



Carling Technologies®

Innovative Designs. Powerful Solutions.

To our valued customers:

As we have previously reported, Carling Technologies has received Force Majeure notice letters from all significant suppliers of nylon and polycarbonate resins citing interruptions in their supply of raw materials. These unforeseeable interruptions, each of which is entirely outside Carling's control, arose out of the severe adverse weather conditions experienced in the southern United States in late February, the prolonged disruption to major utilities and critical infrastructure, and the difficulty that raw material suppliers have had in bringing production online (the "Constraints").

Carling is and has been diligent in exercising all reasonable efforts to remain fully operational. We have been actively working with our suppliers to determine their allocation of product and how that allocation will affect our ability to produce, but to date any concrete information has been lacking.

We have previously communicated that these Constraints required us to extend our lead times and could threaten existing orders. Despite our diligent efforts, the severity and duration of the Constraints and lack of information on when they may be resolved have frustrated the fundamental purpose of Carling's orders and agreements with its suppliers and customers, and rendered Carling's full, timely performance of its orders impossible and commercially impracticable. Additionally, the Constraints, individually and in combination, constitute a Force Majeure under all applicable orders and agreements between Carling and its customers.

The existence of an impossibility, impracticability, and/or Force Majeure is temporary. It does not mean that Carling will be unable to supply any product at all, nor does it mean that Carling intends not to fulfill its orders. Rather, it means that our ability to exactly fulfill all of our customer requirements will be restricted for so long as the situation persists. Our customer service and supply chain teams are working diligently with our manufacturing, engineering and quality departments to mitigate the impact to your business by identifying alternative sources and materials and engaging with our suppliers to maximize the amount of material available to us, and we are committed to providing as much communication and information regarding our fulfillment capabilities as reasonably possible under the circumstances.

Accordingly, Carling reserves all its rights and remedies under all applicable orders and agreements and under applicable law. Carling shall not be responsible for any costs or charges related to the interruptions caused by the Constraints. This declaration applies to all existing and future orders until the impossibility/impracticability/Force Majeure no longer exists.

We are highly appreciative of the support that we have received during this unprecedented situation, and we are committed to providing a first-class customer experience for all of our accounts. We look forward to continuing our business relationship. We will keep you apprised of any updates regarding the impact of the Constraints on our business, as well as how we can move forward in a mutually productive manner after the current crisis has come to an end.

Best regards,

Peter D'Addario

Vice President, Sales