

March 4, 2025

Dear Valued Customer,

We want to keep you informed about recent developments regarding tariffs that may impact the Baking and Food service industry. As of March 4, 2025, the U.S. government has imposed a 25% tariff on imports from Canada and Mexico. In response, the Canadian government has implemented retaliatory tariffs on certain U.S. goods.

At, Snow Cap we are closely monitoring the situation to understand its potential impact on pricing and supply chain. Here's what we are doing to support you:

- Monitoring the Situation: As a proudly Canadian, locally owned and operated company, we are closely monitoring the evolving tariff situation. We are assessing potential implications for you our Canadian customers, businesses and manufacturers.
- **Collaborating with Partners:** Our teams are actively evaluating the impact of these tariffs by analyzing country of origin data, seeking alternative supply and working closely with our manufacturer partners.
- **Optimizing Supply Chain:** We continue to optimize our supply chain to maintain as well as boosted inventories where possible on products that were potentially threatened by tariffs. We are expanding our list of alternative items, including more locally sourced products and international product not subject to the new tariffs.
- **Tariff Surcharge:** Although the tariff has been implemented, not all goods from the USA will see the 25% tariff increase. Some items are exempt, and some items will not change until we must reorder.
- **Timing:** Unfortunately, we will not be able to provide advance notice of tariff price changes. Should tariffs be lifted before time of reorder, you will not see a price adjustment. Once tariffs are removed, prices will be adjusted to pre tariff levels once the higher cost inventory has been depleted

We will continue to monitor the situation and provide any updates as they become available. As mentioned earlier, we do not anticipate immediate disruptions in our ability to fulfill your orders, but we will keep you updated should any changes arise.

If you have any questions or concerns, please do not hesitate to reach out to the Snow Cap sales team.

Thank you for your continued partnership and understanding!

Snow Cap Enterprises Ltd

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