

November 1, 2018

TENNANT CONFIDENTIAL COMMUNICATION

Dear: Customer

Below is information regarding the Tennant Company price increase effective January 1st, 2019. As is the case each year Tennant Company strives to balance the needs of our customers with external market realities. Currently, macro-economic conditions have caused drastic increases in material, labor & freight inflation, in addition to the inflation cost increases the tariffs have caused for the greatest challenges to manufacturers in recent history. A few of the major items that have significantly impacted costs are steel +34%, copper +10%, freight +4% and labor +2-5%.

Tennant Company has and will continue to work hard to drive efficiencies in our operations and supply chain. Although significant work has already been accomplished, Tennant Company has been unable to cover the entire cost of this historical cost impact, which is resulting in an average price increase of 6-8% across all products, effective January 1st, 2019.

The tables shown below highlight the key 2019 Tennant pricing adjustments. Tennant Company has and will continue to work diligently to negate the material, freight and labor inflation in addition to the tariff impacts.

Part of our commitment as a supplier partner is to deliver on our promise of innovative technologies which create a cleaner, safer, healthier world, while at the same time reducing the cost to clean for our customers. This means we must remain vigilant in reducing our internal costs to limit the impact of inflation on our customers. We will continue our strong R&D investment and new product launches, which is highlighted by our launch of an autonomous cleaning machine. Tennant is excited and poised for a great 2019, we thank you for being a valuable partner!

2019 Price Adjustments

Category - Commercial	Increase	Model
Riders, Ride-on, WB Scrubbers	5-7.5%	T7/SSR, T600/T600e, T500/T500e/SS500, T350/SS350, T300/T300e/SS300, T2, T1(B)/SS15(B), i-mop XL/XXL
Riders, WB, and Corded Burnishers	7%	B10/SGR, B7/SG7, B5/SG5, BR-2000-DC, BR-1600-NDC
Rider and WB Sweepers	7%	6100, 3640, S3/Scout 3, S5/Scout 5, S9/Scout 9
Riders, WB & Box Extractors	5-7%	R14/Strive Rider, 1610/Strive WB, 1510/Falcon Ultra, 1530/Falcon 2800, EX-SC-1020 & 1020P, R3/Strive Compact, E5/SpeedEx, EX-SC-716 & 412, E-series box extractors, EX-CAN-10
Vacuums	5-7%	All except V-HDU-14
Specialty	5-7%	Q12/QC12, ASC-15, and Blower
Others	10-15%	Spotter, Wet/Dry Vacs, Floor Machines, V-HDU-14

Category – On-site Generation	Increase	Model
Generators	6%	5000-Sc, os3
Dispensing systems	6%	os3 Satellite Systems & Components, Portable Dispensing Units (PDU)

Category – P&C	Change
Detergents	12.0%
Repair Parts	9.4%
Maintenance/Repair Parts	8.9%
Chargers	7.4%
Brushes	7.3%
Squeegees	7.2%
FCT P&C	7.0%
Dust Filters/Bags	6.7%
Batteries	6.6%
Pads	5.0%
Orbio Parts	6.0%
Diamond Floor Tools	4.0%
Overall Change	8.0%

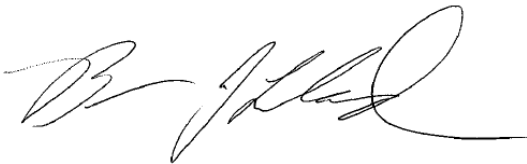
Category – Service	Change
Hassle-Free List Price	7%
Gold List Price	7%
Silver List Price	3%
Block of Time List Price	3%
Safety Inspections List price	3%
Road Runner National Hourly Rate	\$3/hr
Labor / Hour	\$3.00 state/county local rate

Category – IRIS	Change
Hardware	\$95
Data packages	No change

You can download the new 2019 price list from the website to your computer for both sustainability and ease of use. These options will be available in the beginning of November 2018.

Thank you for your continued business.

Best Regards,



Brian Leland
Vice President-North American Sales