



June 27, 2018

Subject: United States Trade Representative, Section 301, Trade Act of 1974

Dear valued customer,

On June 15, [U.S. Trade Representative Section 301 passed](#), confirming additional tariffs on certain products imported from China. The list includes 818 product lines (identified by HTS codes) of China origin that will be impacted with a 25 percent tariff increase when brought into the U.S., beginning July 6, 2018. A second list of 284 products also is under review and, by fall 2018, U.S. Trade Representative will issue a final determination on products from this list that will be subject to additional duties.

We recognize the impact these tariffs have across the industry. We are working with industry trade organizations and our supplier partners to implement the changes while minimizing disruption within the supply chain. Additionally, we are advocating for a reduced number of products identified on the second list that is currently under review.

Tariff increases on the original 818 products will be effective July 6, 2018. Arrow is collaborating with impacted suppliers to understand how they will pass along these new tariffs, and we expect that most will pass them along at 100%. Arrow will pass along the tariff increases beginning on the effective date.

We will provide additional details on Monday, July 2, 2018.

We appreciate your continued support as we navigate these unprecedented changes in our industry.

Sincerely,

John Drabik
President
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