



September 24th, 2018

Re: New Tariffs

Dear Valued SOTA Offroad Customer,

As you may be aware, the Federal government has imposed tariffs on imports from China. We are sending this letter to all of our loyal customers to let you know how your business will be affected going forward.

This third round of Federal tariffs, which will include wheels and other automotive accessories, will take effect on September 24th 2018, and will be at 10% for the remainder of 2018. As of January 1, 2019, the tariffs will increase to 25% per the latest report from the United States Trade Representative (USTR).

Due to these new Federal tariffs, SOTA Offroad will be adding a tariff surcharge of 8% effective Monday, October 1st 2018. This will apply to all shipments regardless of order date. If the tariffs do in fact increase again on January 1, 2019, we will impose a corresponding price increase effective Tuesday, January, 1st 2019 with the new tariff surcharge to be determined as we receive more information from the USTR. This will also apply to all shipment regardless of order date.

SOTA Offroad will continue to monitor the tariff and trade negotiations carefully and communicate to our customers as soon as new information becomes available. We appreciate your business very much and look forward to working with you as these events affect the entire wheel market.

Thank you for your prompt attention in this matter.

Sincerely,

SOTA OFFROAD, INC.

A handwritten signature in black ink that reads "Brock WELD". The signature is stylized with a large, bold "W" and "E" and a smaller "L".

Brock Weld
President