

March 29, 2018

Dear Valued HON Partner,

We are seeing higher than anticipated, broad material cost increases from our suppliers. The most significant increases are coming from steel and aluminum, partially driven by the recently announced U.S. tariffs. We have taken actions to minimize impacts, but the magnitude requires us to pass along a portion of this increase in July.

Effective July 1, 2018, we will be implementing a price adjustment on products offered under our HON & Sadie brands. The average adjustment is a 2.5% increase. The situation remains dynamic and we are only addressing the impacts which are known now.

To qualify for current pricing, including bids, orders must be received by HON before June 29, 2018 at 4:00 PM CST. Orders received after that time will be entered using the updated pricing.

- Orders with "Extended Delivery Dates" will be assigned new pricing
- Orders with "Targeted Delivery Dates" after July 19, 2018 will be assigned new pricing

Updated pricing files and specification software updates will be available in June. Should you require more specific pricing for projects prior to this time, you may contact HON Bid Group.

Thank you for your continued support of The HON Company.

Sincerely,

Brian Trego
Vice President, Product Management & Development
The HON Company