

Date: January 29, 2019
To: C&I Distributor and Agent Partners
Subject: Update on USTR Tariffs and Pricing

On December 7, 2018 Eaton Lighting released a notification of the postponement of the up to 15% price increase on tariff-impacted SKUS, previously planned for January 1, 2019, to March 1, 2019.

Based on recent government proceedings, Eaton confirms that this increase of up to 15% will move into effect starting March 1, 2019 on select finished good SKUS manufactured in China, as well as other finished goods indirectly affected by tariffed components. This increase is part of the U.S. Department of Commerce and the U.S. Trade Representative (USTR) implementation of a 25% tariff, starting March 1, 2019.

Orders placed on or before February 28, 2019 with immediate release, defined as released for immediate manufacture and shipment, will be invoiced at current prices. Orders placed on or before February 28 without immediate release will be invoiced at the new prices. All orders, irrespective of quotation date, entered or released after February 28, 2019 will be invoiced at the new prices. Pending the above-mentioned changes, the Eaton Lighting ProSave distributor stock promotion may be subject to change starting March 1, 2019. Orders received prior to the increase will follow the terms of the current promotion.

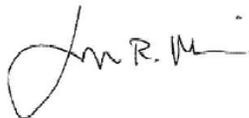
Details of the total increase, by individual product lines, can be obtained by contacting your Eaton Lighting sales representative.

We will continue to closely monitor USTR developments and communicate any changes that might impact our announced increases accordingly.

We are committed to our partners and customers and will continue to invest in developing and delivering innovative, cost-effective lighting solutions. We value your business and thank you for your continued support and patience as we both navigate through these dynamic times in our industry.

For additional information please contact your local Eaton Lighting salesperson.

Sincerely,



Joe Melchior
Vice President, Sales