



April 3rd, 2025

Re: Tariff Surcharge and Order Fulfillment Changes

Dear Valued Customers,

GMS' reputation as a supplier of lock cylinders with the best quality and value is the result of operating our own manufacturing facilities located in Taiwan and China. It's the culmination of a 30-year commitment to quality and hard work.

The new U.S. tariffs announced by the Trump Administration will have a profound impact on our business, with extraordinary new rates of 54% from China and 32% from Taiwan. These are in addition to the existing 7.5% from China, levied during Trump's first term.

Taking all of this into account and with fairness and transparency, GMS has no choice but to announce the following measures, effective April 3, 2025:

All new U.S. orders:

A tariff surcharge of **35%** will be applied to all new U.S. orders.

Subject to change due to the unpredictable nature of this situation.

All new Canadian orders:

To avoid impacting our Canadian pricing, all new Canadian orders will be fulfilled by a separate inventory that will be imported directly into Canada. We anticipate a lead time of **10–12 weeks** to have the new logistics in place.

All International orders:

No tariff surcharge will be applied.

We understand these changes may pose challenges and appreciate your understanding.

If you have more questions, please contact our Sales or Customer Service team.

Sincerely,

Mike Tong
President