

October 15, 2026

Dear Valued Customer,

At Balco USA, we remain committed to providing you with high-quality firestopping products, dependable service, and consistent product availability.

Annual Price Adjustment (Effective November 15, 2026)

In accordance with our policy of providing 30 days' advance notice, we are writing to inform you of our standard annual price adjustment. Effective **November 15, 2026**, Balco will implement a price increase ranging between **2.5% and 6%** across affected Metacaulk product lines. This adjustment reflects ongoing changes in general manufacturing, transportation, labor, and baseline operational expenses. Updated price lists are attached.

Global Graphite Supply Chain & Future Outlook

Looking ahead, we want to provide full transparency regarding emerging global market dynamics. China currently controls roughly 90% of the world's supply of expandable graphite. Due to increasing geopolitical risks, trade constraints, and heavy demand from electric vehicle battery manufacturing, the global supply chain for expandable graphite is under significant pressure.

Because expandable graphite is a key raw material used in select intumescent firestop caulks and devices, we anticipate passing along a targeted secondary price adjustment in the coming months specifically for products reliant on graphite. While we are actively working to mitigate these costs, we anticipate that this future adjustment will be between **7% and 14%**. We will keep you updated as conditions evolve. Affected products: MC1000, Joint Strip, Wrap Strip, Composite Sheet, Collars, Intumescent Sleeves, CIDs, Pass Thru Pro, Intumescent Pillows, Cover Guard, and Box Guard products.

Cost-Effective Alternative: Metacaulk® 150+

To help protect your project budgets from graphite-driven market volatility, we recommend considering **Metacaulk® 150+**:

- **Graphite-Free Economy:** Metacaulk 150+ delivers excellent intumescent performance without using any graphite, allowing its price point to remain significantly lower than graphite-dependent alternatives while meeting the specification and code requirements of the job site application.
- **Proven Performance:** With nearly 200 UL ratings including F, T, W and L, CPVC compatibility, 25% movement capabilities, 65 STC rating, and VOC compliance MC 150+ provides dependable, code-compliant protection across a wide range of job site applications.

We sincerely appreciate your business and continued partnership. Please reach out to your Balco/Metacaulk sales representative to discuss specific pricing, project requirements, or transitioning your orders to Metacaulk 150+.

Regards,



Earl Hernandez
Sr. Sales Manager
Office: 316.425.0754 | Cell: 779.513.0615 | earl.hernandez@balcousa.com