



Electrical Components International

2 March 2021

Notification of Force Majeure due to Resin Suppliers & Ongoing Impact from Covid-19

Dear Valued Customer,

Electrical Components International, Inc. and its affiliates ("ECI") are sending this notification of Force Majeure for all our operations in North America, EMEA, and Asia. Multiple ECI suppliers have declared Force Majeure following the severe winter storms in the United States which have negatively impacted the resin market. As a result, ECI is being negatively impacted by our suppliers that purchase resins for creation of components used in our end products. ECI is also experiencing issues in instances in which we purchase resins directly.

It is important to note that even prior to the recent weather issues in the United States, suppliers around the globe were unable to consistently fulfil their delivery commitments to ECI because of personnel shortages and supply chain disruptions due to Covid-19. As a result, many of ECI's component suppliers had already declared Force Majeure due to factors that they deem out of their control. Furthermore, ports and transportation networks are slowed due to increased demand and reduced capacity, greatly impacting on-time delivery across the supply chain.

ECI's facilities still face ongoing challenges with absenteeism and labor recruitment due to illness, quarantine, and/or an insufficient labor pool due to Covid-19 concerns. These challenges make it difficult to maintain a healthy, trained labor force, and they have a direct impact on ECI's ability to partially and/or totally perform under our agreements. ECI's Mexican operations declared Force Majeure on April 22nd, 2020, due to the government's enforcement of significant restrictions to control the spread of Covid-19; those restrictions remain in place today.

ECI will continue to do all within our ability to meet your company's needs. However, due to the nature and scope of this Force Majeure event, ECI will not assume responsibility for extra costs for expedites, overtime, line down charges, or similar costs or surcharges that result from the supply chain, labor challenges, and capacity constraints arising out of the current resin shortage or ongoing Covid-19 pandemic.

Despite all the challenges in the past year, ECI continues to focus our efforts to improve our business. We are investing in multiple projects to deliver operational excellence, enhance our global footprint, and deliver new products and services. We greatly appreciate your business and your commitment to ECI and look forward to a time when we can communicate a return to normalcy.

Please contact your Account Manager for any further questions or reach out to your ECI Customer Service contact for specific questions on existing orders.

Best regards,

Jeff Buck
President, Global Sales
Electrical Components International