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20 April 2020

Subject: Operations Impacts due to COVID-19

Dear Valued Customer:

AvtechTyee, Inc. is located in Everett Washington, USA, which has experienced a serious outbreak of the COVID-19 pandemic. In support of the health and safety of our employees and the community, we temporarily closed our facility on March 30<sup>th</sup>. After performing a deep cleaning of our factory, and further modifying workstations in support of social distancing, we resumed operations on April 13<sup>th</sup>. Shipping, receiving and manufacturing activities have restarted on our normal 9/80 workweek schedule. We continue to have staff that are able, working from home, and we believe that our response times are at or near normal levels for customer inquiries.

However, we are now seeing the majority of our OEM customers closing their facilities for various periods. Our commercial transport operator customers are the most severely impacted; we are seeing activity from them reduced by 90% compared with prior year's data. This shock has caused us to carefully consider how we can best control our costs. Therefore, we are planning two factory furloughs, each one week in duration. The first will start April 27<sup>th</sup>, with a resumption of operations on May 4<sup>th</sup>. The second will start June 29<sup>th</sup>, extending our normal July 4<sup>th</sup> holiday period. We will resume operation on July 6<sup>th</sup>. We believe, with careful scheduling and cooperation, that we will be able to minimize any delivery impact. Please work with your AvtechTyee sales administrator to move orders around these dates as is possible.

We continue to not allow visitors to our facility, both from suppliers and from customers. Our global supply chain remains intact, and to date, we have not identified any specific risks. Shipping of freight remains normal, and no material shortages specific to this crisis have emerged. We continue to closely monitor our suppliers and have established buffer stocks for critical items and materials.

Thank you for your continued support and patience during this global challenge affecting us all. Please contact myself, or your AvtechTyee Account Manager, for any further clarifications, or specific requests.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kevin Hanson'.

Kevin Hanson  
Director, Sales & Marketing  
AvtechTyee, Inc.  
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