

October 11, 2018

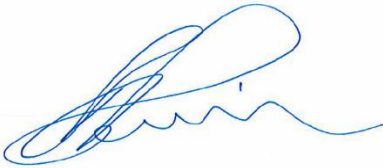
Dear Loyal Adaptall Customers,

In the month of September 2018, the Government of the United States imposed a Duty Tariff of 10% on a wide variety of products manufactured in China that are used in hydraulic and pneumatic systems. Adaptall engages the services of a handful of select manufacturing facilities as business partners in China.

Effective immediately our costs are increasing 10% however our current inventories did not have a 10% Duty Tariff applied to them so therefore we are proud to say to you that we **will not apply a surcharge until our inventories deplete to the point whereby it becomes a necessity**. Our loyal customers are already aware of our significant commitment to inventory. In the past 12 months, we have **not seen** one month with same day **fill rates below 95%**. That is simply because we KNOW what you need to help your customers maintain their international equipment and we maintain strong inventories to support you.

On behalf of all Adaptall employees and their families, I would like to say a simple Thank You.

Kind Regards,



Brian Rennie  
President

