Dan Kaufman