



March 3rd, 2020

To whom it may concern,

As most of you are likely aware, the Coronavirus (Covid-19) outbreak has impacted most suppliers in China and, subsequently, supply chains worldwide. GMI is working closely with our suppliers in the affected regions to help ensure that we can minimize the impact to our customers. Many of these Asian suppliers are just coming back on-line and we continue to gather details on the specific impact to our orders with them. Where feasible, we have tried to bring in material early in an attempt to get ahead of potential increased delays. However, despite these efforts we are continuing to hear about upcoming extended lead times and potential material shortages. One of the largest areas of impact could be in IT related components as there was speculation of shortages in this market prior to the Coronavirus outbreak. We are also hearing about potential price increases from some of these IT related suppliers due to component shortages. Seagate, as an example has been indicating that price increases are pending.

Given the effect of the epidemic and shortages the issues certainly will be exacerbated.

This being the case, GMI is suggesting to our customers that you place your orders now so that we can attempt to get ahead of the cue for material. Although nobody can be certain as to the duration of the impact, many experts are suggesting it could last well into 2020. As such, we suggest your order coverage with us extends through the end of the year so that we can do our best to secure material and minimize impact.

We will continue to monitor the situation very closely and inform you of any delays to your orders with us as soon as we have any indication of such from our suppliers. We are pleased to report that none of our associates in China are infected and our facility is back up and running.

Again, please consider your full needs for the foreseeable future and provide the necessary order coverage so that we can best attempt to mitigate the business impact.

Best Regards,

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